

Stock Code: 6449



APAQ Technology Co., Ltd.

2025 Regular Annual Shareholders' Meeting

Meeting Handbook

May 26, 2025

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Procedures for 2025 Regular Shareholders' Meeting

- I. Meeting Called to Order**
- II. Chairperson's Remarks**
- III. Reports**
- IV. Items to be Adopted**
- V. Items for Discussion**
- VI. Extraordinary Motions**
- VII. Adjournment**

Agenda for 2025 Regular Shareholders' Meeting

Meeting Format: In-person with video assistance

Time: 9:00 a.m, Monday, May 26, 2025

Venue: 202 Vocational Training Room, 2nd Floor, Administrative Service Center, Zhunan Science Park, Hsinchu Science Park Bureau, Ministry of Science and Technology
(No. 36-2, Keyan Rd., Zhunan Township, Miaoli County 350, Taiwan (R.O.C.))

Video conference platform: Taiwan Depository & Clearing Corporation:

<https://stockservices.tdcc.com.tw>

Chapter 1 Meeting called to order: Emcee reports number of shares on attendance.

Chapter 2 Chairperson's Remarks

Chapter 3 Meeting Agenda:

(I) Reports

1. 2024 Business Report.
2. Audit Committee's Audit Report on the 2024 Business Report and Financial Statements.
3. Report on material transactions of the Company's related party transactions, financing endorsements, and derivatives investments in overseas markets and China in 2024.
4. Report on the distribution status of the remuneration to employees and directors.

(II) Items to be Adopted

1. 2024 Business Report and Financial Statements.
2. 2024 Earnings Distribution Plan.

(III) Items for Discussion

1. Discussion on the Company's "Articles of Incorporation."
2. Discussion on the proposal of release the prohibition on directors from participation in competitive business.

(IV) Extraordinary Motions

Chapter 4 Adjournment

(I) Reports

I. 2024 Business Report.

Description: Please refer to Attachment I (page 9) of the Meeting Handbook for the Company's 2024 Annual Business Report.

II. Audit Committee's Audit Report on the 2024 Business Report and Financial Statements.

Description: Please refer to Attachment II (page 11) of the Meeting Handbook for the Audit Committee's Audit Report.

III. Report on material transactions of the Company's related party transactions, investments in overseas markets and China, financing endorsements, and derivatives in 2024.

Description: Please refer to Attachment III (page 12 - 15) of the Meeting Handbook for the material transactions of the Company.

IV. Report on the distribution status of the remuneration to employees and directors.

Description:

1. The Company shall appropriate no less than 8% of the current year's profit as employee bonuses in cash or shares upon approval of the Board of Directors. Employee bonuses may be issued to employees in affiliate companies that meet certain criteria. The Company may appropriate no more than 3% of the above profit as Directors' remuneration upon approval of the Board of Directors. The distribution plan for the remuneration to employees and directors shall be reported at the shareholders' meeting.
2. The Company's profit for 2024 was NT\$668,132,518. It is proposed to allocate NT\$56,791,260 to employees as remuneration and NT\$16,703,312 to directors. A total of NT\$73,494,572 will be paid in cash.

(II) Items to be Adopted

Proposal I (Proposed by the Board of Directors)

Motion: The 2024 Business Report and Financial Statements submitted for adoption.

Description: The Consolidated Financial Statements and Parent Company Only Financial Statements for the year 2024 have been adopted by resolution by the Board of Directors on February 26, 2025, audited by the CPAs Wu Tsun-Yuan and Chen Cheng-Hsueh of KPMG Taiwan entrusted by the Board of Directors. Please refer to Attachment I, IV and V (page 9 and page 16 - 32) of the Meeting Handbook for the Business Report, Consolidated Financial Statements and Individual Financial Statements.

Resolution:

Proposal II (Proposed by the Board of Directors)

Motion: The 2024 Earnings Distribution Plan is submitted for adoption.

Description:

1. According to Article 27-1 of the Company's Articles of Incorporation, the earnings for the year 2024 will be distributed as follows:

APAQ Technology Co., Ltd.
2024 Earnings Distribution Table



Unit: NT\$

Item	Amount	Remarks
Retained Earnings at the Beginning of Period	821,990,585	
Add: Net income for 2024	534,394,344	
Add: Reversal of special reserve	75,302,351	
Less: Appropriation of legal reserve for 2024	53,439,434	
Distributable Earnings	1,378,247,846	
Distributable Items:		
Shareholder Dividends (Cash)	316,632,651	NT\$3.6 per share
Retained Earnings at the end of Period	1,061,615,195	

Note: The number of outstanding shares is 87,953,514.

Chairman:



Manager:



Accounting Manager:



2. As for the above-mentioned distributable items of shareholders' cash dividend, if the number of shares outstanding of the Company is affected by the change of the capital stock, and the dividend ratio of the shareholders is changed and needs to be revised, it is proposed that the Chairman shall be authorized to make the corresponding adjustment.
3. The cash dividends shall be calculated according to the distribution ratio to the nearest NT\$1 (round off). If the total fractional amount is insufficient to be less than NT\$1, it shall be incorporated into other income.
4. As for the dividend distribution, the Chairman shall be authorized to set the ex-dividend date, distribution date and other relevant matters.

Resolution:

(III) Items for Discussion

Proposal I (Proposed by the Board of Directors)

Motion: The amendment to the Company's Articles of Incorporation is hereby proposed for discussion.

Explanation: In line with the law and in cooperation with the issuance of new restricted employee shares, it is proposed to amend some articles of the Company's Articles of Incorporation. The comparison table of the articles before and after the amendment is as follows:

APAQ Technology Co., Ltd.

Comparison table of the articles before and after the amendment to the Articles of Incorporation

Article	Articles after Amendment	Articles before Amendment	Reasons for Amendment
Article 27	If the Company has gained profits within a fiscal year, 8% or more of the profits shall be reserved as the employees' compensation, <u>of which no less than 10% shall be specifically allocated for distribution to grassroots employees,</u> which shall be distributed by a resolution adopted by the board meeting in the form of shares or in cash. Qualification requirements of employees, including the employees of subsidiaries of the Company meeting certain specific requirements. The Company shall allocate not more than 3% of the proceeding profits as the remuneration of directors by a resolution adopted by the board meeting. The distribution plan for the remuneration to employees and directors shall be reported at the shareholders' meeting. However, in case of the accumulated losses, certain profits shall first be reserved to cover them, and then reserve remuneration to employees and directors in accordance with the proportion mentioned in the preceding paragraph.	If the Company has gained profits within a fiscal year, 8% or more of the profits shall be reserved as the employees' compensation, which shall be distributed by a resolution adopted by the board meeting in the form of shares or in cash. Qualification requirements of employees, including the employees of subsidiaries of the Company meeting certain specific requirements. The Company shall allocate not more than 3% of the proceeding profits as the remuneration of directors by a resolution adopted by the board meeting. The distribution plan for the remuneration to employees and directors shall be reported at the shareholders' meeting. However, in case of the accumulated losses, certain profits shall first be reserved to cover them, and then reserve remuneration to employees and directors in accordance with the proportion mentioned in the preceding paragraph.	Amended in accordance with Article 14 of the Securities and Exchange Act
Article 33	These Articles of Incorporation were formulated by the sponsors' meeting with the consent of all the sponsors on December 23, 2005,	These Articles of Incorporation were formulated by the sponsors' meeting with the consent of all the sponsors on December 23, 2005,	Add the amendment date

Article	Articles after Amendment	Articles before Amendment	Reasons for Amendment
	<p>and came into force on the date of approval and registration by the competent authority.</p> <p>The first amendment was made on July 7, 2006, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The second amendment was made on June 26, 2009, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The third amendment was made on June 25, 2010, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The fourth amendment was made on June 22, 2011, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The fifth amendment was made on June 22, 2012, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The sixth amendment was made on June 25, 2013, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The seventh amendment was made on June 12, 2014, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The eighth amendment was made on June 23, 2015, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The ninth amendment was made on June 23, 2016, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The tenth amendment was made on June 20, 2017, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The eleventh amendment was made on June 26, 2018, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The twelfth amendment was made on June 19, 2019, and taken into</p>	<p>and came into force on the date of approval and registration by the competent authority.</p> <p>The first amendment was made on July 7, 2006, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The second amendment was made on June 26, 2009, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The third amendment was made on June 25, 2010, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The fourth amendment was made on June 22, 2011, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The fifth amendment was made on June 22, 2012, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The sixth amendment was made on June 25, 2013, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The seventh amendment was made on June 12, 2014, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The eighth amendment was made on June 23, 2015, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The ninth amendment was made on June 23, 2016, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The tenth amendment was made on June 20, 2017, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The eleventh amendment was made on June 26, 2018, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The twelfth amendment was made on June 19, 2019, and taken into</p>	

Article	Articles after Amendment	Articles before Amendment	Reasons for Amendment
	<p>effect by the resolution of the shareholders' meeting.</p> <p>The thirteenth amendment was made on June 17, 2020, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The fourteenth amendment was made on June 21, 2022, and taken into effect by the resolution of the shareholders' meeting.</p> <p><u>The fifteenth amendment was made on May 26, 2025, and taken into effect by the resolution of the shareholders' meeting.</u></p>	<p>effect by the resolution of the shareholders' meeting.</p> <p>The thirteenth amendment was made on June 17, 2020, and taken into effect by the resolution of the shareholders' meeting.</p> <p>The fourteenth amendment was made on June 21, 2022, and taken into effect by the resolution of the shareholders' meeting.</p>	

Resolution:

Proposal II (Proposed by the Board of Directors)

Motion: The lifting of the non-compete restriction on the directors is hereby proposed for discussion.

Explanation: According to Article 209 of the Company Act, a director 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. If the proposed act of the director submitted to the meeting of shareholders for approval does not harm the interests of the company, the director may be exempt from the restrictions of Article 209 of the Company Act. The proposed exemption is as follows:

Title	Name	Concurrent company and position
Chairman	Cheng Tun-Jen	Juristic-person Chairman Representative of AiPAQ Technology Co., Ltd. Juristic-person Director Representative of Phoenix Innovation & Venture Capital Co., Ltd.
Director	Wu Yung-Tsai	Independent Director of AURAS Technology Co., Ltd.
Director	Hsieh Ming-Yen	Chairman of Youqi Investment Co., Ltd. Chairman of TECHWORLD ELECTRONICS SINGAPORE PTE. LTD Chairman of TECHWORLD ELECTRONICS (M) SDN. BHD. Director of I-SEE Vision Technology Inc. Director of AZ Venture Investment II Limited.

Resolution:

(IV) Extraordinary Motions

Adjournment

APAQ Technology Co., Ltd. 2024 Business Report

I. Business Policy, Implementation Overview and Profitability Analysis

APAQ Technology is committed to the development of conductive polymer materials technology and components, with the best quality and cost, to serve global customers, as an international professional solid state capacitor manufacturing company.

As server application demands continue to expand, Vchip and Cap's deployment in this field is gradually gaining traction. The results of market adoption are becoming increasingly evident, effectively driving steady overall demand growth. Hybrid, in response to the application demands of 48V server systems, is seeing a continued increase in the adoption of its 63V and 80V products in customer designs. CAP products, benefiting from improved technical specifications and production efficiency, have successfully expanded their shipment scale and increased their market share in the laptop sector. In summary, in the fiscal year 2024, the shipment volume of each product line experienced significant growth compared to the fiscal year 2023, resulting in record-high revenue and gross profit.

II. Results of Business Plan Implementation and Execution of Revenue and Expenditure Budget

1. Implementation Results of Business Plan

Unit: NT\$ thousand

Item	2024	2023	Growth rate
Net operating revenue	3,495,668	2,934,913	19.11%
Gross profit	1,045,244	796,853	31.17%
Operating profit	525,745	377,243	39.37%
Net profit for the period is attributable to:			
Owners of parent company	534,394	328,378	62.74%
Non-controlling equity	(22,579)	0	Note
Total	511,815	328,378	55.86%

Note: On February 15, 2024, the Company participated in a capital increase by cash to acquire a 22% equity stake in AiPAQ Technology, resulting in a shareholding ratio in AiPAQ Technology increased from 30% to 52%, thereby gaining control over AiPAQ Technology. Consequently, as of the acquisition date, AiPAQ Technology has become a subsidiary of the Company.

2. Budget execution for operating income and expenditures: Not applicable.

III. Research and Development


In 2025, APAQ will continue to develop new products for application in the high-end market.

- (1) High Reliability Products (CAP/Vchip/Hybrid for AI Server/AI PC/EV)
- (2) Small Size & Thinner Products (CAP 1H, SMLC B-size for NB)

- (3) Thinner Products (Vchip for NB)
- (4) High Ripple & Low ESR Products (Hybrid for AI Server/EV)

IV. Vision of Continuous Growth

Thanks to the full support of all shareholders, the team has been able to complete the building of production capacity and the development of various new products steadfastly and continuously in the past year, laying a solid foundation for the company's sustainable development. As the Company enters a phase of rapid growth, we sincerely request the continued support and affirmation of our shareholders.

Chairman: 

Manager: 

Accounting Manager: 


**APAQ Technology Co., Ltd.
Audit Committee's Audit Report**

The Board of Directors has prepared the Company's Annual Business Report, Consolidated Financial Statements, Parent Company Only Financial Statements and Earnings Distribution Plan for 2024, in which the Consolidated Financial Statements and Parent Company Only Financial Statements have been audited by the CPAs Wu Tsun-Yuan and Chen Cheng-Hsueh of KPMG Taiwan, with the audit report issued. The aforementioned Annual Business Report, Consolidated Financial Statements, Parent Company Only Financial Statements and Earnings Distribution Plan have been verified by the Audit Committee and deemed as appropriate, and reported as above in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act for approval.

Sincerely,

2025 Regular Shareholders' Meeting of APAQ TECHNOLOGY CO., LTD.

Convener of the Audit Committee:

Handwritten signature in black ink, appearing to be '劉仲明' (Liu Zhongming).

February 26, 2025

APAQ Technology Co., Ltd.

Material transactions of the related party transactions, investments in overseas markets and China, financing endorsements, and derivatives in 2024

(I) Information on significant transactions

In accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the merged company shall disclose the following information concerning material transactions:

1. Financing provided to others:

No.	Financing company	Financing counterparty	Financial statement account	Related party	Maximum balance for the period	Balance at end of the period	Actual amount drawn down	Interest rate range	Nature of financing	Transaction amount	Reason for short-term financing	Loss allowance	Collateral		Financing limits for each borrowing company	Financing company's total financing amount limits
													Name	Amount		
0	The Company	APAQ Wuxi	Other receivables - related parties	Yes	164,175	163,925	-	-	Business transaction	2,307,963	Business needs of subsidiary	-		-	392,047	1,568,189
0	The Company	APAQ Hubei	Other receivables - related parties	Yes	164,175	163,925	-	-	Short-term financing facility	-	Business needs of subsidiary	-		-	392,047	1,568,189
0	The Company	AiPAQ Technology CO., LTD	Other receivables - related parties	Yes	80,000	80,000	-	-	Short-term financing facility	-	Business needs of subsidiary	-		-	392,047	1,568,189

Note 1: The amount of the Company's loan to an individual company or business with which the Company has a business relationship shall be limited to the total value of the underlying transactions between the parties.

Note 2: The Company's limit for loans to a single enterprise shall not exceed 10% of the equity attributable to owners of the parent as specified in the balance sheet of the Company's consolidated financial statements audited and certified by a CPA for the most recent year. The total aggregate amount of loans to others shall be limited to 40% of the equity attributable to owners of the parent as specified in the balance sheet of the Company's consolidated financial statements audited and certified by a CPA for the most recent year.

2. Endorsement or guarantee provided to others:

No.	Name of endorsement/guarantee provider	Endorsement/guarantee counterparty		Limit on endorsement/guarantee amount provided to each guaranteed party	Maximum balance for the period	Balance at end of the period	Actual amount drawn down	Amount of endorsement/guarantee collateralized by properties	Ratio of accumulated endorsement/guarantee to net equity per latest financial statements	Maximum endorsement/guarantee amount allowable	Guarantee provided by parent company to a subsidiary	Guarantee provided by a subsidiary to parent company	Guarantee provided to subsidiaries in Mainland China
		Name	Relationship										
0	The Company	APAQ Wuxi	Subsidiary	3,920,474	164,175	163,925	-	-	4.18%	3,920,474	Y	N	Y
0	The Company	APAQ Hubei	Subsidiary	3,920,474	164,175	163,925	-	-	4.18%	3,920,474	Y	N	Y
0	The Company	AiPAQ Technology CO., LTD	Subsidiary	3,920,474	80,000	80,000	-	-	2.04%	3,920,474	Y	N	N

Note 1: The amount of endorsement/guarantee for a single entity is limited to the amount of the Company's most recent consolidated financial statements audited by the CPA attributable to the parent company's owner's equity.

Note 2: The total amount of endorsements/guarantees to external parties shall be limited to the amount of equity attributable to the owners of the parent company in the balance sheet of the Company's consolidated financial statements as audited (reviewed) by the CPAs in the most recent period.

3. Holding of marketable securities at the end of the period (excluding investments in subsidiaries, associates and joint ventures):

Held company	Marketable securities type and name	Relationship with the issuer	Financial statement account	End of the period				Remarks
				Shares	Carrying amount	Shareholding ratio	Fair value	
The Company	U.S. Treasury bonds	None	Financial assets at fair value through profit or loss - current	16,000	47,079	-%	47,079	
The Company	Kaiwei Venture Capital	None	Financial assets at fair value through profit or loss - non-current	600	5,409	5.39%	5,409	
The Company	Foxfortune Technology Ventures Limited	None	Financial assets measured at fair value through other comprehensive income - non-current	624	21,878	5.80%	21,878	
The Company	Inpaq Korea	None	Financial assets measured at fair value through other comprehensive income - non-current	18	2,517	10.73%	2,517	
The Company	Element I Venture Capital Co., Ltd.	None	Financial assets measured at fair value through other comprehensive income - non-current	1,480	13,305	3.64%	13,305	
The Company	Kuan Kun Electronic Enterprise Co., Ltd.	None	Financial assets measured at fair value through other comprehensive income - non-current	3,770	158,114	5.39%	158,114	
The Company	AICP Technology Corporation	None	Financial assets measured at fair value through other comprehensive income - non-current	240	2,119	3.20%	2,119	
The Company	IPU Semiconductor Co., Ltd.	None	Financial assets measured at fair value through other comprehensive income - non-current	800	32,625	8.00%	32,625	
The Company	WK Technology Fund IX II Ltd.	None	Financial assets measured at fair value through other comprehensive income - non-current	3,000	26,430	2.67%	26,430	
The Company	I-See Vision Technology Inc.	None	Financial assets measured at fair value through other comprehensive income - non-current	2,500	32,286	11.18%	32,286	
The Company	Syntec Technology Co., Ltd.	None	Financial assets measured at fair value through other comprehensive income - non-current	1,400	695,576	2.14%	695,576	
The Company	Phoenix VI Innovation & Venture Capital Co., Ltd.	None	Financial assets measured at fair value through other comprehensive income - non-current	5,000	43,350	2.54%	43,350	

4. Individual securities acquired or disposed of with accumulated amount of at least NT\$300 million or 20 percent of the paid-in capital:

Company Name	Marketable securities type and name	Financial statement account	Counter party	Relationship	Beginning balance		Acquisition		Disposal				End of the period	
					Shares	Amount	Shares	Amount	Shares	Amount	Carrying value	Gains/loss on disposal	Shares	Amount (note)
The Company	Syntec Technology Co., Ltd. Common Stock	Financial assets measured at fair value through other comprehensive income - non-current	None	None	-	-	1,400	210,000	-	-	-	-	1,400	210,000

Note: This refers to the acquisition cost.

- Acquisition of real estate reaching NT\$300 million or 20 percent of paid-in capital or more: None.
- Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: None.
- Related party transactions with purchase or sales amount of at least NT\$100 million or 20% of the paid-in capital: None.

Company	Counterparty	Relationship	Transaction Details				Details of non-arm's length transaction		Notes/accounts receivable or payable		Remarks
			Purchases/sales	Amount	Percentage of total purchases (sales)	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total receivables (payables)	
The Company	APAQ Wuxi	Subsidiary	Purchases	2,307,963	99%	60 days monthly settlement	-	Note 1	(646,277)	97%	Note 2
The Company	APAQ Wuxi	Subsidiary	Sales	102,727	3%	60 days monthly settlement	-	Note 1	31,551	2%	Note 2
APAQ Wuxi	APAQ Hubei	Same parent company	Purchases	613,905	37%	120 days monthly settlement	-	Note 1	(219,670)	32%	Note 2

Note 1: The payment term of general suppliers ranges from 30 days to 90 days on monthly settlement, and the payment term for APAQ Wuxi and APAQ Hubei are 60 days and 120 days settlement time.

Note 2: Related transactions and ending balances have been eliminated from the consolidated financial statements.

8. Receivables from related party reach NT\$100 million or 20% of paid-in capital amount:

Company	Counterparty	Relationship	Balance of receivables from related parties	Turnover rate	Overdue receivables from related parties		Amounts received in subsequent periods (Note)	Loss allowance
					Amount	Treatment method		
APAQ Wuxi	The Company	Parent-subsidiary	646,277	-	-	-	9,818	-
APAQ Hubei	APAQ Wuxi	Same parent company	219,670	-	-	-	76,443	-

Note: It refers to the recovery status as of January 20, 2025.

9. Trading in derivative instruments: None.

10. Parent-subsidiary company business relation and significant transactions:

No.	Company	Counterparty	Nature of relationship	Transaction details			
				Financial statement account	Amount	Transaction Terms	Percentage of consolidated revenue or assets
0	The Company	APAQ Wuxi	Parent-subsidiary	Purchases	2,307,963	60 days monthly settlement	66%
0	The Company	APAQ Wuxi	Parent-subsidiary	Sales	102,727	60 days monthly settlement	3%
0	The Company	APAQ Wuxi	Parent-subsidiary	Accounts payable	646,277	60 days monthly settlement	9%
1	APAQ Wuxi	APAQ Hubei	Subsidiary-subsidiary	Purchases	613,905	120 days monthly settlement	18%
1	APAQ Wuxi	APAQ Hubei	Subsidiary-subsidiary	Accounts payable	219,670	120 days monthly settlement	3%

(II) Information on reinvestment:

The information on investees is as follows (excluding investees in Mainland China):

Investor company	Investee company	Location	Primary business	Original investment amount		Ending balance			Highest ownership percentage during the period	Net income (loss) of the investee for the period	Investment profit or loss recognized for the period	Remarks
				End of the period	End of last year	Shares	Percentage	Carrying amount				
The Company	APAQ Samoa	Samoa	Holding	1,405,325	1,396,226	45,392	100%	2,606,367	100.00%	231,634	208,460	Subsidiary, Note 1 and Note 2
The Company	AiPAQ Technology CO., LTD	Taiwan	Production and sales of electronic components	181,920	30,000	11,440	52%	181,459	52.00%	(47,498)	(24,598)	Subsidiary, Note 2
The Company	JDX Technology Co., Ltd.	Taiwan	Production and sales of electronic components	-	7,000	-	- %	-	23.33%	(6,584)	(1,536)	Associate

Note 1: Share of profit/loss includes adjustments for upstream transactions between associates.

Note 2: Related transactions and ending balances have been eliminated from the consolidated financial statements.

(III) Information on investments in Mainland China:

1. Information on reinvestments in Mainland China:

Investee company	Primary Business	Paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of beginning of the period	Investment flows		Accumulated outflow of investment from Taiwan as of end of the period	Net income (loss) of the investee for the period	The Company's percentage of direct or indirect ownership	Highest ownership percentage during the period	Investment profit or loss recognized for the period	Carrying amount of investment at the end of period	Accumulated inward remittance of investment earnings as of the end of period	Remarks
					Outflow	Inflow								
APAQ Wuxi	Production and sales of electronic components	1,262,893 (USD41,700 thousand)	Note 2	1,293,113 (USD41,700 thousand)	-	-	1,293,113 (USD41,700 thousand)	239,824	100%	100.00%	239,824 Note 3	2,593,067 Note 3	-	
Shenzhen Gather Electronics Science Co., Ltd.	Production and sales of electronic components	72,973 (RMB16,000 thousand)	Note 2	44,898 (RMB9,800 thousand)	9,099 (RMB2,100 thousand)	-	53,997 (RMB11,900 thousand)	(8,991)	35%	35.00%	(3,220) Note 3	59,077 Note 3	-	Associate
APAQ Hubei	Production and sales of electronic components	270,787 (USD8,800 thousand)	Note 1	247,184 (USD8,500 thousand)	15,222 (USD300 thousand)	-	256,755 (USD8,800 thousand)	67,480	100%	100.00%	68,727 Note 3	464,454 Note 3	-	

2. Limits of reinvestments in Mainland China:

Accumulated investment remitted from Taiwan to Mainland China at the end of the current period (Note 4)	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 4)	Upper limit on investment authorized by MOEAIC
1,603,865 (USD50,200 thousand and RMB9,800 thousand)	1,643,207 (USD53,700 thousand and RMB11,900 thousand)	(Note 5)

Note 1: Direct investment in Mainland China.

Note 2: Investment in Mainland China indirectly through a third region.

Note 3: It was recognized based on financial statements of the same period audited by the CPAs.

Note 4: The paid-in capital is converted into NT dollars at the exchange rate on the balance sheet date. The amount of investment remitted in the current period is converted into NT dollars at previous exchange rates. The investment amount approved by Investment Commission, MOEA of US\$53,700 thousand and RMB11,900 thousand is converted into NT dollars at previous exchange rates. In addition, as of December 31, 2024, there are approved investment amounts of US\$3,200 thousand, of which US\$2,000 thousand had lapsed due to non-execution within three years, and the remaining US\$1,200 thousand had not been remitted.

Note 5: The Company has obtained the certificate letter of enterprise headquarters operation scope issued by the Industrial Development Bureau, MOEA. The upper limits for investments in Mainland China set by the Investment Commission, MOEA no longer apply.

Independent Auditors' Report

To the Board of Directors of APAQ TECHNOLOGY CO., LTD.

Opinions

We have audited the accompanying consolidated balance sheet of APAQ TECHNOLOGY CO., LTD. and its subsidiaries (the "Group") as of December 31, 2024, and 2023, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the years then ended, and notes to consolidated financial statements (including a summary of significant accounting policies).

In our opinion, based on our audits and the audit reports of other independent accountants, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024, and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) as endorsed by the Financial Supervisory Commission (FSC).

Basis for Opinions

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards. Our responsibilities under those standards are further described in the section titled Auditor's Responsibilities for the Audit of the Consolidated Financial Statements. We are independent of the Group in accordance with the Code of Professional Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not express a separate opinion on these matters. Key audit matters for the Group's financial statements of the current period are stated as follows:

Inventory assessment

For accounting policies related to inventory assessment, please refer to Note IV(VIII) Inventory of the financial statements. For accounting estimates and assumption uncertainty for inventory assessment, please refer to Note V of the consolidated financial statements. Relevant details can be found in Note VI(V) Net Inventory.

Description of key audit matters:

Since inventory is measured by the lower of cost and net realizable value, companies need to employ judgments and estimates to determine the net realizable value of inventory on the reporting date. Due to the rapid evolution in technology, the net realizable value fluctuates and potentially leads to significant changes. Therefore, the assessment for the allowance for price decline in inventories is one of the important evaluation items for the accountant when auditing the Group's consolidated financial statements.

How our audit addressed the matter:

Our main audit procedure for the aforementioned key matters includes obtaining the inventory aging report and checking the general ledger, selecting appropriate samples from the inventory aging report to compare with the transaction documents to verify that the inventory has been placed in the appropriate interval of the inventory aging report, understanding the management's strategy for calculating the net realizable value and checking relevant documents, evaluating the reasonableness of the inventory price decline and the policy for taking stock of obsolete and slow-moving inventories, assessing whether the inventory evaluation has been implemented in accordance with the established accounting policies, and evaluating whether the management's disclosure for allowance for price decline in inventories is reasonable.

Other Matters

We have audited and expressed an unqualified opinion with other matter sections on the parent company only financial statements of APAQ TECHNOLOGY CO., LTD. as at and for the years ended December 31, 2024, and 2023.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) as endorsed by the Financial Supervisory Commission (FSC), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with the Group's governance, including the Audit Committee, are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with auditing standards, we maintain professional skepticism throughout the audit. We also perform the following tasks:

- I. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- II. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- III. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- IV. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 the Group to cease to continue as a going concern.
- V. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- VI. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Taiwan

CPAs:

Securities Competent	:	Jin-Guan-Zheng-Shen-Zi No.
Authority Approval No.		1040007866
		Jin-Guan-Zheng-Shen-Zi No.
		1020002066

February 26, 2025

APAQ TECHNOLOGY CO., LTD. and Subsidiaries

Consolidated Balance Sheet

For the years ended December 31, 2024, and 2023

Unit: NT\$ thousands

		2024.12.31		2023.12.31				2024.12.31		2023.12.31	
Assets		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:											
1100	Cash and cash equivalents [Note VI(I)]	\$ 1,541,797	22	1,124,174	23	2100	Short-term loans [Note VI(XII)]	\$ 1,420,000	21	837,000	17
1110	Financial assets at fair value through profit or loss - current [Note VI(II)]	47,079	1	29,775	1	2170	Accounts payable	527,553	8	353,109	7
1150	Notes receivable [Note VI(IV)]	49,086	1	49,562	1	2180	Accounts payable - related parties [Note VII]	10,303	-	12,921	-
1170	Accounts receivable [Note VI(IV)]	1,500,079	22	1,166,299	24	2201	Payroll and bonus payable	191,576	3	137,035	3
1180	Accounts receivable - related parties [Notes VI(IV) & VII]	73,360	1	60,048	1	2213	Payable on equipment	36,175	-	27,339	1
1310	Inventories, net [Note VI(V)]	728,218	10	684,754	14	2280	Lease liabilities - current [Note VI(XIV)]	25,480	-	14,294	-
1479	Other current assets [Note VI(X)]	125,678	2	53,485	1	2322	Long-term loans due within one year or one operating cycle [Note VI(XIII)]	158,634	2	152,111	3
		4,065,297	59	3,168,097	65	2399	Other current liabilities	243,709	4	153,414	3
								2,613,430	38	1,687,223	34
Non-current assets:											
1510	Financial assets at fair value through profit or loss - non-current [Note VI(II)]	5,409	-	-	-	2540	Long-term loans [Note VI(XIII)]	152,185	2	310,389	6
1517	Financial assets at fair value through other comprehensive income - non-current [Note VI(III)]	1,028,200	15	212,957	4	2570	Deferred income tax assets [Note VI(XV)]	11,050	-	-	-
1550	Investments accounted for under the equity method [Note VI(VI)]	59,077	1	76,665	2	2580	Lease liabilities - non-current [Note VI(XIV)]	42,921	1	10,368	-
1600	Property, plant and equipment [Note VI(VIII)]	1,437,947	21	1,296,039	26			206,156	3	320,757	6
1755	Use of Assets (Note VI(IX) and (XIV))	78,343	1	34,754	1		Total liabilities	2,819,586	41	2,007,980	40
1780	Intangible assets [Note VI(XI)]	76,115	1	25,215	-		Equity [Note VI (XVII)]:				
1840	Deferred income tax assets [Note VI(XVI)]	46,246	1	61,284	1	3100	Share capital	889,535	13	889,535	18
1920	Refundable deposits	11,140	-	29,007	1	3200	Capital surplus	768,527	11	768,493	16
1990	Other non-current assets [Note VI(X)]	50,572	1	18,337	-	3300	Retained earnings	1,704,124	25	1,372,023	28
		2,793,049	41	1,754,258	35	3400	Other equity	598,662	9	(75,302)	(1)
						3500	Treasury shares	(40,374)	(1)	(40,374)	(1)
							Total equity attributable to owners of parent	3,920,474	57	2,914,375	60
						36XX	Non-controlling interests [Note VI (XVII)]	118,286	2	-	-
							Total equity	4,038,760	59	2,914,375	60
Total assets		\$ 6,858,346	100	4,922,355	100		Total liabilities and equity	\$ 6,858,346	100	4,922,355	100

(Please refer to the attached notes of the consolidated financial statements for details)

Chairman: Dr. DJ Zheng

Manager: Shi-Dong Lin

Accounting Manager: Pei-Ling Li

APAQ TECHNOLOGY CO., LTD. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years ended December 31, 2024, and 2023

Unit: NT\$ thousands

	2024		2023	
	Amount	%	Amount	%
4110 Net sales revenue [Notes VI(XX) & VII]	\$ 3,495,668	100	2,934,913	100
5110 Cost of goods sold [Notes VI(V),(VIII), (IX), (XXI) & VII]	2,450,424	70	2,138,060	73
5950 Gross profit	1,045,244	30	796,853	27
6000 Operating expenses [Notes VI (VIII), (IX), (XIV), (XXI) & VII]:				
6100 Selling expenses	149,964	4	124,346	4
6200 Administrative expenses	219,410	7	189,750	6
6300 Research and development expenses	150,125	4	105,514	4
Total operating expenses	519,499	15	419,610	14
6900 Operating income	525,745	15	377,243	13
7000 Non-operating income and expenses				
7020 Other gains and losses [Notes VI(II), (VII) & (XXII)]	47,854	2	37,662	-
7050 Finance costs [Notes VI(XIV) & (XXII)]	(31,322)	(1)	(29,448)	(1)
7100 Interest income [Notes VI(XXII)]	34,125	1	18,441	1
7230 Foreign exchange gain (loss) [Note VI(XXIII)]	111,487	3	24,185	1
7370 Share of profit or loss of associates accounted for under the equity method [Note VI(VI)]	(4,893)	-	(6,293)	-
Non-operating income and expenses, net	157,251	5	44,547	1
7900 Income before income tax	682,996	20	421,790	14
7950 Less: Income tax expense [Note VI(XVI)]	171,181	5	93,412	3
Net income for the period	511,815	15	328,378	11
8300 Other comprehensive income:				
8310 Items that may not be reclassified subsequently to profit or loss				
8316 Unrealized valuation gains (losses) from investments in equity instruments at fair value through other comprehensive income	561,561	16	100,014	3
Total of items that may not be reclassified subsequently to profit or loss	561,561	16	100,014	3
8360 Items that may be reclassified subsequently to profit or loss				
8361 Financial statements translation differences of foreign operations	140,504	4	(44,000)	(1)
8399 Less: Income tax related to items that may be reclassified [Note VI(XVI)]	(28,101)	1	8,800	-
Total of items that may be reclassified subsequently to profit or loss	112,403	3	(35,200)	(1)
8300 Other comprehensive income, net of tax	673,964	19	64,814	2
8500 Total comprehensive income	<u>\$ 1,185,779</u>	<u>34</u>	<u>393,192</u>	<u>13</u>
Net income attributed to:				
8610 Owners of the parent company	\$ 534,394	16	328,378	11
8620 Non-controlling interests	(22,579)	(1)	-	-
	<u>\$ 511,815</u>	<u>15</u>	<u>328,378</u>	<u>11</u>
Total comprehensive income attributed to:				
8710 Owners of the parent company	\$ 1,208,358	35	393,192	13
8720 Non-controlling interests	(22,579)	(1)	-	-
	<u>\$ 1,185,779</u>	<u>34</u>	<u>393,192</u>	<u>13</u>
Earnings per share (Unit: NT\$) [Note VI(XIX)]				
9750 Basic earnings per share	<u>\$ 6.08</u>		<u>3.73</u>	
9850 Diluted earnings per share	<u>\$ 6.04</u>		<u>3.71</u>	

(Please refer to the attached notes of the consolidated financial statements for details)

Chairman: Dr. DJ Zheng

Manager: Shi-Dong Lin

Accounting Manager: Pei-Ling Li

APAQ TECHNOLOGY CO., LTD. and Subsidiaries
Consolidated Statements of Changes in Equity
For the Years ended December 31, 2024, and 2023

Unit: NT\$ thousands

	Retained earnings						Other equity items						
	Share capital - common shares	Capital surplus	Legal reserve	Special reserve	Unappropri ated retained earnings	Total	Financial statements translation differences of foreign operations	Gains on equity instruments investment at fair value through other comprehens ive income	Total	Treasury shares	Total equity attributable to owners of parent	Non- controlling interests	Total equity
Balance as of January 1, 2023	\$ 889,535	765,757	196,753	98,691	860,465	1,155,909	(66,870)	16,783	(50,087)	(40,374)	2,720,740	-	2,720,740
Net income for the period	-	-	-	-	328,378	328,378	-	-	-	-	328,378	-	328,378
Other comprehensive income for the period	-	-	-	-	-	-	(35,200)	100,014	64,814	-	64,814	-	64,814
Total comprehensive income	-	-	-	-	328,378	328,378	(35,200)	100,014	64,814	-	393,192	-	393,192
Earnings appropriation and distribution:													
Appropriation of legal reserve	-	-	33,843	-	(33,843)	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(48,604)	48,604	-	-	-	-	-	-	-	-
Cash dividends of common shares	-	-	-	-	(202,293)	(202,293)	-	-	-	-	(202,293)	-	(202,293)
Effect of changes in percentage of shareholding in long-term equity investments	-	2,736	-	-	-	-	-	-	-	-	2,736	-	2,736
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	90,029	90,029	-	(90,029)	(90,029)	-	-	-	-
Balance as of December 31, 2023	889,535	768,493	230,596	50,087	1,091,340	1,372,023	(102,070)	26,768	(75,302)	(40,374)	2,914,375	-	2,914,375
Net profit (loss) for the period	-	-	-	-	534,394	534,394	-	-	-	-	534,394	(22,579)	511,815
Other comprehensive income for the period	-	-	-	-	-	-	112,403	561,561	673,964	-	673,964	-	673,964
Total comprehensive income	-	-	-	-	534,394	534,394	112,403	561,561	673,964	-	1,208,358	(22,579)	1,185,779
Earnings appropriation and distribution:													
Appropriation of legal reserve	-	-	41,841	-	(41,841)	-	-	-	-	-	-	-	-
Appropriation of special reserve	-	-	-	25,216	(25,216)	-	-	-	-	-	-	-	-
Cash dividends of common shares	-	-	-	-	(202,293)	(202,293)	-	-	-	-	(202,293)	-	(202,293)
Exercise of disgorgement	-	34	-	-	-	-	-	-	-	-	34	-	34
Non-controlling interests arising from mergers and acquisitions	-	-	-	-	-	-	-	-	-	-	-	140,865	140,865
Balance as of December 31, 2024	\$ 889,535	768,527	272,437	75,303	1,356,384	1,704,124	10,333	588,329	598,662	(40,374)	3,920,474	118,286	4,038,760

(Please refer to the attached notes of the consolidated financial statements for details)

Chairman: Dr. DJ Zheng

Manager: Shi-Dong Lin

Accounting Manager: Pei-Ling Li

APAQ TECHNOLOGY CO., LTD. and Subsidiaries

Consolidated Statements of Cash Flows

For the Years ended December 31, 2024, and 2023

Unit: NT\$ thousands

	2024	2023
Cash flows from operating activities:		
Income before income tax for the period	\$ 682,996	421,790
Adjustments:		
Income and expense items		
Depreciation	255,991	243,046
Amortization	4,969	4,708
Loss on valuation of financial assets at fair value through profit or loss	1,338	4
Interest expense	31,322	29,448
Interest income	(34,125)	(18,441)
Dividend income	(1,621)	(6,501)
Loss on market value decline and obsolete and slow-moving inventories	41,966	13,531
Share of loss of associates accounted for under the equity method	4,893	6,293
Loss on disposal of property, plant, and equipment	(226)	1,133
Disposal of Investment profit	(31,076)	-
Other non-cash expenses and losses	2,574	360
Total income and expense items	276,005	273,581
Changes in operating assets and liabilities:		
Notes and accounts receivable (including related parties)	(330,210)	(311,706)
Inventories	(85,430)	66,213
Other operating assets	(67,528)	9,384
Accounts payable (including related parties)	207,493	96,657
Other operating liabilities	89,308	38,848
Total adjustments	89,638	172,977
Cash generated from operations	772,634	594,767
Interest received	33,881	19,151
Dividends received	1,621	6,501
Interest paid	(30,556)	(29,089)
Income tax paid	(114,347)	(100,981)
Net cash generated from operating activities	663,233	490,349

(Continued on next page)

(Please refer to the attached notes of the consolidated financial statements for details)

Chairman: Dr. DJ Zheng

Manager: Shi-Dong Lin

Accounting Manager: Pei-Ling Li

APAQ TECHNOLOGY CO., LTD. and Subsidiaries
Statements of Cash Flows (continued from previous page)
For the Years ended December 31, 2024, and 2023

Unit: NT\$ thousands

	<u>2024</u>	<u>2023</u>
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income - current	-	(1,546)
Disposal of financial assets at fair value through other comprehensive income - current	-	250,823
Proceeds from capital reduction of financial assets measured at fair value through other comprehensive income	6,318	8,811
Acquisition of financial assets at fair value through profit or loss - current	(18,051)	(29,779)
Acquisition of financial assets at fair value through profit or loss - non-current	(6,000)	-
Acquisition of financial assets at fair value through other comprehensive income - non-current	(260,000)	(80,000)
Acquisition of investments accounted for under the equity method	(9,342)	-
Investments accounted for under the equity method	2,202	-
Acquisition of net cash inflow from subsidiary	66,295	-
Acquisition of property, plant and equipment	(236,565)	(169,356)
Disposal of property, plant and equipment	3,930	190
Decrease (increase) in refundable deposits	21,191	(6,225)
Acquisition of intangible assets	(2,534)	(3,417)
Decrease (increase) in other non-current assets	(5,148)	2,184
Increase in prepayments for business facilities	(24,495)	(9,742)
Net cash inflow (outflow) from investing activities	<u>(462,199)</u>	<u>(38,057)</u>
Cash flows from financing activities:		
Increase in short-term loans	1,680,000	980,000
Repayment of short-term loans	(1,097,000)	(1,397,000)
Long-term borrowings	-	100,000
Repayments of long-term loans	(151,681)	(12,500)
Exercise of disgorgement	34	-
Repayment of lease principal	(27,877)	(19,989)
Cash dividends paid	(202,293)	(202,293)
Net cash inflow (outflow) from financing activities	<u>201,183</u>	<u>(551,782)</u>
Effect of exchange rate changes	<u>15,406</u>	<u>(8,704)</u>
Increase (decrease) in cash and cash equivalents	417,623	(108,194)
Cash and cash equivalents, beginning of the year	1,124,174	1,232,368
Cash and cash equivalents, end of the year	<u><u>\$ 1,541,797</u></u>	<u><u>1,124,174</u></u>

(Please refer to the attached notes of the consolidated financial statements for details)

Chairman: Dr. DJ Zheng

Manager: Shi-Dong Lin

Accounting Manager: Pei-Ling Li

Independent Auditors' Report

To the Board of Directors of APAQ TECHNOLOGY CO., LTD.:

Opinions

We have audited the accompanying balance sheets of APAQ TECHNOLOGY CO., LTD. (the "Company") as of December 31, 2024, and 2023, and the related statements of comprehensive income, changes in equity, and cash flows for the years then ended, and notes to parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the audit reports of other independent accountants, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and 2023, and its financial performance and its cash flows for the years then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

Basis for Opinions

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards. Our responsibilities under those standards are further described in the section titled "Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements". We are independent of the Company in accordance with the Code of Professional Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not express a separate opinion on these matters. Key audit matters for the Group's financial statements of the current period are stated as follows:

Inventory assessment

For accounting policies related to inventory assessment, please refer to Note IV(VII) Inventory of the financial statements. For accounting estimates and assumption uncertainty for inventory assessment, please refer to Note V of the parent company only financial statements. Relevant details can be found in Note VI(V) Net Inventory.

Description of key audit matters:

Since inventory is measured by the lower of cost and net realizable value, companies need to employ judgments and estimates to determine the net realizable value of inventory on the reporting date. Due to the rapid evolution in technology, the net realizable value fluctuates and potentially leads to significant changes. Therefore, the assessment for the allowance for price decline in inventories is one of the important evaluation items for the accountant when auditing the Company's parent company only financial statements.

Corresponding audit procedures:

Our main audit procedure for the aforementioned key matters includes obtaining the inventory aging report and checking the completeness of the general ledger, selecting appropriate samples from the inventory aging report to compare with the transaction documents to verify that the inventory has been placed in the appropriate interval of the inventory aging report, understanding the management's strategy for calculating the net realizable value and checking relevant documents, evaluating the reasonableness of the inventory price decline and the policy for taking stock of obsolete and slow-moving inventories, assessing whether the inventory evaluation has been implemented in accordance with the established accounting policies, and evaluating whether the management's disclosure for allowance for price decline in inventories is reasonable.

Responsibilities of Management and Governing Bodies for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

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

As part of an audit in accordance with auditing standards, we maintain professional skepticism throughout the audit. We also perform the following tasks:

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

- II. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- III. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- IV. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 the Company to cease to continue as a going concern.
- V. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- VI. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Investee companies accounted for using the equity method to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Taiwan

CPAs:

Securities Competent	:	Jin-Guan-Zheng-Shen-Zi No.
Authority Approval No.		1040007866
		Jin-Guan-Zheng-Shen-Zi No.
		1020002066

February 26, 2025

APAQ Technology Co., Ltd.

Balance Sheet

For the Years ended December 31, 2024, and 2023

Unit: NT\$ thousands

		2024.12.31		2023.12.31				2024.12.31		2023.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
	Assets						Liabilities and Equity				
	Current assets:						Current liabilities:				
1100	Cash and cash equivalents [Note VI(I)]	\$ 562,732	9	526,765	11	2100	Short-term loans [Note VI(XI)]	\$ 1,420,000	22	837,000	17
1110	Financial assets at fair value through profit or loss - current [Note VI(II)]	47,079	1	29,775	1	2170	Accounts payable	21,020	-	13,741	-
1170	Notes and accounts receivable - net [Note VI (IV)]	1,273,577	19	977,507	20	2180	Accounts payable - related parties [Note VII]	646,461	10	407,051	8
1180	Accounts receivable - related parties [Notes VI(IV) & VII]	32,937	1	28,098	1	2201	Payroll and bonus payable	131,505	2	93,603	2
1210	Other receivables - related parties [Note VII]	11,048	-	4,025	-	2213	Payable on equipment	7,910	-	4,938	-
1310	Inventories, net [Note VI(V)]	224,932	3	215,663	4	2280	Lease liabilities - current [Note VI(XIII)]	8,040	-	4,982	-
1479	Other current assets [Note VI(X)]	13,598	-	8,933	-	2322	Long-term loans due within one year or one operating cycle [Note VI(XII)]	158,634	2	152,111	3
		<u>2,165,903</u>	<u>33</u>	<u>1,790,766</u>	<u>37</u>	2399	Other current liabilities	<u>97,242</u>	<u>2</u>	<u>69,736</u>	<u>2</u>
								<u>2,490,812</u>	<u>38</u>	<u>1,583,162</u>	<u>32</u>
	Non-current assets:						Non-current liabilities:				
1510	Financial assets at fair value through profit or loss - non-current [Note VI(II)]	5,409	-	-	-	2540	Long-term loans [Note VI(XII)]	152,185	2	310,389	6
1517	Financial assets at fair value through other comprehensive income - non-current [Note VI(III)]	1,028,200	16	212,957	5	2570	Deferred income tax assets [Note VI(XV)]	11,050	-	-	-
1550	Investments accounted for under the equity method [Note VI(VI) & VII]	3,252,086	49	2,662,992	55	2580	Lease liabilities - non-current [Note VI(XIII)]	18,728	-	10,368	-
1600	Property, plant and equipment [Note VI(VII)]	57,661	1	53,775	1			<u>181,963</u>	<u>2</u>	<u>320,757</u>	<u>6</u>
1755	Right-of-use assets [Note VI(VIII)]	26,604	1	15,293	-		Total liabilities	<u>2,672,775</u>	<u>40</u>	<u>1,903,919</u>	<u>38</u>
1780	Intangible assets [Note VI(IX)]	22,495	-	24,811	1		Equity [Note VI (XVI)]:				
1840	Deferred income tax assets [Note VI(XV)]	21,200	-	42,414	1	3100	Share capital	889,535	14	889,535	18
1920	Refundable deposits	7,824	-	7,244	-	3200	Capital surplus	768,527	12	768,493	17
1990	Other non-current assets [Note VI(X)]	5,867	-	8,042	-	3300	Retained earnings	1,704,124	26	1,372,023	29
		<u>4,427,346</u>	<u>67</u>	<u>3,027,528</u>	<u>63</u>	3400	Other equity	598,662	9	(75,302)	(1)
						3500	Treasury shares	(40,374)	(1)	(40,374)	(1)
							Total equity	<u>3,920,474</u>	<u>60</u>	<u>2,914,375</u>	<u>62</u>
	Total assets	<u>\$ 6,593,249</u>	<u>100</u>	<u>4,818,294</u>	<u>100</u>		Total liabilities and equity	<u>\$ 6,593,249</u>	<u>100</u>	<u>4,818,294</u>	<u>100</u>

(Please refer to the attached notes of the parent company only financial statements for details)

Chairman: Dr. DJ Zheng

Manager: Shi-Dong Lin

Accounting Manager: Pei-Ling Li

APAQ Technology Co., Ltd.

Statements of Comprehensive Income

For the Years ended December 31, 2024, and 2023

Unit: NT\$ thousands

		2024		2023	
		Amount	%	Amount	%
4110	Net sales revenue [Notes VI(XIX) & VII]	\$ 2,968,691	100	2,460,981	100
5110	Cost of goods sold [Notes VI(V),(XX) & VII]	2,384,744	80	2,001,589	81
5950	Gross profit	583,947	20	459,392	19
5910	Add: Unrealized sales profit and loss [Note VII]	(2,766)	-	7,849	-
5900	Realized gross profit	581,181	20	467,241	19
6000	Operating expenses [Notes VI(XX) & VII]:				
6100	Selling expenses	89,199	3	74,901	3
6200	Administrative expenses	138,177	5	107,881	5
6300	Research and development expenses	108,764	4	105,514	4
	Total operating expenses	<u>336,140</u>	<u>12</u>	<u>288,296</u>	<u>12</u>
6900	Operating income	<u>245,041</u>	<u>8</u>	<u>178,945</u>	<u>7</u>
7000	Non-operating income and expenses:				
7020	Other gains and losses [Notes VI(II) & (XXI)]	35,164	1	8,458	-
7050	Finance costs [Notes VI(XIII) & (XXI)]	(30,650)	(1)	(29,369)	(1)
7100	Interest income [Notes VI(XXI) & VII]	12,378	-	17,553	1
7230	Foreign exchange gain (loss) [Note VI(XXII)]	81,652	3	5,150	-
7370	Share of profit or loss of associates accounted for under the equity method [Note VI(VI)]	251,053	9	193,791	8
	Non-operating income and expenses, net	<u>349,597</u>	<u>12</u>	<u>195,583</u>	<u>8</u>
7900	Income before income tax	594,638	20	374,528	15
7950	Less: Income tax expense [Note VI(XV)]	60,244	2	46,150	2
	Net income for the period	<u>534,394</u>	<u>18</u>	<u>328,378</u>	<u>13</u>
8300	Other comprehensive income:				
8310	Items that may not be reclassified subsequently to profit or loss				
8316	Unrealized valuation gains (losses) from investments in equity instruments at fair value through other comprehensive income	561,561	19	100,014	4
	Total of items that may not be reclassified subsequently to profit or loss	<u>561,561</u>	<u>19</u>	<u>100,014</u>	<u>4</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Financial statements translation differences of foreign operations	140,504	5	(44,000)	(1)
8399	Less: Income tax related to items that may be reclassified [Note VI(XV)]	28,101	(1)	(8,800)	-
	Total of items that may be reclassified subsequently to profit or loss	<u>112,403</u>	<u>4</u>	<u>(35,200)</u>	<u>(1)</u>
8300	Other comprehensive income, net of tax	<u>673,964</u>	<u>23</u>	<u>64,814</u>	<u>3</u>
	Total comprehensive income for the period	<u>\$ 1,208,358</u>	<u>41</u>	<u>393,192</u>	<u>16</u>
	Earnings per share (Unit: NT\$) [Note VI(XVIII)]				
9750	Basic earnings per share	<u>\$ 6.08</u>		<u>3.73</u>	
9850	Diluted earnings per share	<u>\$ 6.04</u>		<u>3.71</u>	

(Please refer to the attached notes of the parent company only financial statements for details)

Chairman: Dr. DJ Zheng

Manager: Shi-Dong Lin

Accounting Manager: Pei-Ling Li

APAQ Technology Co., Ltd.
Statements of Change in Equity
For the Years ended December 31, 2024, and 2023

Unit: NT\$ thousands

	Retained earnings						Other equity items				
	Share capital - common shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Financial statements translation differences of foreign operations	Gains (losses) on equity instruments investment at fair value through other comprehensi ve income	Total	Treasury shares	Total equity
Balance as of January 1, 2023	\$ 889,535	765,757	196,753	98,691	860,465	1,155,909	(66,870)	16,783	(50,087)	(40,374)	2,720,740
Net income for the period	-	-	-	-	328,378	328,378	-	-	-	-	328,378
Other comprehensive income for the period	-	-	-	-	-	-	(35,200)	100,014	64,814	-	64,814
Total comprehensive income for the period	-	-	-	-	328,378	328,378	(35,200)	100,014	64,814	-	393,192
Earnings appropriation and distribution:											
Appropriation of legal reserve	-	-	33,843	-	(33,843)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(48,604)	48,604	-	-	-	-	-	-
Cash dividends of common shares	-	-	-	-	(202,293)	(202,293)	-	-	-	-	(202,293)
Effect of changes in percentage of shareholding in long-term equity investments	-	2,736	-	-	-	-	-	-	-	-	2,736
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	90,029	90,029	-	(90,029)	(90,029)	-	-
Balance as of December 31, 2023	<u>889,535</u>	<u>768,493</u>	<u>230,596</u>	<u>50,087</u>	<u>1,091,340</u>	<u>1,372,023</u>	<u>(102,070)</u>	<u>26,768</u>	<u>(75,302)</u>	<u>(40,374)</u>	<u>2,914,375</u>
Net income for the period	-	-	-	-	534,394	534,394	-	-	-	-	534,394
Other comprehensive income for the period	-	-	-	-	-	-	112,403	561,561	673,964	-	673,964
Total comprehensive income for the period	-	-	-	-	534,394	534,394	112,403	561,561	673,964	-	1,208,358
Earnings appropriation and distribution:											
Appropriation of legal reserve	-	-	41,841	-	(41,841)	-	-	-	-	-	-
Appropriation of special reserve	-	-	-	25,216	(25,216)	-	-	-	-	-	-
Cash dividends of common shares	-	-	-	-	(202,293)	(202,293)	-	-	-	-	(202,293)
Exercise of disgorgement	-	34	-	-	-	-	-	-	-	-	34
Balance as of December 31, 2024	<u>\$ 889,535</u>	<u>768,527</u>	<u>272,437</u>	<u>75,303</u>	<u>1,356,384</u>	<u>1,704,124</u>	<u>10,333</u>	<u>588,329</u>	<u>598,662</u>	<u>(40,374)</u>	<u>3,920,474</u>

(Please refer to the attached notes of the parent company only financial statements for details)

Chairman: Dr. DJ Zheng

Manager: Shi-Dong Lin

Accounting Manager: Pei-Ling Li

APAQ Technology Co., Ltd.
Statements of Cash Flows
For the Years ended December 31, 2024, and 2023

Unit: NT\$ thousands

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Income before tax for the period	\$ 594,638	374,528
Adjustments:		
Income and expense items		
Depreciation	28,069	40,048
Amortization	4,850	4,604
Loss on valuation of financial assets at fair value through profit or loss	1,338	4
Interest expense	30,650	29,369
Interest income	(12,378)	(17,553)
Dividend income	(1,621)	(6,501)
Loss (reversal gain) on market value decline and obsolete and slow-moving inventories	13,824	(1,821)
Disposal of Investment profit	(31,076)	-
Share of profit of associates accounted for using the equity method	(251,053)	(193,791)
Gain on disposal and retirement of property, plant and equipment	(3,039)	(1,612)
Unrealized sale profit or loss between associates	2,766	(7,849)
Other non-cash expense items, net	146	-
Total income and expense items	<u>(217,524)</u>	<u>(155,102)</u>
Changes in operating assets and liabilities:		
Notes and accounts receivable	(296,069)	(202,994)
Accounts receivable - related parties	(4,839)	33,903
Other receivables - related parties	(7,022)	11,711
Inventories	(23,094)	4,689
Other operating assets	(4,708)	(1,569)
Accounts payable	7,279	3,718
Accounts payable - related parties	239,411	(4,927)
Other operating liabilities	40,179	13,013
Total adjustments	<u>(266,387)</u>	<u>(297,558)</u>
Cash generated from operations	328,251	76,970
Interest received	12,420	18,264
Cash dividends received	1,621	6,501
Interest paid	(30,202)	(29,010)
Income tax paid	(31,300)	(29,823)
Net cash generated from operating activities	<u>280,790</u>	<u>42,902</u>

(Continued on next page)

(Please refer to the attached notes of the parent company only financial statements for details)

Chairman: Dr. DJ Zheng

Manager: Shi-Dong Lin

Accounting Manager: Pei-Ling Li

APAQ Technology Co., Ltd.
Statements of Cash Flows (continued)
For the Years ended December 31, 2024, and 2023

Unit: NT\$ thousands

	<u>2024</u>	<u>2023</u>
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income - current	-	(1,546)
Disposal of financial assets at fair value through other comprehensive income - current	-	250,823
Proceeds from capital reduction of financial assets measured at fair value through other comprehensive income	6,318	8,811
Acquisition of financial assets at fair value through profit or loss - current	(18,051)	(29,779)
Acquisition of financial assets at fair value through profit or loss - non-current	(6,000)	-
Acquisition of financial assets at fair value through other comprehensive income - non-current	(260,000)	(80,000)
Acquisition of investments accounted for under the equity method	(170,590)	(33,488)
Investments accounted for under the equity method	2,202	-
Proceeds from purchases of property, plant and equipment	(22,149)	(12,340)
Disposal of property, plant and equipment	3,930	937
Acquisition of intangible assets	(2,534)	(3,076)
Increase in refundable deposits	(580)	(6,225)
Decrease (increase) in other non-current assets	2,167	(1,526)
Increase in prepayments for business facilities	(515)	(2,911)
Net cash inflow (outflow) from investing activities	<u>(465,802)</u>	<u>89,680</u>
Cash flows from financing activities:		
Increase in short-term loans	1,680,000	980,000
Repayment of short-term loans	(1,097,000)	(1,397,000)
Increase in long-term loans	-	100,000
Repayments of long-term loans	(151,681)	(12,500)
Exercise of disgorgement	34	-
Repayment of lease principal	(8,081)	(7,304)
Cash dividends paid	(202,293)	(202,293)
Net cash (outflow) inflow from financing activities	<u>220,979</u>	<u>(539,097)</u>
Increase (decrease) in cash and cash equivalents for the period	35,967	(406,515)
Cash and cash equivalents, beginning of the period	526,765	933,280
Cash and cash equivalents, end of the period	<u><u>\$ 562,732</u></u>	<u><u>526,765</u></u>

(Please refer to the attached notes of the parent company only financial statements for details)

Chairman: Dr. DJ Zheng

Manager: Shi-Dong Lin

Accounting Manager: Pei-Ling Li

APAQ Technology Co., Ltd.

Rules and Procedure for Shareholders' Meetings

Shareholders' Meetings on August 24, 2021

- I. Unless otherwise provided in the statute, the shareholders' meeting of the Company shall be governed by the Procedures.
- II. The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in. Attendance and voting at a shareholders' meeting shall be calculated based the number of shares.
- III. 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 shall not begin earlier than 9 a.m. or later than 3 p.m.
- IV. If a shareholders meeting is convened by the Board of Directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairperson shall act in place of the chairman; 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 chairman 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 chairman does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair. 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.
- V. The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity. Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.
- VI. The Company shall record the proceedings of a board meeting in their entirety in audio or video and retain the recorded materials for at least 1 year.
- VII. 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 1 hour, may be made. If the quorum is not met after two postponements, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairman may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.
- VIII. The agenda of the shareholders' meeting, convened by the Board of Directors, shall be determined by the Board of Directors and the meeting shall proceed in accordance with the established agenda, which shall not be changed without the resolution of the shareholders' meeting. If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors. The chairman shall 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. After the meeting is adjourned, the shareholder shall not request the chairman to resume the meeting at the same or another place; If the chairman declares the meeting adjourned in violation of the rules of procedure, a new chair shall be elected by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

- IX. 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 chairman. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. When an attending shareholder is speaking, other shareholders shall not speak or interrupt unless they have sought and obtained the consent of the chairman and the shareholder that has the floor; the chairman shall stop any violation.
- X. Except with the consent of the chairman, a shareholder shall 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 chairman may terminate the speech. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond. When a meeting is in progress, the chair may announce a break based on time considerations.
- XI. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting. 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.
- XII. When the chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairman may announce the discussion closed and call for a vote.
- XIII. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. The results of the voting shall be announced on-site at the meeting, and a record made of the vote.

Except as otherwise provided in the Company Act and in the Articles of Incorporation of the Company, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, it shall be deemed to have been adopted after the chairman has asked the opinions of all shareholders present that there is no objection, and it shall have the same effect as a vote.
- XIV. 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.
- XV. The chairman 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". 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.
- XVI. The establishment of these Rules was adopted by the shareholders' meeting on June 25, 2013. The same procedure shall be followed when the Rules have been amended.

The first amendment to these Rules was made at the shareholders' meeting on June 12, 2014.

The second amendment to these Rules was made at the shareholders' meeting on August 24, 2021.

APAQ Technology Co., Ltd. Articles of Incorporation (Before Revision)

Shareholders' Meetings on June 21, 2022

- Article 1 The Company is organized in accordance with the provisions of the Company Act for limited liability companies and is named as “鈺邦科技股份有限公司” (English name is “APAQ TECHNOLOGY CO., LTD.”).
- Article 2 The Company’s business scope is as follows:
CC01080 Electronic Parts and Components Manufacturing
CC01110 Computers and Peripheral Equipment Manufacturing
E603050 Automatic Control Equipment Engineering
F401010 International Trade
I501010 Product Designing
Research, development, manufacturing, and sales for the following products:
Aluminum Solid Capacitor, Aluminum Liquid Electrolytic Capacitor and General Electronic Components
- Article 3 The Company set up its head office in the Hsinchu Science Park and may establish branches at home and abroad upon the resolution of the Board of Directors and approval of the competent authority if necessary.
- Article 4 The Company’s investments shall be made according to the resolution of the Board of Directors of the Company. The total amount of the Company’s investments in other companies may exceed forty percent of the amount of its own paid-in capital.

Chapter 2 Shares

- Article 5 The total capital of the Company is set as NT\$2 billion, divided into 200 million shares with a par value of NT\$10 per share. All the shares are registered ordinary shares and issued in installments. The unissued shares shall be issued by the resolution of the Board of Directors according to actual needs. Of which, NT\$60 million is reserved, divided as 6 million shares with a par value of NT\$10 per share, which are used for the issuance of employee stock warrants.
- The Company shall, with the consent of at least two-thirds of the voting rights present at the shareholders’ meeting attended by shareholders representing a majority of total issued shares, transfer shares to employees at less than the average actual share repurchase price, or issue employee stock warrants at a discount to the closing price of the Company’s common shares on the issue date.
- Article 5-1 Qualification requirements of transferees of the shares bought back by the Company include the employees of parents or subsidiaries of the Company meeting certain specific requirements. The Board shall be authorized to resolve the requirements and transfer methods.
- Qualification requirements of employees entitled to receive share subscription warrant include the employees of parents or subsidiaries of the Company meeting certain specific requirements. The Board shall be authorized to resolve the requirements and issuance methods.
- Qualification requirements of employees entitled to receive new shares with restricted rights include the employees of parents or subsidiaries of the Company meeting certain specific requirements. The Board shall be authorized to resolve the requirements and issuance methods.
- Qualification requirements of employees who have the right of subscribing new shares for capital increase by cash include the employees of parents or subsidiaries of the Company meeting certain specific requirements. The Board shall be authorized to resolve the requirements and subscription methods.

- Article 6 The shares of the Company are all registered shares, shall be numbered, signed or sealed by or affixed with the seals of the directors on behalf of the Company, and shall be issued upon the approval of the certified bank pursuant to the law. The Company may be exempt from printing any share certificate for the shares issued and shall register the issued shares with a centralized securities depository enterprise.
- Article 6-1 Deleted.
- Article 7 Shareholders shall provide on file their specimen chop to the Company for recordation and use the same specimen chop to claim dividends and bonuses or exercise the rights. The transfer, gift, establishment and termination of pledge right, loss, damage or other matters of shares shall be handled in accordance with the relevant laws and regulations.
- Article 8 The Company shall not handle any requests for transfers of shares within 60 days prior to a regular shareholders' meeting, 30 days prior to a special shareholders' meeting, or 5 days prior to the record date for the distribution of dividends, bonuses or other interests.

Chapter 3 Shareholders' meeting

- Article 9 Shareholders' meetings of the Company are of two kinds:
- I. Regular shareholders' meetings, which shall be convened at least once a year by the Board of Directors within six months after the close of each fiscal year.
 - II. Special shareholders' meeting, which shall be convened when necessary, according to law.
- The adoption of electronic voting at shareholders' meetings is included as one of the channels for shareholders to exercise their voting rights, and the related operations are handled in accordance with the regulations of the competent authorities.
- The shareholders' meeting of the Company may be held by video conference or other means as announced by the competent central authorities.
- The conditions, operating procedures and other matters to be followed for the adoption of the video of the shareholders' meeting shall be in accordance with the regulations of the competent securities authorities.
- Article 10 The shareholders' meeting shall be chaired by the chairperson of the board. In case the Chairman is on leave or absent or cannot exercise his power and authority for any cause, the Chairman shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect from among themselves an acting Chairman of the Board of Directors. 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.
- Article 11 A notice to convene a regular meeting of shareholders shall be given to each shareholder no later than 30 days prior to the scheduled meeting date, and a notice of the date, place and reasons to convene a special meeting of shareholders shall be given to each shareholder no later than 15 days prior to the scheduled meeting date. With the consent of addressees, the meeting notice on convening a shareholders' meeting may be given in electronic form.
- Article 12 Deleted.
- Article 13 In case a shareholder is unable to attend a meeting of the Board of Directors, he or she may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney printed by the Company stating therein the scope of power authorized to the proxy. 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, if the voting rights represented by that proxy exceed three percent of the voting rights represented by the total number of issued shares, the voting rights in excess of that percentage shall not be included in the calculation. The proxy form referred to in the preceding paragraph shall be delivered to the Company five days prior to the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail; provided that this restriction shall not apply to those who declare to revoke the power of attorney.

Article 14 Except in the circumstances otherwise provided for in relevant laws and regulations, a shareholder of the Company shall have one voting right in respect of each share in his/her/its possession.

Article 15 Unless otherwise provided for in the Company Act, the resolution at the meeting of shareholders shall be adopted by a majority of the shareholders present who represent the majority of the total number of outstanding shares. Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes, specifying the date and place of the meeting, the number of shareholders present, the number of shares represented, the number of voting rights, the name of the chairman, the items of the resolutions and the method of the resolutions. The meeting minutes shall be signed or sealed by the chair of the meeting and shall be retained on the Board of Directors of the Company together with the attendance book and sign-in cards of the attending shareholders and proxy form for attendance, with a retention period governed by Article 183 of the Company Act. The meeting minutes shall be distributed to the shareholders within 20 days after the meeting in accordance with relevant regulations.

Chapter 4 Directors, Audit Committee, and Managers

Article 16 The Company has 5 to 9 directors and adopts the candidate nomination system set out in Article 192-1 of the Company Act. Shareholders shall elect directors from among those listed in the slate of director candidates for a term of three years and may be eligible for re- election.

The Company may obtain Directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship. The Board of Directors is fully authorized to handle all matters relating to liability insurance.

In accordance with Article 14-4 of the Securities and Exchange Act, the Company has established an audit committee to exercise the powers instead of the supervisors. The audit committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be convener. Exercise by the audit committee of the powers and matters related thereto shall be conducted in accordance with the provisions of the relevant laws and regulations and shall be prescribed by the Board of Directors.

Article 16-1 The number of independent directors in the preceding article shall not be less than three and no less than one fifth of the total number of directors. The professional qualifications, shareholding, concurrent posts restrictions, nomination and election methods of independent directors and other matters that should be complied with, shall be handled in accordance with the relevant laws and regulations of the securities competent authority.

In the process of electing directors, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a director elect. The independent and non-independent directors shall be elected at the same time, but in separately calculated numbers.

- Article 16-2 Deleted.
- Article 17 A board meeting shall be held quarterly by directors, with powers and duties as follows:
- I. Formulation of operating policy and review and implementation supervision of business plan.
 - II. Appointment and dismissal of the chief executive officer, general manager and deputy general manager of the Company.
 - III. Establishment and amendment of important rules, regulations and organization of the Company.
 - IV. Establishment and abolition of branches.
 - V. Convening of shareholders' meeting.
 - VI. Resolution of major domestic and foreign investment proposals.
 - VII. Review of the Company's internal regulations and contracts for a period of more than one year.
 - VIII. Election of chairman.
 - IX. Examination of budgets and final settlements.
 - X. making decisions on loans matters.
 - XI. Proposals to shareholders' meetings for the amendments to the Articles of Incorporation, change of capital, dissolution or merger of the Company.
 - XII. Proposals to shareholders' meetings for earnings distribution or covering of losses.
 - XIII. Selection and delegation of CPAs.
 - XIV. Other powers and duties stipulated in the Company Act and delegated by the shareholders' meeting.
- Article 18 The Board of Directors of the Company shall, in accordance with the law, elect a chairman of the board directors from among the directors. The chairman of the board directors shall be the chairman of the board meeting and shall externally represent the Company.
- Article 19 Unless otherwise provided for in the Company Act, the Board of Directors meeting shall be convened by the chairman. In case the Chairman of the Board of Directors is on leave or absent or cannot exercise his power and authority for any cause, the designation of his/her proxy shall be in accordance with the Company Act. A director who appoints another director to attend a board meeting shall issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting. The proxy referred to in the preceding paragraph may be the appointed proxy of only one person. Directors taking part in the board meeting via visual communication network shall be deemed to have attended the meeting in person.
- Article 19-1 The reasons for calling a Board of Directors meeting shall be notified to each Director at least seven days in advance. In emergency circumstances, however, a meeting may be called on shorter notice.
The notice set forth in the preceding paragraph may be served in writing, or by email or fax.
- Article 20 Deleted.
- Article 21 Unless otherwise provided for in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. However, the following matters shall be subject to the approval of two-thirds of the directors present at the meeting that shall be attended by a majority of all directors:
- I. Resolution of major domestic and foreign investment proposals.
 - II. Contracts for a period of more than one year.
 - III. Examination of budgets and final settlements.

- Article 22 Exercise by the audit committee of the powers and matters related thereto shall be conducted in accordance with the provisions of the relevant laws and regulations and shall be prescribed by the Board of Directors.
- Article 23 Deleted.
- Article 24 The remuneration of directors shall be determined by a meeting of shareholders.
- Article 25 The Company shall have one general manager, and several deputy general managers. The Board of Directors may, based on the needs of the organizational function of the Company, appoint a chief executive officer by adoption, who shall, in accordance with the adoptions of the Board of Directors, lead the managers referred to in the preceding paragraph to carry out the material decisions of the Company and all its related enterprises. The appointment and dismissal of the chief executive officer and general manager shall be subject to the approval by a majority of the directors at a meeting attended by a majority of the directors. The appointment and dismissal of the deputy general manager shall be submitted by the general manager, and subject to the approval by a majority of the directors at a meeting attended by a majority of the directors. The Board of Directors shall be authorized to determine the remuneration paid to managers according to their participation in the operation of the Company and the value of their contribution. The manager referred to in paragraph 1 and paragraph 2 shall be held concurrently by a director.

Chapter 5 Accounting

- Article 26 The fiscal year of the Company begins on January 1 and ends on December 31 of each year. At the end of a fiscal year, the Board of Directors shall prepare the following reports and statements to be submitted to the shareholders' meeting for recognition in accordance with the law:
- I. Business Report
 - II. Financial Statements
 - III. Proposal for earnings distribution or covering of losses
- Article 27 If the Company has gained profits within a fiscal year, 8% or more of the profits shall be reserved as the employees' compensation, which shall be distributed by a resolution adopted by the board meeting in the form of shares or in cash. Qualification requirements of employees, including the employees of subsidiaries of the Company meeting certain specific requirements. The Company shall allocate not more than 3% of the proceeding profits as the remuneration of directors by a resolution adopted by the board meeting. The distribution plan for the remuneration to employees and directors shall be reported at the shareholders' meeting. However, in case of the accumulated losses, certain profits shall first be reserved to cover them, and then reserve remuneration to employees and directors in accordance with the proportion mentioned in the preceding paragraph.
- Article 27-1 In case of any earnings in the Company's annual final accounting, it shall first pay all taxes and dues and cover its previous losses in accordance with the law, then 10% of the earnings shall be reserved as the statutory surplus reserve; provided that this restriction shall not apply to the circumstances that the statutory surplus reserve has reached the paid-in capital of the Company. Provision or reversal of special surplus reserve shall be made from the remaining earnings in accordance with the law. If there are still earnings left over, the Board of Directors shall prepare a motion for the earnings distribution for the balance and accumulated retained earnings and submit it to the board of shareholders for a resolution on dividend distribution.

The Company is running in a changing industry with intensive capital and technology, in which the corporate life cycle is in the stage of stable operation growth, the Company must reserve the surplus to meet the operating growth and investment needs of the fund, thus a surplus dividend policy is adopted in present stage. The distribution of shareholder dividends, in cash or stock forms, shall not be lower than 10% of the distributable surplus for the year. The cash dividends shall be no lower than 10% of the total.

Article 28 Deleted.

Article 29 In addition to the remuneration for the directors prescribed in Article 27 of the Articles, the Board of Directors shall be authorized to determine the attendance fees for the directors of the Company referring to the standards of the same industry.

Article 30 Deleted.

Chapter 6 Supplementary Provisions

Article 31 The Company may undertake external guarantee business in accordance with government regulations.

Article 32 Any matters not covered herein shall be handled in accordance with the requirements of the Company Act and other applicable laws and regulations.

Article 33 These Articles of Incorporation were formulated by the sponsors' meeting with the consent of all the sponsors on December 23, 2005, and came into force on the date of approval and registration by the competent authority.

The first amendment was made on July 7, 2006, and taken into effect by the resolution of the shareholders' meeting.

The second amendment was made on June 26, 2009, and taken into effect by the resolution of the shareholders' meeting.

The third amendment was made on June 25, 2010, and taken into effect by the resolution of the shareholders' meeting.

The fourth amendment was made on June 22, 2011, and taken into effect by the resolution of the shareholders' meeting.

The fifth amendment was made on June 22, 2012, and taken into effect by the resolution of the shareholders' meeting.

The sixth amendment was made on June 25, 2013, and taken into effect by the resolution of the shareholders' meeting.

The seventh amendment was made on June 12, 2014, and taken into effect by the resolution of the shareholders' meeting.

The eighth amendment was made on June 23, 2015, and taken into effect by the resolution of the shareholders' meeting.

The ninth amendment was made on June 23, 2016, and taken into effect by the resolution of the shareholders' meeting.

The tenth amendment was made on June 20, 2017, and taken into effect by the resolution of the shareholders' meeting.

The eleventh amendment was made on June 26, 2018, and taken into effect by the resolution of the shareholders' meeting.

The twelfth amendment was made on June 19, 2019, and taken into effect by the resolution of the shareholders' meeting.

The thirteenth amendment was made on June 17, 2020, and taken into effect by the resolution of the shareholders' meeting.

The fourteenth amendment was made on June 21, 2022, and taken into effect by the resolution of the shareholders' meeting.

APAQ Technology Co., Ltd.
Share Ownership of Directors

- I. As of the book closure date of the regular shareholders' meeting (March 28, 2025), the total number of shares issued by the Company: 91,953,514 shares.
- II. The minimum number of shares required to be held by all directors: 7,356,281 shares.
- III. As of the book closure date of the regular shareholders' meeting (March 28, 2025), the number of shares held by individual and all directors in the shareholders register is as follows:

Title	Name	The number of shares held in the shareholders register as of the book closure date (March 28, 2025)	Shareholding ratio (%)
Chairman	Cheng Tun-Jen	3,382,358	3.68
Director	Lin Ching-Feng	1,202,000	1.31
Director	Huacheng Venture Capital Co., Ltd. Representative: Hsu Hsien-Yueh	10,668,012	11.60
Director	Hsieh Ming-Yen	0	0
Independent Director	Chu Te-Hsiang	0	0
Independent Director	Liu Chung-Ming	0	0
Independent Director	Wu Yung-Tsai	0	0
Total	Seven Directors	15,252,370	16.59

**APAQ Technology Co., Ltd.
Other Explanatory Materials**

- I. The impact of this free stock distribution on the company's operational performance, earnings per share, and return on investment for shareholders:
The company has no proposed free stock distribution for this shareholder meeting, so it is not applicable.
- II. Shareholder proposal acceptance status:
 - (I) In accordance with Article 172-1 of the Company Act, shareholders holding one percent (1%) or more of the total number of outstanding shares may propose to the Company a proposal for discussion at a regular shareholders' meeting in writing within 300 words, provided that only one matter shall be allowed in each single proposal.
 - (II) The period in which the Company accepts shareholder proposals is from March 17, 2025, to March 27, 2025, which is published on the Market Observation Post System in accordance with the regulations.
 - (III) The Company has not received any shareholder's proposals.