

Stock Code: 3338

TaiSol Electronics Co., Ltd.

2025 Annual Shareholders' Meeting Meeting Handbook (Translation)

Date: May 22, 2025

**Venue: 12th Floor, No. 350, Songjiang Road, Zhongshan District,
Taipei City**

(Conference Room 1, 12th Floor, IEAT International Conference Center)

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TaiSol Electronics Co., Ltd.

Procedure for the 2025 Annual Shareholders' Meeting

- I. Call the Meeting to Order**
- II. Chairperson Remarks**
- III. Report Items**
- IV. Ratification Items**
- V. Discussion Items**
- VI. Election Items**
- VII. Other Proposals**
- VIII. Questions and Motions**
- IX. Adjournment**

TaiSol Electronics Co., Ltd.

Agenda of the 2025 Annual Shareholders' Meeting

Time: 9:00 a.m., Friday, May 22, 2025

Venue: 12th Floor, No. 350, Songjiang Road, Zhongshan District, Taipei City
(Conference Room 1, 12th Floor, IEAT International Conference Center)

Type of Meeting: Physical

I. Call the meeting to order

II. Chairperson remarks

III. Report Items

- (I) 2024 Business Report.
- (II) Audit Committee's Review Report on 2024 Final Statements.
- (III) Status of Endorsements and Guarantees.
- (IV) Report on 2024 Employees' and Directors' Remuneration.
- (V) Report on amendments to the Procedures for Transactions with Group Enterprises, Specific Companies, and Related Parties.

IV. Ratification Items

- (I) Adoption of the 2024 Business Report and Financial Statements.
- (II) Adoption of the Proposal for Distribution of 2024 Profits.

V. Discussion Items

- (I) Proposal for Amendments to the Articles of Incorporation.
- (II) Proposal for Amendments to the Procedures for Loaning of Funds to Others.
- (III) Proposal for Amendments to the Procedures for Making Endorsements and Guarantees.
- (IV) Proposal for the Company proposes to conduct a capital increase through a private placement of common shares.

VI. Election Items

- (I) Proposal for election of new independent director.

VII. Other Proposals

- (I) Proposal for the release of non-competition restrictions on directors.

VIII. Questions and Motions

IX. Adjournment

Report Items

Item 1

2024 Business Report.

Explanation:

See Attachment (I), pages 12-14 hereof for the Company's 2024 Business Report.

Item 2

Audit Committee's Review Report on 2024 Final Statements.

Explanation:

See Attachment (II), page 15 hereof for the 2024 Annual Review Report of the Audit Committee.

Item 3

Status of Endorsements and Guarantees.

Explanation:

Below are the endorsements and guarantees provided by the Company in 2024:

Counterparty of guarantee	Relationship with the Company	Guarantee amount	Description
Suzhou TaiSol SiYang TaiSol	Subsidiary wholly-owned by the Company	\$0	The original amount of endorsements/guarantees was USD 1,000,000. The Board of Directors resolved on April 29, 2024, to revoke the endorsement and guarantee amount.

Item 4

Report on 2024 Employees' and Directors' Remuneration Proposal.

Explanation:

- I. According to Article 20 of the Articles of Incorporation, it is proposed to appropriate NT\$24,823,248 as employees' remuneration and NT\$24,823,248 as directors' remuneration for 2024.
- II. The proposed distribution of employee compensation and directors' remuneration will be made in cash, and the amounts are consistent with the budgeted figures for the year 2024.
- III. This proposal has been reviewed and approved by the Compensation Committee and the Board of Directors.

Item 5

Report on the Amendment to the "Procedures for Transactions with Related Parties, Specific Companies, and Affiliated Enterprises."

Explanation:

- I. To align with the Company's operational practices, the "Procedures for Transactions with Related Parties, Specific Companies, and Affiliated Enterprises" have been amended.
- II. See Attachment(IV), pages 35-45 hereof for a comparison table showing the original and amended articles.

Ratification Items

Proposal 1: (Proposed by the Board)
Adoption of the 2024 Business Report and Financial Statements.

Explanation:

- I. The 2024 Business Report, unconsolidated financial statements, and consolidated financial report were approved by the Board on March 5, 2025, and submitted to and reviewed by the Audit Committee, which has issued a written audit report.
- II. The Company's financial statements were audited by independent auditors, Derek Chen and Jason Yin, of KPMG Taiwan and were reviewed by the supervisor along with the business report with a written audit report issued.
- III. For the 2024 Business Report, the Audit Committee's audit report, independent auditor's audit report, parent company only financial statements and consolidated financial statements, see Attachment (I) - (III), pages 12-34 hereof.

Resolution:

Proposal 2: (Proposed by the Board)
Adoption of the Proposal for Distribution of 2024 Profits.

Explanation

- I. The unappropriated retained earnings at the beginning of the period amounted to NT\$289,122,797, and the net profit after tax in 2024 was NT\$262,684,026, less NT\$26,268,403 set aside as legal reserve (10%) and add NT\$45,913,207 set aside as equity deductions - special surplus reserve (exchange differences arising from the translation of financial statements of foreign operations) by law, so the distributable earnings for the year is NT\$571,451,627.
- II. It is proposed to appropriate NT\$174,916,282 from the distributable earnings 2024 as cash dividends to shareholders, at NT\$2 (accurate to NT\$1, with all fractional amounts rounded off and included in other revenue) for each share held, based on the number of shares held by shareholders set out in the register of shareholders on the base date.
- III. See below for the distribution of 2024 earnings.

TaiSol Electronics Co., Ltd.
Distribution of 2024 Earnings.

Unit: NT\$

Item	Amount
Unappropriated retained earnings at the beginning of period	289,122,797
Add: net profit after tax of the period	262,684,026
Less: Legal Reserve (10%)	26,268,403
Add: Equity deductions - special surplus reserve	45,913,207
Retained Earnings available for distribution	571,451,627
Distribution Item:	
Less: Cash Dividends (NT\$2 per share) Note 1	174,916,282
Unappropriated retained earnings at the end of period	396,535,345

Notes: 1. Excluding 450,000 treasury shares

2. According to the requirements under Letter Tai-Cai-Shui-No. 871941343 of the Ministry of Finance dated April 30, 1998, the distribution of earnings shall be individually recognized. In principle, the Company distributes the 2024 distributable earnings first. If there is any shortage, the accumulated distributable earnings shall be distributed in the year in which the earnings are generated on a last-in, first-out basis in the order of distribution.

- IV. After the annual shareholders' meeting has approved the proposal for earning distribution as a resolution, the Chairman is authorized to otherwise set the base date for dividend distribution and make arrangements for the matters related to the distribution of cash dividends.
- V. Subsequently, if any amendment is required due to changes in the dividend yield resulting from the effects of the changes in the Company's share capital on the volume of the number of issued shares, the Company intends to require a shareholders' meeting to authorize the Chairman to handle it with full discretion.

Resolution:

Discussion Items

Proposal 1

(Proposed by the Board)

Proposal for Amendments to the Articles of Incorporation.

Explanation:

- I. In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act, it is proposed to amend Article 20 of the Company's Articles of Incorporation to specify that a certain percentage of the annual earnings shall be allocated to salary adjustments or compensation for grassroots employees.
- II. To support business development and capital utilization needs, the Company proposes to increase its authorized capital from NT\$1 billion to NT\$1.5 billion, thereby enhancing financial flexibility and supporting future growth. Accordingly, Article 5 of the Articles of Incorporation shall be amended.
- III. See Attachment(V), pages 46-47 hereof for a comparison table showing the original and amended articles.

Resolution:

Proposal 2

(Proposed by the Board)

Proposal for Amendments to the Procedures for Loaning of Funds to Others.

Explanation:

To align with the Company's operational and cash management planning, certain provisions of the "Procedures for Loaning of Funds to Others" have been amended. See Attachment(VI), pages 48-50 hereof for a comparison table showing the original and amended articles.

Resolution:

Proposal 3

(Proposed by the Board)

Proposal for Amendments to the Procedures for Making Endorsements and Guarantees.

Explanation:

To align with the Company's operational and cash management planning, certain provisions of the "Procedures for Making Endorsements and Guarantees." have been amended. See Attachment (VII), pages 51-53 hereof for a comparison table showing the original and amended articles.

Resolution:

Proposal 4

(Proposed by the Board)

Proposal for the Company proposes to conduct a capital increase through a private placement of common shares.

Explanation:

- I. To introduce strategic investors and strengthen long-term partnerships with strategic collaborators, enhancing the Company's long-term competitiveness and operational efficiency, the Company proposes to authorize the Board of Directors, subject to market conditions and actual capital requirements, to proceed with a private placement of new shares at an appropriate time. The issuance will be within a total limit of 6,000,000 common shares, with a par value of NT\$10 per share. In accordance with Article 43-6 of the Securities and Exchange Act and the "Directions for Public Companies Conducting Private Placements of Securities," the private placement may be conducted in one or two tranches within one year from the date of the shareholders' resolution.
- II. According to Article 43-6 of the Securities and Exchange Act and the "Directions for Public Companies Conducting Private Placements of Securities," the issuance method and details of this private placement are as follows:
 1. Basis and Reasonableness of Pricing:
 - (1) The issuance price in this private placement shall not be lower than 80% of the reference price and shall not be lower than the par value of the shares. The actual private placement price and pricing date shall be determined by the Board of Directors based on future market conditions and objective factors, ensuring compliance with legal requirements and within the range approved by the shareholders' meeting.
 - (2) The reference price for private placement of common shares shall be determined based on the higher of the following two calculations:
 - A. The simple arithmetic average of the closing prices of common shares over one, three, or five business days before the pricing date, deducting free allotment for ex-rights and ex-dividends, and adding back the share price after capital reduction and anti-ex-rights.
 - B. The simple arithmetic average of the closing prices of common shares over the 30 business days before the pricing date, deducting free allotment for ex-rights and ex-dividends, and adding back the share price after capital reduction and anti-ex-rights.
 - (3) Reasonableness of Pricing:

The conditions for issuing private placement securities take into account the three-year transfer restriction under the Securities and Exchange Act and the strict eligibility criteria for subscribers. Since the pricing principles comply with the "Directions for Public Companies Conducting Private Placements of Securities," there should be no material harm to shareholder rights, and the pricing is considered reasonable.
 2. Selection of Specific Investors:
 - (1) The eligible investors for this private placement shall be selected in compliance with Article 43-6 of the Securities and Exchange Act, the Financial Supervisory Commission's directive Jin-Guan-Zheng-Fa-Zi No. 1120383220 (dated September 12, 2023), and the "Directions for Public Companies Conducting Private Placements of Securities." The selection shall be limited to strategic investors.

(2) Purpose of Selecting Investors:

This private placement is intended exclusively for strategic investors. Specific investors have not yet been finalized. The Board of Directors and the shareholders' meeting will authorize the Chairman to prioritize selecting investors who can directly or indirectly benefit the company's future operations and comply with regulatory requirements.

- a. Selection Criteria and Purpose of Investors: In response to the Company's long-term operations and development needs, investors will be chosen based on their potential to directly or indirectly benefit the Company's future operations. These investors should help expand business and product markets, strengthen customer relationships, or enhance product development and integration while aligning with the Company's business philosophy.
- b. Necessity: The private placement aims to introduce strategic investors and establish long-term partnerships to enhance the Company's competitiveness and operational efficiency. Therefore, selecting strategic investors who can contribute to the Company's future development is considered necessary and reasonable. However, no strategic investors have been finalized at this stage.
- c. Expected Benefits: By leveraging the expertise, technology, knowledge, and market access of strategic investors, the Company expects to reduce operating costs, enhance product technology, expand market reach, and ultimately improve shareholder value through strategic cooperation, joint product development, market integration, and business collaboration.

3. Reasons for Private Placement:

- (1) Reasons for Private Placement Instead of Public Offering: Considering factors such as fundraising efficiency, feasibility, issuance costs, market uncertainties, and the three-year transfer restriction on privately placed shares, private placement is preferred over a public offering. The private placement strengthens long-term partnerships with strategic investors and enhances corporate stability.
- (2) Maximum Shares Issued: The private placement shall not exceed 6,000,000 shares, with a par value of NT\$10 per share.
- (3) Use of Private Placement Funds and Expected Benefits:
The private placement will be conducted in one or two tranches within one year from the shareholders' resolution:

Tranche(s)	Use of Funds	Expected Benefits
1 st and 2 nd	Including but not limited to replenishing working capital, engaging in technology collaboration or strategic alliances with domestic and international companies, or funding capital expenditures required for long-term development.	Secure stable long-term funding, reduce operational risks, strengthen financial structure, and enhance future performance.

4. Given that the Board of Directors has undergone a change of more than one-third within the past year, leading to a potential change in management control, the Company has engaged Capital Securities Corporation to issue an evaluation report on the necessity and reasonableness of the private placement. This evaluation report can be found in Attachment(VIII), pages 54-61 hereof.

5. Rights and Obligations of Private Placement Shares: The privately placed common shares shall have the same rights and obligations as the Company's existing issued common shares. However, in accordance with the Securities and Exchange Act, the privately placed common shares shall not be transferred within three years from the date of issuance, except in cases stipulated under Article 43-8 of the Securities and Exchange Act. Upon the expiration of the three-year lock-up period, the Board of Directors may, based on market conditions at the time, decide whether to apply for public issuance and listing of these shares. This process will involve obtaining a qualification letter from the Taiwan Stock Exchange and seeking approval from the regulatory authorities.
6. The key aspects of this private placement, including the actual amount of shares issued, the actual placement price, the selection of investors, issuance terms, project details, funding allocation schedule, expected benefits, and other unspecified matters, are proposed to be delegated to the Board of Directors for adjustment and execution based on market conditions. If future amendments are required due to changes in regulatory requirements or external factors, the Board of Directors is authorized to handle such adjustments accordingly.
7. The shareholders' meeting is requested to authorize the Chairman or his designated representative to sign all related agreements and documents necessary for executing the private placement of common shares.

Resolution:

Election Items

Proposal 1

(Proposed by the Board)

Proposal for election of new independent directors, please proceed to election.

Explanation:

- I. To enhance corporate governance and strengthen the functions of the Board of Directors, the Company proposes to elect one additional Independent Director at this shareholders' meeting. The term of office will commence on May 22, 2025, and end on May 23, 2027.
- II. According to Article 13 of the Company's Articles of Incorporation, the Company adopts the candidate nomination system for the election of Directors, with Directors selected from the list of nominated candidates.
- III. Below is the list of candidates for independent directors:
- IV. Please proceed to election.

TaiSol Electronics Co., Ltd.

List of candidates for independent directors (nominated by the Board of Directors)

Title	Name	Academic qualifications	Experience	Current position	Shareholding
Independent Director	Chang ,Ming-Lei	Department of Finance and Tax, National Chengchi University Master's Degree Department of Public Finance, National Chengchi University PhD in Accounting, National Taiwan University	1. Associate Professor, Department of Accounting and Director of Career Development of Business Office, Chung Yuan Christian University 2. Supervisor of Taiwan Cooperative Bank 3. Independent Director of Chant Sincere Co., Ltd.	1. Professor and Director, Department of Accounting and Vice Dean, Business School, Chung Yuan Christian University 2. Director of Taiwan Cooperative Bank 3. Independent Director of Chant Sincere Co., Ltd. 4. Independent Director of Bausen Inc.	

The qualifications required for the nomination of directors (including independent directors) above were resolved by the 6th meeting of the 14th Board of Directors on March 5, 2025.

Election results:

Other Proposals

Proposal 1

(Proposed by the Board)

Proposal for the release of non-competition restrictions on directors, please proceed to discuss.

Explanation:

- I. According to paragraph 1, Article 209 of the Company Act, "A Director who does anything for itself or on behalf of others that is within the scope of the Company's business, shall explain to the shareholders' meeting the essential contents of such an act and secure its approval."
- II. Any of the Company's directors investing or operating in the same business scope as the Company hereby files to the shareholders' meeting for approval by law without prejudice to the Company's interests. In such case, the meeting agrees to release the non-competition restrictions on such director.
- III. The Company proposes to release the non-competition restrictions on directors included in the list below:

Title	Name	Name of other companies and the concurrent duties
Representative of the Corporate Director	Singatron Enterprise Co., Ltd. Representative: Kan, Hsin-Nan	Chairperson of SINGATRON ENTERPRISE CO., LTD. Director of SINGATRON(BVI) ENTERPRISE CO., LTD. Director of SINGATRON Electronics (China) Co., Ltd. Director of Singatron Electronic (Zhongshan) Co., Ltd. Director of Suzhou Singatron Auto Co., Ltd. Director of Singatron Technology (Hong Kong) Co., Ltd.
Representative of the Corporate Director	Singatron Enterprise Co., Ltd. Representative: Peng, Peng-Huang	Vice Chairperson and President of Singatron Enterprise Co., Ltd. Independent director of GIGA-BYTE Technology Co., Ltd. Director of Info-Tek Corporation Director of Kingstate Electronics Corp. Director of SINGATRON Electronics (China) Co., Ltd. Director of Singatron Electronic (Zhongshan) Co., Ltd. Director of Suzhou Singatron Auto Co., Ltd. Director of Singatron Technology (Hong Kong) Co., Ltd. Director of InfoTek Electronics (Suzhou) Co., Ltd. Independent director of Albatron Technology Co., Ltd.
Independent Director	Wang, Hwei-Min	Chairperson of Apollon Power Co., Ltd. Chairperson of Digital Energy Design Co., Ltd.
Independent Director	Chang ,Ming-Lei	Independent Director of Chant Sincere Co., Ltd. Independent Director of Bausen Inc. Director of Taiwan Cooperative Bank

Resolution:

Questions and Motions

Adjournment

TaiSol Electronics Co., Ltd.
2024 Business Report

I. Business achievements in 2024

1. The 2024 business plan implementation highlight and achievements

The Company's consolidated net operating income in 2024 was NT\$3,753,882 thousand, representing a decrease of 1.52% from 2023; the consolidated net operating profit in 2024 was NT\$223,265 thousand, representing a decrease of 16.23% from 2023; net profit after tax in 2024 was NT\$262,683 thousand, representing an increase of 7.97% from 2023; earnings per share in 2024 were NT\$3. The 2024 gross margin was 20.06%, representing a 0.60% decrease from 2023; the 2024 net profit margin was 7.00%, representing an increase of 0.62% from 2023.

2. Budget implementation

According to the Regulations Governing the Publication of Financial Forecasts of Public Companies, the Company is not required to disclose the implementation status as it did not disclose its financial forecast for 2024.

3. Analysis of financial income, expenses and profitability

Unit: NT\$000'

Item Year		2024	2023
Financial income/ expenses	Operating revenue	3,753,882	3,811,775
	Gross profit	752,998	787,451
	Net profit after tax attributable to the parent company	262,683	243,294
Profitability	Return on assets (%)	6.96%	6.62%
	Return on equity (%)	13.38%	12.98%
	Net profit before tax as a percentage of paid-in capital (%)	37.57%	36.28%
	Profit margin (%)	7.00%	6.38%
	Basic earnings per share (NT\$)	3.00	2.78

4. R&D status

(1) R&D expenditures for the most recent two years

Unit: NT\$000'

Year	2024	2023
R&D expenses	162,820	136,704
R&D expenses as a percentage of revenue (%)	4.34%	3.59%

(2) R&D achievement

- Heat transfer:

- A. Development of open and closed server liquid cooling systems
- B. HPC & AI server thermal solutions
- C. Thermal solutions for auto systems
- D. 3D vapor chamber thermal system application
- E. Advancement in Liquid Cooling and Biphasic Technologies
- F. Research & Development of CDU and Manifold Systems

- IoT applications:

- A. Bluetooth Modules / Wireless Switch Modules / Sub-1G Modules
- B. Development of NFC fingerprint cards and card holders
- C. Development of NFC motorcycle unlocking modules

II. Outlook for 2025

1. Business policy

TaiSol will closely monitor industry trends, adapt strategies with agility, and continue to strengthen its core focus areas, including high-performance computing (HPC), AI servers, automotive electronics, and projectors. By enhancing R&D capabilities, improving digital competencies, and optimizing quality and cost competitiveness, the Company aim to maintain a strong industry advantage.

To capitalize on AI server opportunities, the Company will drive continuous innovation and technological advancements, focusing not only on liquid cooling technology but also on expanding into the electric vehicle and high-end server markets. Through product diversification and a global expansion strategy, the Company seek to meet the growing demand for industrial upgrades and intelligent applications, delivering high-value solutions and seizing major opportunities in the thermal management industry.

Amid global market shifts, TaiSol will leverage diversified marketing and transformation strategies, deepen regional partnerships, and aggressively expand its international presence. By doing so, the Company aim to enhance brand visibility and establish ourselves as a leading global enterprise.

2. Important production and sales policies

(1) Marketing strategy

- A. Strengthen strategic partnerships to accelerate technology commercialization and expand into AI servers, electric vehicles, and the HPC industry.
- B. Expand ODM and EMS operations to increase market coverage.
- C. Enhance product value and transform into a “comprehensive thermal solutions provider.”

(2) Production strategy

- A. Optimize a sustainable supply chain and accelerate carbon reduction, embedding innovation-driven decarbonization as a core competitive advantage.
- B. Leverage digital transformation and smart automation to improve management efficiency and reduce operational costs.
- C. Implement a “global footprint, localized operations” strategy to enhance supply chain efficiency and market competitiveness.

- (3) R&D strategy
 - A. Strengthen core technologies, focusing on AI servers, HPC, and high-power thermal solutions.
 - B. Expand research into liquid cooling, two-phase modules, and hybrid air-liquid cooling technologies.
 - C. Develop AIoT smart thermal management solutions.

3. Future development strategy

2025 will be a pivotal year for TaiSol's transformation. The Company will actively pursue organizational optimization, product strategy upgrades, international market expansion, talent development, and streamlined operations to embrace change and enhance its competitive edge. Moving forward, TaiSol will leverage technology innovation and product differentiation strategies to avoid price wars and drive sustainable growth.

The Company will accelerate overseas market expansion, particularly in Southeast Asia, and optimize its sustainable supply chain through digital transformation.

We recognize that every challenge presents an opportunity for growth and transformation. With a commitment to steady operations and continuous innovation, TaiSol will seize greater opportunities in the global market. We will proactively uphold our corporate responsibility and embrace sustainable business practices, working alongside shareholders, customers, and employees to create a better future.

TaiSol Electronics Co., Ltd.

Chairperson: Peng, Peng-Huang

President: Liu, Ko-Ping

Chief accountant: Wu, Mei-Ling

Audit Committee's Review Report

We have reviewed the Company's financial statements and consolidated financial statements (including the balance sheet, statement of comprehensive income, statement of changes in equity, and statement of cash flows), business report, and distribution of earnings for 2024 duly prepared by the Board, in which the financial statements and consolidated financial statements have been duly audited and verified by CPAs Jason Yin and Derek Chen from KPMG, and they have issued the auditor's report, to which we have found no misstatement, and we hereby issue an audit report as presented above in accordance with the Securities and Exchange Act and the Company Act. Please proceed to verification.

The 2025 Annual Shareholders' Meeting of the Company

TaiSol Electronics Co., Ltd.

Chairperson of the Audit Committee: Wang, Hwei-Min

March 5, 2025



安侯建業聯合會計師事務所

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Independent Auditors' Report

To the Board of Directors of TaiSol Electronics Co., Ltd.:

Opinion

We have audited the financial statements of TaiSol Electronics Co., Ltd. ("the Company"), which comprise the balance sheet as of December 31, 2024 and 2023, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of 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 Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Revenue recognition

Please refer to Notes 4(m), 5(a), 6(k) and 6(p) to the parent company only financial statements.

Description of key audit matter:

The Company provides discounts to its customers based on their contract agreements and records them as reduction on revenue. Therefore, revenue recognition has been regarded as one of our key audit matters.



How the matter was addressed in our audit:

Our principal audit procedures included the following:

- Testing the manual controls relating to sales and collection, financial reporting, as well as checking and reconciling the sales system data with the general ledger entries to ensure the Company's revenue recognition policy is in compliance with the relevant standards and revenue information is properly disclosed.
- Reviewing the relevant customer sales contracts and terms, by taking into consideration the accounting treatment and disclosure of sales discounts, to ensure they are consistent with the Company's accounting policies.
- Performing a year-to-year analysis on the revenue based on product lines and revenue from top ten customers to determine to ensure there are no material misstatements.
- Selecting appropriate samples and compare them with the vouchers and relevant documents to ensure consistency.
- Selecting sales transactions from a period of time before and after the balance sheet date and verify them with the vouchers and relevant documents to assess the accuracy of the timing and amounts of revenue recognized.
- Obtaining the details of the discounts accrued by the management of the Company (refund liabilities) and verify them with the relevant internal and external information to assess the reasonableness of the relevant parameters and the underlying assumptions; as well as reviewing the accuracy of the estimated discount accrued in prior years to assess whether there are material anomalies in the amounts of the accrued discounts (refund liabilities).

2. Commission estimate

Please refer to Notes 4(f) , 5(b), 6(k) to the parent company only financial statements.

Description of key audit matter:

Commission expense is one of our key audit matters. Part of the sales of the Company are made through agents, who collect commissions from the Company based on the agreements. These expenses estimated by the management, in respect of the foregoing transaction mentioned above, are accrued as operating expenses.

How the matter was addressed in our audit:

Our principal audit procedures included the following:

- Reviewing the terms of the sales contract of the relevant agent to ensure they are consistent with the accounting treatment.
- Performing a year-to-year analysis on the commission expense incurred from the main agents to evaluate if there are any material abnormalities.
- Obtaining the details on the commission accrued by the management and verify them with the relevant internal and external information to assess the reasonableness of the relevant parameters and underlying assumptions; as well as reviewing the accuracy of the estimated commission expenses accrued in prior years to assess whether there are material anomalies in the amounts of the accrued commission.



3. Valuation of Inventory

Please refer to Notes 4(g), 5(c) and 6(e) to the parent company only financial statements.

Description of key audit matter:

Inventories are measured at the lower of cost or net realizable value at the reporting date. Due to factors such as rapid changes in technology or the upgrading of production technology, which may lead the products to be obsolete or no longer meet market demand, and their sales prices to fluctuate or become sluggish, resulting in a risk on the costs of inventories to exceed their net realized values.

How the matter was addressed in our audit:

Our principal audit procedures included the following:

- Reviewing the inventory aging reports to analyze the changes for each period.
- Assessing the reasonableness of the accounting policies of the Company, such as policies for the valuation of inventories or the provision of obsolete goods.
- Evaluating whether the inventory valuation is in conformity with the accounting policies.
- Understanding the basis for valuation of net realized value used by the management of the Company and selecting appropriate samples to assess the reasonableness of the net realized value of inventories.
- Assessing whether the disclosure of inventory is appropriate.

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

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

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



As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the 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.
2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

The engagement partners on the audit resulting in this independent auditors' report are Chen, Fu-Jen and Yin, Yuan-Sheng.

KPMG

Taipei, Taiwan (Republic of China)
March 5, 2025

Notes to Readers

The accompanying parent company only financial statements are intended only to present the statement of financial position, financial performance and its cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
TAISOL ELECTRONICS CO., LTD.

Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

Assets #	8	December 31, 2024		& ' () * '		Liabilities and Equity #	&	8	December 31, 2024		December 31, 2023	
		Amount	7	#	7				Amount	7	#	7
1100	Cash and cash equivalents (note 6(a))	\$ 217,544	7	626,065	20	2170			341,842	10	372,403	12
1136	Current financial assets at amortized cost (note 6(b))	244,038	8	30,827	1	2180			469,048	14	477,411	15
1150	Notes receivable, net (notes 6(c) and (p))	-	-	16	-	2200			153,362	5	190,596	6
1170	Accounts receivable, net (notes 6(c) and (p))	769,197	24	817,228	25	2220			12,307	-	7,874	-
1180	Accounts receivable due from related parties, net (notes 6(c), (p) and 7)	71	-	-	-	2230			28,003	1	34,536	1
1200	Other receivables, net (note 6(d))	5,415	-	5,004	-	2280			531	-	1,888	-
1210	Other receivables due from related parties, net (notes 6(d) and 7)	11,819	-	582	-	2300			55,742	2	72,277	2
1220	Current tax assets	-	-	253	-				1,060,835	32	1,156,985	36
130X	Inventories (note 6(e))	204,353	6	169,660	5				Total current liabilities			
1410	Prepayments	5,806	-	2,844	-	2570			Non-Current liabilities:			
1470	Other current assets (note 8)	1,020	-	809	-	2580			129,120	4	137,274	4
	Total current assets	1,459,263	45	1,653,288	51	2650			695	-	1,227	-
	Non-current assets:					2670			21,658	1	28,468	1
1535	Non-current financial assets at amortised cost (note 6(b))	34,424	1	-	-				867	-	1,817	-
1550	Investments accounted for using equity method, net (note 6(f))	1,526,772	47	1,337,473	42				152,340	5	168,786	5
1600	Property, plant and equipment (notes 6(g) and 8)	149,873	5	152,293	5				1,213,175	37	1,325,771	41
1755	Right of use assets (note 6(h))	1,198	-	3,076	-	3110			Equity attributable to owners of parent (note 6(n)):			
1780	Intangible assets (note 6(i))	1,053	-	1,120	-	3200			879,081	27	879,081	27
1840	Deferred tax assets (note 6(m))	66,420	2	73,280	2				348,929	11	348,899	11
1990	Other non-current assets	4,007	-	1,366	-	3310			Retained earnings:			
	Total non-current assets	1,783,747	55	1,568,608	49	3320			221,358	7	197,029	6
						3350			85,660	3	61,180	2
									551,807	17	512,849	16
									858,825	27	771,058	24
						3410			(39,747)	(1)	(85,660)	(2)
						3500			(17,253)	(1)	(17,253)	(1)
									Total equity			
									2,029,835	63	1,896,125	59
	Total assets	\$ 3,243,010	100	3,221,896	100				Total liabilities and equity			
									\$ 3,243,010	100	3,221,896	100

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
TAISOL ELECTRONICS CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2024		2023	
		#	7	#	7
4000	Operating revenue (notes 6(p) and 7)	\$ 2,238,002	100	2,316,825	100
5000	Operating costs (notes 6(e), 7 and 12)	<u>1,862,362</u>	<u>83</u>	<u>1,912,640</u>	<u>83</u>
5900	Gross profit from operations	<u>375,640</u>	<u>17</u>	<u>404,185</u>	<u>17</u>
6000	Operating expenses (notes 6(c), (j), (l), (q), 7 and 12):				
6100	Selling expenses	104,918	5	106,140	4
6200	Administrative expenses	95,524	4	88,792	4
6300	Research and development expenses	45,374	2	41,763	2
6450	Expected credit gain	<u>(40)</u>	<u>-</u>	<u>(500)</u>	<u>-</u>
		<u>245,776</u>	<u>11</u>	<u>236,195</u>	<u>10</u>
6900	Net operating income	<u>129,864</u>	<u>6</u>	<u>167,990</u>	<u>7</u>
7000	Non-operating income and expenses (notes (j), (r) and 7):				
7100	Interest income	20,891	1	16,831	1
7010	Other income	20,930	1	39,005	1
7020	Other gains and losses, net	37,008	2	259	-
7050	Finance costs, net	<u>(45)</u>	<u>-</u>	<u>(128)</u>	<u>-</u>
7070	Share of profit of associates and joint ventures accounted for using equity method, net	<u>116,886</u>	<u>5</u>	<u>82,805</u>	<u>4</u>
		<u>195,670</u>	<u>9</u>	<u>138,772</u>	<u>6</u>
	Profit from continuing operations before tax	325,534	15	306,762	13
7950	Less: Income tax expenses (note 6(m))	<u>62,851</u>	<u>3</u>	<u>63,468</u>	<u>3</u>
	Profit	<u>262,683</u>	<u>12</u>	<u>243,294</u>	<u>10</u>
8300	Other comprehensive income (note 6(n)):				
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	44,924	2	(24,480)	(1)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
8300	Other comprehensive income	<u>44,924</u>	<u>2</u>	<u>(24,480)</u>	<u>(1)</u>
8500	Total comprehensive income	<u>\$ 307,607</u>	<u>14</u>	<u>218,814</u>	<u>9</u>
	Earnings per share (note 6(o))				
9750	Basic earnings per share	<u>\$ 3.00</u>		<u>2.78</u>	
9850	Diluted earnings per share	<u>\$ 2.99</u>		<u>2.78</u>	

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
TAISOL ELECTRONICS CO., LTD.

Statements of Changes in Equity
For the years ended December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

	Share capital		Reserves		Retained earnings		Total equity		
	Share capital	Reserves	Retained earnings	Total equity	Share capital	Reserves	Retained earnings	Total equity	
	2024	2023	2024	2023	2024	2023	2024	2023	
Balance at December 31, 2023	879,081	348,899	197,029	61,180	512,849	771,058	(85,660)	(17,253)	1,896,125
Profit	-	-	-	-	262,683	262,683	-	-	262,683
Other comprehensive income	-	-	-	-	-	-	44,924	-	44,924
Total comprehensive income	-	-	-	-	262,683	262,683	44,924	-	307,607
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	24,329	-	(24,329)	-	-	-	-
Special reserve appropriated	-	-	-	24,480	(24,480)	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(174,916)	(174,916)	-	-	(174,916)
Other changes in capital surplus	-	30	-	-	-	-	-	-	30
Disposal of subsidiaries	-	-	-	-	-	-	989	-	989
Balance at December 31, 2024	879,081	348,929	221,358	85,660	551,807	858,825	(39,747)	(17,253)	2,029,835

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

TAISOL ELECTRONICS CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
	\$ 325,534	306,762
Adjustments:		
Adjustments to reconcile profit or loss:		
Depreciation expense	6,736	8,708
Amortization expense	194	350
Expected credit gain	(40)	(500)
Interest expense	45	128
Interest income	(20,888)	(16,826)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	(116,886)	(82,805)
Loss on disposal of investments	990	-
Unrealized foreign exchange loss	7,067	4,952
Derecognized intangible assets	811	-
Gains on modification of leases	(3)	-
Total adjustments to reconcile profit (loss)	<u>(121,974)</u>	<u>(85,993)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in notes receivable	16	(16)
Decrease (increase) in accounts receivable	60,924	(37,790)
Increase in accounts receivable due from related parties	(70)	-
Increase in other receivables	(296)	(1,767)
(Increase) decrease in other receivables due from related parties	(11,018)	2,820
(Increase) decrease in inventories	(34,693)	2,590
(Increase) decrease in prepayments	(2,962)	402
Increase in other current assets	(211)	(217)
Decrease in other non-current assets	-	12,075
Total changes in operating assets	<u>11,690</u>	<u>(21,903)</u>
Changes in operating liabilities:		
(Decrease) increase in accounts payable	(35,606)	169,997
(Decrease) increase in accounts payable to related parties	(15,174)	48,009
Decrease in other payable	(41,230)	(17,350)
Increase in other payable to related parties	4,379	78
Decrease in other current liabilities	(20,294)	(14,388)
Decrease in other operating liabilities	(951)	(11,041)
Total changes in operating liabilities	<u>(108,876)</u>	<u>175,305</u>
Total changes in operating assets and liabilities	<u>(97,186)</u>	<u>153,402</u>
Total adjustments	<u>(219,160)</u>	<u>67,409</u>
Cash inflow generated from operations	106,374	374,171
Interest received	20,838	15,610
Dividends received	156,985	-
Interest paid	(45)	(128)
Income taxes paid	(70,425)	(90,572)
Net cash flows from operating activities	<u>213,727</u>	<u>299,081</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortized cost	(247,563)	(30,827)
Acquisition of investments accounted for using equity method	(192,753)	-
Proceeds from disposal of investments accounted for using equity method	1,468	-
Acquisition of property, plant and equipment	(3,311)	(7,718)
Acquisition of intangible assets	(938)	(274)
Increase in other non-current assets	(2,647)	-
Net cash flows used in investing activities	<u>(445,744)</u>	<u>(38,819)</u>
Cash flows from (used in) financing activities:		
Payment of lease liabilities	(1,618)	(3,254)
Cash dividends paid	(174,916)	(174,916)
Other financing activities	30	-
Net cash flows used in financing activities	<u>(176,504)</u>	<u>(178,170)</u>
Net (decrease) increase in cash and cash equivalents	<u>(408,521)</u>	<u>82,092</u>
Cash and cash equivalents at beginning of period	<u>626,065</u>	<u>543,973</u>
Cash and cash equivalents at end of period	<u>\$ 217,544</u>	<u>626,065</u>

See accompanying notes to parent company only financial statements.

Representation Letter

The entities that are required to be included in the combined financial statements of TaiSol Electronics Co., Ltd. as of and for the year ended December 31, 2024 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 by the Financial Supervisory Commission, "Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, TaiSol Electronics Co., Ltd. and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: TaiSol Electronics Co., Ltd.

Chairman: Peng, Peng-Huang

Date: March 5, 2025



安侯建業聯合會計師事務所
KPMG

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Independent Auditors' Report

To the Board of Directors of TaiSol Electronics Co., Ltd.:

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of 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 with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Revenue recognition

Please refer to Notes 4(m), 5(b)(i), 6(m) and 6(r) to the consolidated financial statements.

Description of key audit matter:

The Group provides discounts to its customers based on their contract agreements and records them as reduction on revenue. Therefore, revenue recognition has been regarded as one of our key audit matters.

How the matter was addressed in our audit:

Our principal audit procedures included the following:

- Testing the manual controls relating to sales and collection, financial reporting, as well as checking and reconciling the sales system data with the general ledger entries to ensure the Group's revenue recognition policy is in compliance with the relevant standards and revenue information is properly disclosed.
- Reviewing the relevant customer sales contracts and terms, by taking into consideration the accounting treatment and disclosure of sales discounts, to ensure they are consistent with the Group's accounting policies.
- Performing a year-to-year analysis on the revenue based on product lines and revenue from top ten customers to determine to ensure there are no material misstatements.
- Selecting appropriate samples and compare them with the vouchers and relevant documents to ensure consistency.
- Selecting sales transactions from a period of time before and after the balance sheet date and verify them with the vouchers and relevant documents to assess the accuracy of the timing and amounts of revenue recognized.
- Obtaining the details of the discounts accrued by the management of the Group (refund liabilities) and verify them with the relevant internal and external information to assess the reasonableness of the relevant parameters and the underlying assumptions; as well as reviewing the accuracy of the estimated discount accrued in prior years to assess whether there are material anomalies in the amounts of the accrued discounts (refund liabilities).

2. Commission estimate

Please refer to Notes 4(g) , 5(b)(ii), 6(m) to the consolidated financial statements.

Description of key audit matter:

Commission expense is one of our key audit matters. Part of the sales of the Group are made through agents, who collect commissions from the Group based on the agreements. These expenses estimated by the management, in respect of the foregoing transaction mentioned above, are accrued as operating expenses.

How the matter was addressed in our audit:

Our principal audit procedures included the following:

- Reviewing the terms of the sales contract of the relevant agent to ensure they are consistent with the accounting treatment.
- Performing a year-to-year analysis on the commission expense incurred from the main agents to evaluate if there are any material abnormalities.
- Obtaining the details on the commission accrued by the management and verify them with the relevant internal and external information to assess the reasonableness of the relevant parameters and underlying assumptions; as well as reviewing the accuracy of the estimated commission expenses accrued in prior years to assess whether there are material anomalies in the amounts of the accrued commission.



3. Valuation of Inventory

Please refer to Notes 4(h), 5(b)(iii) and 6(e) to the consolidated financial statements.

Description of key audit matter:

Inventories are measured at the lower of cost or net realizable value at the reporting date. Due to factors such as rapid changes in technology or the upgrading of production technology, which may lead the products to be obsolete or no longer meet market demand, and their sales prices to fluctuate or become sluggish, resulting in a risk on the costs of inventories to exceed their net realized values.

How the matter was addressed in our audit:

Our principal audit procedures included the following:

- Reviewing the inventory aging reports to analyze the changes for each period.
- Assessing the reasonableness of the accounting policies of the Group, such as policies for the valuation of inventories or the provision of obsolete goods.
- Evaluating whether the inventory valuation is in conformity with the accounting policies.
- Understanding the basis for valuation of net realized value used by the management and selecting appropriate samples to assess the reasonableness of the net realized value of inventories.
- Assessing whether the disclosure of inventory is appropriate.

Other Matter

TaiSol Electronics Co., Ltd. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2024 and 2023, on which we have issued an unmodified opinion.

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 with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, 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 governance (including the audit committee) are responsible for overseeing the Group's financial reporting process.



Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. 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.
6. Obtain sufficient and 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 the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

The engagement partners on the audit resulting in this independent auditors' report are Chen, Fu-Jen and Yin, Yuan-Sheng.

KPMG

Taipei, Taiwan (Republic of China)
March 5, 2025

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated statement of financial position, financial performance and its cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

TAISOL ELECTRONICS CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

Assets " # # 8	December 31, 2024		& # ' () *)'			Liabilities and Equity " # # & 8	December 31, 2024		December 31, 2023	
	Amount	7	"	7			Amount	7	"	7
1100 Cash and cash equivalents (note 6(a))	\$ 927,358	25	1,001,154	26	2170	Accounts payable	\$ 1,085,247	29	1,254,913	33
1136 Current financial assets at amortized cost (note 6(b))	244,038	7	159,972	4	2209	Other payables (note 6(m))	322,783	9	376,053	10
1150 Notes receivable, net (notes 6(c) and (r))	151,642	4	234,977	6	2230	Current tax liabilities	39,154	1	45,581	1
1170 Accounts receivable, net (notes 6(c) and (r))	1,293,788	34	1,414,765	37	2280	Current lease liabilities (note 6(k))	35,722	1	5,104	-
1200 Other receivables, net (note 6(d))	6,159	-	8,987	-	2399	Other current liabilities (notes 6(m) and (r))	96,329	3	117,588	3
1220 Current tax assets	-	-	253	-		Total current liabilities	<u>1,579,235</u>	<u>43</u>	<u>1,799,239</u>	<u>47</u>
130X Inventories (note 6(e))	418,380	11	343,093	9		Non-Current liabilities:				
1410 Prepayments (note 6(j))	84,046	2	91,431	3	2570	Deferred tax liabilities (note 6(o))	129,120	3	137,274	4
1470 Other current assets (note 8)	1,020	-	809	-	2580	Non-current lease liabilities (note 6(k))	14,847	-	1,320	-
Total current assets	<u>3,126,431</u>	<u>83</u>	<u>3,255,441</u>	<u>85</u>	2670	Other non-current liabilities	868	-	1,818	-
Non-current assets:						Total non-current liabilities	<u>144,835</u>	<u>3</u>	<u>140,412</u>	<u>4</u>
1535 Non-current financial assets at amortised cost (note 6(b))	34,424	1	-	-		Total liabilities	<u>1,724,070</u>	<u>46</u>	<u>1,939,651</u>	<u>51</u>
1600 Property, plant and equipment (notes 6(g) and 8)	427,396	11	435,001	11		Equity attributable to owners of parent (note 6(p)):				
1755 Right of use assets (note 6(h))	75,751	2	27,099	1	3110	Ordinary shares	879,081	23	879,081	23
1780 Intangible assets (note 6(i))	1,104	-	1,231	-	3200	Capital surplus	348,929	9	348,899	9
1840 Deferred tax assets (note 6(o))	66,420	2	73,280	2		Retained earnings:				
1990 Other non-current assets (note 12)	22,379	1	43,724	1	3310	Legal reserve	221,358	6	197,029	5
Total non-current assets	<u>627,474</u>	<u>17</u>	<u>580,335</u>	<u>15</u>	3320	Special reserve	85,660	2	61,180	2
					3350	Unappropriated retained earnings	551,807	15	512,849	13
							<u>858,825</u>	<u>23</u>	<u>771,058</u>	<u>20</u>
					3410	Exchange differences on translation of foreign financial statements	(39,747)	(1)	(85,660)	(2)
					3500	Treasury shares	(17,253)	-	(17,253)	(1)
						Total equity	<u>2,029,835</u>	<u>54</u>	<u>1,896,125</u>	<u>49</u>
Total assets	<u>\$ 3,753,905</u>	<u>100</u>	<u>3,835,776</u>	<u>100</u>		Total liabilities and equity	<u>\$ 3,753,905</u>	<u>100</u>	<u>3,835,776</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

TAISOL ELECTRONICS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2024		2023	
		"	7	"	7
4000	Operating revenue (notes 6(r) and 7)	3,753,882	100	3,811,775	100
5000	Operating costs (notes 6(e), (k) and 12)	3,000,884	80	3,024,324	79
5900	Gross profit from operations	752,998	20	787,451	21
6000	Operating expenses (notes 6(c), (k), (n), (s) and 12):				
6100	Selling expenses	192,760	5	192,702	5
6200	Administrative expenses	173,742	5	191,439	5
6300	Research and development expenses	162,820	4	136,704	4
6450	Expected credit loss	411	-	75	-
		529,733	14	520,920	14
6900	Net operating income	223,265	6	266,531	7
7000	Non-operating income and expenses (notes 6(f), (k), (t) and 12):				
7100	Interest income	29,704	1	25,323	-
7010	Other income	34,645	1	39,533	1
7020	Other gains and losses, net	44,660	1	(10,804)	-
7050	Finance costs, net	(1,996)	-	(1,623)	-
		107,013	3	52,429	1
7900	Profit from continuing operations before tax	330,278	9	318,960	8
7950	Less: Income tax expenses (note 6(o))	67,595	2	75,666	2
	Profit	262,683	7	243,294	6
8300	Other comprehensive income (note 6(p)):				
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	44,924	1	(24,480)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
		44,924	1	(24,480)	-
8300	Other comprehensive income				
8500	Total comprehensive income	307,607	8	218,814	6
	Profit, attributable to:				
8610	Owners of parent	262,683	7	243,294	6
	Comprehensive income attributable to:				
8710	Owners of parent	307,607	8	218,814	6
	Earnings per share (note 6(q))				
9750	Basic earnings per share	3.00		2.78	
9850	Diluted earnings per share	2.99		2.78	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

TAISOL ELECTRONICS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent																				
	#	!	#	0	!!#	!#	#	0	6	0											
	#	#	!	"#!	"	0	#	#3	!	#	#3	#	0	#	0	#	0	#	"#	#	@
C " # . () *)'	\$	879,081	348,899	170,281	85,614	446,785	702,680	(61,180)	(17,253)	1,852,227											
Profit	-	-	-	-	243,294	243,294	-	-	-	243,294											
Other comprehensive income	-	-	-	-	-	-	(24,480)	-	-	(24,480)											
Total comprehensive income	-	-	-	-	243,294	243,294	(24,480)	-	-	218,814											
Appropriation and distribution of retained earnings:																					
Legal reserve appropriated	-	-	26,748	-	(26,748)	-	-	-	-	-											
Cash dividends of ordinary share	-	-	-	-	(174,916)	(174,916)	-	-	-	(174,916)											
Reversal of special reserve	-	-	-	(24,434)	24,434	-	-	-	-	-											
Balance at December 31, 2023	879,081	348,899	197,029	61,180	512,849	771,058	(85,660)	(17,253)	-	1,896,125											
Profit	-	-	-	-	262,683	262,683	-	-	-	262,683											
Other comprehensive income	-	-	-	-	-	-	44,924	-	-	44,924											
Total comprehensive income	-	-	-	-	262,683	262,683	44,924	-	-	307,607											
Appropriation and distribution of retained earnings:																					
Legal reserve appropriated	-	-	24,329	-	(24,329)	-	-	-	-	-											
Special reserve appropriated	-	-	-	24,480	(24,480)	-	-	-	-	-											
Cash dividends of ordinary share	-	-	-	-	(174,916)	(174,916)	-	-	-	(174,916)											
Other changes in capital surplus	-	30	-	-	-	-	-	-	-	30											
Disposal of subsidiaries	-	-	-	-	-	-	989	-	-	989											
Balance at December 31, 2024	\$ 879,081	348,929	221,358	85,660	551,807	858,825	(39,747)	(17,253)	-	2,029,835											

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

TAISOL ELECTRONICS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
	\$ 330,278	318,960
Adjustments:		
Adjustments to reconcile profit or loss:		
Depreciation expense	89,761	110,024
Amortization expense	257	558
Expected credit loss	411	75
Interest expense	1,996	1,623
Interest income	(29,701)	(25,318)
(Gains) loss on disposal of property, plan and equipment	(750)	941
Loss on disposal of investments	990	-
Impairment loss on non-financial assets	-	1,054
Unrealized foreign exchange (gain) loss	(763)	22,584
Derecognized intangible assets	811	-
Gains on modification of leases	(3)	-
Total adjustments to reconcile profit	<u>63,009</u>	<u>111,541</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease in notes receivable	90,980	54,221
Decrease (increase) in accounts receivable	155,319	(128,984)
Decrease (increase) in other receivables	565	(1,632)
(Increase) decrease in inventories	(68,616)	63,714
Decrease (increase) in prepayments	10,385	(2,528)
Increase in other current assets	(212)	(82)
Decrease in other non-current assets	-	12,075
Total changes in operating assets	<u>188,421</u>	<u>(3,216)</u>
Changes in operating liabilities:		
(Decrease) increase in accounts payable	(204,886)	384,557
Decrease in other payables	(58,947)	(20,440)
Decrease in other current liabilities	(26,556)	(23,802)
Decrease in other operating liabilities	(951)	(11,041)
Total changes in operating liabilities	<u>(291,340)</u>	<u>329,274</u>
Total changes in operating assets and liabilities	<u>(102,919)</u>	<u>326,058</u>
Total adjustments	<u>(39,910)</u>	<u>437,599</u>
Cash inflow generated from operations	290,368	756,559
Interest received	32,128	21,761
Interest paid	(1,996)	(1,623)
Income taxes paid	(75,393)	(106,267)
Net cash flows from operating activities	<u>245,107</u>	<u>670,430</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortized cost	(114,521)	(162,104)
Proceeds from disposal of subsidiaries	404	-
Acquisition of property, plant and equipment	(45,233)	(48,399)
Proceeds from disposal of property, plant and equipment	1,879	584
Acquisition of intangible assets	(938)	(274)
Decrease in other non-current assets	22,451	3,287
Net cash flows used in investing activities	<u>(135,958)</u>	<u>(206,906)</u>
Cash flows from (used in) financing activities:		
Payment of lease liabilities	(37,830)	(36,305)
Cash dividends paid	(174,916)	(174,916)
Other financing activities	30	-
Net cash flows used in financing activities	<u>(212,716)</u>	<u>(211,221)</u>
Effect of exchange rate changes on cash and cash equivalents	29,771	(15,752)
Net (decrease) increase in cash and cash equivalents	(73,796)	236,551
Cash and cash equivalents at beginning of period	1,001,154	764,603
Cash and cash equivalents at end of period	<u>\$ 927,358</u>	<u>1,001,154</u>

See accompanying notes to consolidated financial statements.

TaiSol Electronics Co., Ltd.

Comparison Table for the Procedures for Transactions with Group Enterprises, Specific Companies, and Related Parties Before and After Revision.

Amended provision	Current provision	Description
<p>I. Purpose and basis: To safeguard corporate and shareholder interests, and establish compliance guidelines for transactions between the Company and group enterprises, specific companies, and related parties. <u>These procedures are formulated in accordance with the “Regulations Governing Establishment of Internal Control Systems by Public Companies,” “Regulations Governing the Preparation of Financial Reports by Securities Issuers,” International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), and other relevant regulations.</u></p>	<p>I. Purpose and basis: To safeguard corporate and shareholder interests, ensuring that the company follows proper procedures for transactions with group enterprises, specific companies, and related parties. These procedures are established based on the International Accounting Standards’ “Related Party Disclosure” and relevant regulations issued by competent authorities.</p>	Amended to align with the regulatory authority's “Rules Governing Financial and Business Matters Between this Corporation and its Related Parties.”
<p>II. Scope of application: <u>These operational procedures apply to all financial and business transactions between the company and its group enterprises, specific companies, and related parties. Except where otherwise specified by laws or company bylaws, all transactions should be handled in accordance with these procedural regulations.</u></p>		Amended to align with the regulatory authority's “Rules Governing Financial and Business Matters Between this Corporation and its Related Parties.”
<p>III. <u>Group Enterprises:</u> <u>According to the “Supplementary Provisions to the Taiwan Stock Exchange Corporation Rules for Review of Securities Listings,”</u> the following conditions define a group enterprise: (1) Companies in a parent-subsidiary relationship.</p> <p>(2) Entities in which the company directly or indirectly controls personnel, finance, or business</p>	<p><u>II. A company shall be regarded as part of the company’s corporate group if it meets any of the following conditions:</u> (1) It has a parent-subsidiary or affiliate relationship with the company. (2) The company and its related parties collectively hold more than half of the total issued voting shares or capital of the other company, or the other company and its related parties collectively hold more than half of the total issued voting shares or capital of the company. (3) Entities in which the company directly or indirectly controls personnel, finance, or business</p>	<p>Adjusting article numbers and adding the basis for the definition of a corporate group, along with revisions to certain content</p> <p>Adjusting article numbers</p>

Amended provision	Current provision	Description
<p>operations, or vice versa. Control criteria include:</p> <ol style="list-style-type: none"> 1. Holding more than half of the board seats. 2. Appointing a general manager for the other entity. 3. Contractual ownership of management rights. 4. Providing financial support exceeding one-third of the other entity's total assets. 5. Guaranteeing loans exceeding one-third of the other entity's total assets. <p><u>(3)</u> The Company and another entity mutually hold at least one-third of each other's voting shares or capital, with the ability to directly or indirectly control each other's personnel, financial, or business operations.</p> <p><u>(4)</u> The Company is deemed to have a controlling or subordinate relationship with another company under any of the following circumstances, unless proven otherwise with supporting evidence:</p> <ol style="list-style-type: none"> 1. If the directors and general managers of the company and the other company are more than half the same individuals, including their spouses, children, and relatives within the second degree of kinship. However, if supporting evidence proves there is no control or subordinate relationship, this restriction does not apply. 2. If more than half of the total issued voting shares or capital of both the company and the other company are held or contributed by the same shareholders. 3. If an investee company accounted for under the equity 	<p>operations, or vice versa. Control criteria include:</p> <ol style="list-style-type: none"> 1. Holding more than half of the board seats. 2. Appointing a general manager for the other entity. 3. Contractual ownership of management rights. 4. Providing financial support exceeding one-third of the other entity's total assets. 5. Guaranteeing loans exceeding one-third of the other entity's total assets. <p><u>(4)</u> The Company and another entity mutually hold at least one-third of each other's voting shares or capital, with the ability to directly or indirectly control each other's personnel, financial, or business operations.</p> <p><u>(7)</u> If the directors, supervisors, and general manager of the company and another company are more than half the same, the other company shall be considered part of the corporate group. including their spouses, children, and relatives within the second degree of kinship. However, if supporting evidence proves there is no control or subordinate relationship, this restriction does not apply.</p> <p><u>(6)</u> If more than half of the total issued voting shares or capital of the company and another company are held or contributed by the same shareholders, the other company shall be considered part of the corporate group. However, if sufficient evidence proves that there is no control or subordinate relationship, this shall not apply.</p> <p><u>(5)</u> If an investee company accounted for under the equity method and</p>	<p>Adjusting article numbers</p> <p>Adjusting article numbers, sequence, and certain content</p> <p>Adjusting article numbers, sequence, and certain content</p> <p>Adjusting article numbers, sequence, and certain</p>

Amended provision	Current provision	Description
<p>method and its related parties collectively hold more than half of the total issued voting shares of the company; or if the company and its related parties collectively hold more than half of the total issued voting shares of the investee company accounted for under the equity method.</p> <p>(5) When calculating the shares or capital contributions held by the company in another company, the following shares or capital contributions should also be included:</p> <ol style="list-style-type: none"> 1. Shares or capital contributions held by the company’s subsidiaries in the other company. 2. Shares or capital contributions held by a third party on behalf of the company. 3. Shares or capital contributions held by a third party on behalf of the company’s subsidiaries. 	<p>its related parties collectively hold more than half of the total issued voting shares of the company; or if the company and its related parties collectively hold more than half of the total issued voting shares of the investee company accounted for under the equity method, then the other company shall be considered part of the corporate group. However, if sufficient evidence proves that there is no control or subordinate relationship, this shall not apply.</p>	<p>content</p> <p>According to the regulatory authorities’ “Rules Governing Financial and Business Matters Between this Corporation and its Related Parties,” the relevant content is defined.</p>
<p><u>IV. Specific Companies:</u> <u>According to the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies,”</u> the following conditions will be considered as specific companies of the company:</p> <ol style="list-style-type: none"> (1) Holding 20% (inclusive) to 50% of the total issued shares of the company. (2) <u>A</u> company and its directors, supervisors, and shareholders who hold more than 10% of the shares in total, holding 30% (inclusive) or more of the total issued shares of the company, and having a record of financial or business dealings with the company. The shares held by the <u>above</u>-mentioned personnel include those held by their spouses, minor children, and those held under another person’s name. 	<p>III. The following conditions will be considered as specific companies of the company:</p> <ol style="list-style-type: none"> (1) Holding 20% (inclusive) to 50% of the total issued shares of the company. (2) <u>A</u> company and its directors, supervisors, and shareholders who hold more than 10% of the shares in total, holding 30% (inclusive) or more of the total issued shares of the company, and having a record of financial or business dealings with the company. The shares held by the <u>above</u>-mentioned personnel include those held by their spouses, minor children, and those held under 	<p>Adjusting article numbers and adding the basis for the definition of a specific companies, along with revisions to certain content</p>

Amended provision	Current provision	Description
<p>(3) The company's operating income from a specific company and its <u>affiliated companies</u> exceeds 30% (inclusive).</p> <p>(4) The company's main raw materials (defined as key materials that <u>account for more than 30% of total procurement</u>, essential for manufacturing products) or main goods (defined as those accounting for more than 30% of total operating revenue), or the <u>total procurement amount</u>, are sourced from the company and <u>its affiliated companies</u> exceeding 50%.</p>	<p>another person's name.</p> <p>(3) The company's operating income from the specific company and <u>its affiliated</u> companies exceeds 30% (inclusive).</p> <p>(4) The company's main raw materials (defined as key materials essential for manufacturing products) or main goods (defined as those accounting for more than 30% of total operating revenue), or the total procurement amount, sourced from the company and <u>its affiliated</u> companies, exceeds 50%.</p>	
<p>V. Related party: When determining whether a transaction counterpart is a related party of the company, it is necessary to consider not only its legal form but also its substantial relationship. According to IAS No. 24, the following situations involve individuals or entities that are considered related parties:</p> <p>(I) If an individual meets any of the following conditions, that individual or their close family members are considered related parties of the company:</p> <ol style="list-style-type: none"> 1. The individual has control or joint control over the company. 2. The individual has significant influence over the company. 3. The individual is a key management personnel of the company or its parent company. Close family members of an individual are those family members who might be expected to influence or be influenced by the individual when engaging in transactions, including: <ol style="list-style-type: none"> (1) The individual's children and spouse or partner; (2) The children of the individual's spouse or partner; (3) The individual or their spouse or partner's dependents. <p>Key management personnel refer to individuals who have the authority and responsibility to plan, direct, and control the activities of the entity, including any directors (whether executive or non-executive) of the entity.</p>	<p>IV. The following entities and individuals are considered related parties of the company:</p> <ol style="list-style-type: none"> (1) Investee companies of the company evaluated under the equity method. (2) Investors who evaluate their investments in the company using the equity method. (3) The chairman or general manager of the company is the same individual as the chairman or general manager of another company, or has a spouse or relative within the second degree of kinship in that company. (4) Charitable foundations receiving donations from the company that account for more than one third of their actual capital. (5) The company's directors, supervisors, general managers, deputy general managers, assistant managers, and heads of directly managed departments. (6) Spouses of the company's directors, supervisors, or general managers. (7) Relatives within the second degree of kinship of the chairman or general manager of the company. <p>However, if it can be proven that the company does not have control or significant influence, the above situations will not apply.</p>	<p>Adjustment of Article Numbers and Redefinition of Related Parties Based on "International Accounting Standard No. 24"</p>

Amended provision	Current provision	Description
<p>(2) An entity is considered related to the company if it meets any of the following conditions:</p> <ol style="list-style-type: none"> 1. The entity is a member of the same group as the company (meaning the parent company, subsidiaries, and affiliates have a relationship). 2. The entity is an associated company or joint venture of another entity (or a joint venture of a member of the group, and the other entity is also a group member). 3. Both entities are joint ventures of the same third party. 4. One entity is a joint venture of a third party and the other entity is an associated company of that third party. 5. The entity is a post-employment benefit plan for the employees of the company or any related party of the company. If the company itself is the plan, the sponsoring employer is also a related party of the company. 6. The entity is controlled or jointly controlled by an individual listed in item (1) above. 7. The individual referred to in item (1)1. above has significant influence or is a key management personnel of the entity (or its parent company). 8. The entity (or any member of its group) provides key management services to the company or its parent company. 		
<p>VI. Substantial Related Parties: When determining whether a transaction counterpart is a related party, it is necessary to consider not only its legal form but also its substantial relationship. According to Article 18 of the “Regulations Governing the Preparation of Financial Reports by Securities Issuers,” the following entities or individuals are considered substantial related parties, unless it can be proven that they do not have control, joint control, or significant influence. These relationships must be disclosed in the financial statement notes according to International Accounting Standard No. 24:</p> <p>(1) The related enterprises as defined in</p>		<p>Adjustment of Article Numbers and Definition of Substantial Related Parties Based on “International Accounting Standard No. 24”</p>

Amended provision	Current provision	Description
<p>Chapter VI-1 of the Company Law and their directors, supervisors, and managers.</p> <p>(2) Companies or institutions under the same general management as the company, and their directors, supervisors, and managers.</p> <p>(3) Individuals who hold positions as general managers or above in the general management office.</p> <p>(4) Entities or companies listed as related companies or institutions in the issuer's external publications or reports.</p> <p>(5) Other companies or institutions where the chairman or general manager of the company is the same individual as the chairman or general manager of the entity, or has a spouse or relative within the second degree of kinship.</p>		
<p><u>VII.</u> The company's transactions with specific companies, group enterprises, or related parties include the following:</p> <p>(1) Sales of goods or services.</p> <p>(2) Purchases of goods or services.</p> <p>(3) Property transactions and long-term equity investments.</p> <p>(4) Financial transactions (e.g., loans, borrowings).</p> <p>(5) Endorsements and guarantees.</p> <p><u>(6) Leasing arrangements.</u></p> <p><u>(7) Other services, technical services, and processing transactions.</u></p>	<p><u>VI.</u> The company's transactions with specific companies, group enterprises, related parties include the following:</p> <p>(1) Sales of goods or services.</p> <p>(2) Purchases of goods or services.</p> <p>(3) Property transactions and long-term equity investments.</p> <p>(4) Financial transactions (e.g., loans, borrowings).</p> <p>(5) Endorsements and guarantees.</p>	<p>Compliance with Laws and Addition of Transaction Types</p>
<p><u>VIII.</u> The handling of orders for sales and purchases, as well as the management of accounts receivable and payable arising from sales and purchases, shall be conducted in accordance with the relevant provisions of the company's internal control system, specifically within the sales collection cycle and procurement payment cycle.</p>	<p><u>X.</u> The handling of orders for sales and purchases, as well as the management of accounts receivable and payable arising from sales and purchases, shall be conducted in accordance with the relevant provisions of the company's internal control system, specifically within the sales collection cycle and procurement payment cycle.</p>	<p>Adjusting article numbers</p>
<p><u>IX.</u> When transactions involving assets or long-term equity investments occur between the company and its group enterprises, specific companies, or related parties, these transactions shall be handled according to the company's "Regulations Governing the Acquisition and Disposal of Assets." If the company acquires or disposes of real estate or rights of use assets from or to related parties, or acquires or</p>	<p><u>XI.</u> When transactions involving material assets or long-term equity investments occur between the company and its group enterprises, specific companies, or related parties, these transactions shall be handled according to the company's "Regulations Governing the Acquisition and Disposal of Assets."</p>	<p>Adjustment of Article Numbers and Definition According to the regulatory authorities' "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties," the relevant content is defined.</p>

Amended provision	Current provision	Description
<p>disposes of other assets from or to related parties, and the transaction amount reaches 20% of the company's paid-in capital, 10% of the total assets, or NT\$300 million, the company must submit the relevant information as outlined in the "Regulations Governing the Acquisition and Disposal of Assets" 9.2.1 to the Audit Committee for approval by at least half of the members and obtain approval from the Board of Directors before proceeding. If the Audit Committee does not approve, a two-thirds majority of the Board of Directors may approve the transaction. The decision of the Audit Committee must be recorded in the meeting minutes of the Board of Directors before the transaction contract can be signed and payment made.</p> <p>Transactions involving related parties in the following circumstances require approval from the Board of Directors and must also be submitted for shareholder approval, with shareholders who have a personal interest in the transaction not allowed to participate in the vote:</p> <ol style="list-style-type: none"> 1. If the company or its non-domestic publicly-listed subsidiaries engage in a "Regulations Governing the Acquisition and Disposal of Assets" 9.2.1 transaction, and the transaction amount exceeds 10% of the company's total assets. 2. If the transaction amount or conditions have a significant impact on the company's operations or shareholder equity as stipulated by the Company Law, the company's Articles of Incorporation, or internal operational procedures. <p>For any transactions under the "Regulations Governing the Acquisition and Disposal of Assets" 9.2.1 with related parties, the company should report the actual transaction details (including the transaction amount, conditions, and other relevant information) at the most recent shareholder meeting after the fiscal year ends.</p>		
<p><u>X</u>. When financing transactions occur between the company and its group enterprises, specific companies, or related parties, these transactions shall</p>	<p><u>XII</u>. When transactions involving assets or long-term equity investments occur between the company and its group enterprises, specific companies,</p>	<p>Adjusting article numbers</p>

Amended provision	Current provision	Description
be handled according to the company's "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees".	or related parties, these transactions shall be handled according to the company's "Regulations Governing the Acquisition and Disposal of Assets."	
XI. When the company engages in endorsement or guarantee transactions with group enterprises, specific companies, or related parties, the transactions shall be handled according to the company's "Regulations Governing Making of Endorsements/Guarantees".	XIII. When the company engages in endorsement or guarantee transactions with group enterprises, specific companies, or related parties, the transactions shall be handled according to the company's "Regulations Governing Making of Endorsements/Guarantees".	Adjusting article numbers
XII. When the company engages in leasing transactions with group enterprises, specific companies, or related parties, the lease price, lease duration, payment terms, and other leasing conditions shall be determined based on published land values, appraised values, and general market conditions. The lease agreement shall be signed after approval by the responsible authority.		According to the regulatory authorities' "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties," the relevant content is defined.
XIII. When the company engages in service, technical service, or processing transactions with group enterprises, specific companies, or related parties, the service fees, duration, payment conditions, and after-sales services shall be agreed upon by both parties. The contract shall be signed after approval by the responsible authority according to the approval rights granted. Unless the contract differs from those with general customers due to long-term cooperation or other special factors (which may involve preferential pricing or payment terms), all other terms should comply with standard business practices and relevant internal control procedures.		According to the regulatory authorities' "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties," the relevant content is defined.
XIV. When the company engages in business transactions with group enterprises, specific companies, or related parties, the pricing conditions and payment methods must be clearly defined. The objectives, pricing, terms, substance, form, and related processing procedures of the transaction should not significantly deviate from or be unreasonable compared to normal transactions or market prices with non-related parties.	XIV. Major non operating transactions between the company and group enterprises, specific companies, related parties, directors, supervisors, major shareholders holding more than 10% of shares, and their third degree relatives, except for general sales and purchase transactions, shall be submitted for approval by the board of directors. If necessary, the chairman may make a provisional decision, which must be ratified by the board of directors	According to the regulatory authorities' "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties," the relevant content is adjusted.

Amended provision	Current provision	Description
<p>The company's accounting personnel should verify the balances of sales and purchases, and accounts receivable and payable with related parties by the end of each month. If there are discrepancies, the reasons must be clarified, and reconciliation statements should be made.</p>	<p>afterward:</p> <p>XV. The company's supervisors shall investigate whether specific companies, group enterprises, or related parties exist and implement audit procedures on the following transactions with group enterprises, specific companies, and related parties:</p> <p>(1) Whether the purchase, sale, and asset transaction amounts and terms between group enterprises, specific companies, and related parties are the same. If there are differences, whether they are reasonable.</p> <p>(2) Whether there are improper approvals for transactions with group enterprises, specific companies, and related parties. If limits are set, whether the transaction amounts are within the prescribed limits.</p> <p>(3) Whether the related party transaction disclosures and other necessary disclosures in the financial statements, as stipulated in Article 8, are consistent with the recorded accounts.</p> <p>XVI. When the supervisors conduct audits as per Article 15, they may assign the company's auditing personnel or appoint an accountant who regularly audits financial statements to carry out the audit. If violations or abnormal situations are found, the supervisors shall notify the board of directors and request explanations and necessary corrective actions.</p>	
<p>XV. When the company engages in sales, purchases, or labor or technical service transactions with related parties, and the total estimated annual transaction amount reaches 5% of the company's most recent consolidated total assets or the most recent year's consolidated net operating revenue, except for transactions regulated by the publicly issued company's "Asset Acquisition and Disposal Procedures" or transactions between the company and its parent, subsidiaries, or between subsidiaries, the following information must be submitted for approval by the board of directors before the transaction can proceed:</p> <p>(1) The transaction's items, purpose,</p>		<p>According to the regulatory authorities' "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties," the relevant content is defined.</p>

Amended provision	Current provision	Description
<p>necessity, and expected benefits.</p> <p>(2) The reason for selecting the related party as the transaction counterpart.</p> <p>(3) The calculation principles for the transaction price and the expected maximum annual transaction amount.</p> <p>(4) An explanation of whether the transaction terms are in line with normal commercial terms and do not harm the company's interests or shareholders' rights.</p> <p>(5) Transaction restrictions and other important contractual matters.</p> <p>The transactions with related parties mentioned above must be reported to the most recent shareholders' meeting after the end of the fiscal year:</p> <p>(1) The actual transaction amount and conditions.</p> <p>(2) Whether the transaction was carried out according to the price calculation principles approved by the board of directors.</p> <p>(3) Whether the transaction amount did not exceed the maximum annual transaction amount approved by the board of directors. If the transaction amount exceeds the approved limit, an explanation of the reason, necessity, and reasonableness must be provided.</p>		
<p>XVI. The company must comply with legal requirements for the items that need to be announced or reported and their deadlines. The company should promptly arrange for each subsidiary to provide necessary financial and business information or appoint accountants to audit or review the financial reports of each subsidiary.</p> <p>The company must announce the related party's consolidated balance sheet, consolidated statement of comprehensive income of related parties, and the accountant's review report as required by law and the deadlines for annual financial report filings. When there are changes to the related party's assets or liabilities, these changes must be reported to the Taiwan Stock Exchange within two days.</p> <p>Significant transactions between the company and related parties must be fully disclosed in the annual report, financial statements, related party reports, and the prospectus.</p> <p>If a related party faces financial liquidity difficulties, the company should obtain</p>		<p>According to the regulatory authorities' "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties," the relevant content is defined.</p>

Amended provision	Current provision	Description
<p>its financial statements and relevant materials to assess the impact on the company's financial, business, or operational conditions. If necessary, appropriate preservation measures should be taken for the company's receivables. In such cases, in addition to listing the impact on the company's financial status in the annual report and prospectus, the company must immediately disclose major information through the public information observatory.</p>		
<p>XVIII. Implementation and Revision: This procedure shall be implemented after being approved by the Board of Directors, and the same applies when it is revised. This procedure was established on May 2, 2003. The first revision was made on July 5, 2013. The second revision was made on March 25, 2014. The third revision was made on October 30, 2024.</p>	<p>XVIII. Implementation and Revision: This operating procedure shall be implemented after being approved by the Board of Directors, and the same applies when it is revised.</p>	<p>New establishment and revision dates</p>

TaiSol Electronics Co., Ltd.

Comparison Table for the Articles of Incorporation Before and After Revision

Amended provision	Current provision	Description
<p>Article 5: The total capital of the Company is NT\$<u>1.5</u> billion, divided into <u>150,000,000</u> shares with a par value of NT\$10, issued shares in batches. Within the total capital above, NT\$30 million was preserved for the issuance of employee stock options in the amount of 3,000,000 shares with a par value of NT\$10 in aggregate. Total shares held by the Company due to investments in other limited companies are not restricted by the investment limit stated under Article 13 of the Company Act.</p>	<p>Article 5: The total capital of the Company is NT\$<u>1</u> billion, divided into <u>100,000,000</u> shares with a par value of NT\$10, issued shares in batches. Within the total capital above, NT\$30 million was preserved for the issuance of employee stock options in the amount of 3,000,000 shares with a par value of NT\$10 in aggregate. Total shares held by the Company due to investments in other limited companies are not restricted by the investment limit stated under Article 13 of the Company Act.</p>	Amended in line with the Company's business development and capital utilization needs.
<p>Article 20: The Company shall appropriate a profit in the year if any, provided that if the Company has accumulated losses, an amount shall first be reserved in advance from the profit to cover such losses. (I) No more than 5% as the remuneration of Directors (II) No more than 15% but not less than 3% as the remuneration of employees. <u>At least 10% of the aforementioned amount of employee compensation shall be allocated as compensation to grassroots employees.</u> The remuneration of employees in the preceding paragraph may be distributed in shares or cash, and the payment targets may include employees who fulfill certain conditions set by the Board of controlling or subordinate companies.</p>	<p>Article 20: The Company shall appropriate a profit in the year if any, provided that if the Company has accumulated losses, an amount shall first be reserved in advance from the profit to cover such losses. (I) No more than 5% as the remuneration of Directors (II) No more than 15% but not less than 3% as the remuneration of employees. The remuneration of employees in the preceding paragraph may be distributed in shares or cash, and the payment targets may include employees who fulfill certain conditions set by the Board of controlling or subordinate companies.</p>	Amended in accordance with Article 14, Paragraph 6 of the Securities and Exchange Act.
<p>Article 22: The Articles were established on September 12, 1994. The 1st amendment was made on June 24, 1995. The 2nd amendment was made on August 3, 1998. The 3rd amendment was made on March 6, 1999. The 4th amendment was made on July 5, 1999. The 5th amendment was made on February 3, 2000. The 6th amendment was made on June 10, 2000. The 7th amendment was made on June 9, 2001. The 8th amendment was made on June 15, 2002. The 9th amendment was made on June 7, 2003. The 10th amendment was made on June 5, 2004. The 11th amendment was made on June 20, 2006. The 12th amendment was made on June 20,</p>	<p>Article 22: The Articles were established on September 12, 1994. The 1st amendment was made on June 24, 1995. The 2nd amendment was made on August 3, 1998. The 3rd amendment was made on March 6, 1999. The 4th amendment was made on July 5, 1999. The 5th amendment was made on February 3, 2000. The 6th amendment was made on June 10, 2000. The 7th amendment was made on June 9, 2001. The 8th amendment was made on June 15, 2002. The 9th amendment was made on June 7, 2003. The 10th amendment was made on June 5, 2004. The 11th amendment was made on June 20, 2006. The 12th amendment was made on June 20,</p>	Add the revised version number and date.

Amended provision	Current provision	Description
<p>2007. The 13th amendment was made on October 18, 2007. The 14th amendment was made on June 18, 2009. The 15th amendment was made on June 25, 2010. The 16th amendment was made on June 8, 2012. The 17th amendment was made on July 5, 2013. The 18th amendment was made on May 15, 2015. The 19th amendment was made on May 31, 2016. The 20th amendment was made on June 5, 2020. The 21st amendment was made on July 5, 2021. <u>The 22st amendment was made on May 22, 2025.</u></p>	<p>2007. The 13th amendment was made on October 18, 2007. The 14th amendment was made on June 18, 2009. The 15th amendment was made on June 25, 2010. The 16th amendment was made on June 8, 2012. The 17th amendment was made on July 5, 2013. The 18th amendment was made on May 15, 2015. The 19th amendment was made on May 31, 2016. The 20th amendment was made on June 5, 2020. The 21st amendment was made on July 5, 2021.</p>	

TaiSol Electronics Co., Ltd.

Comparison Table for the Procedures for Loaning of Funds to Others Before and After Revision

Amended provision	Current provision	Description
<p>2. Recipients of Loaning of Funds: <u>The company shall not lend funds to shareholders or any other parties, except for companies in which the company directly or indirectly holds more than 50% of the voting shares.</u></p>	<p>2. Loan Recipients: (1) Parties with which the company has business transactions. (2) Parties that require short term financing from the company. The term "short term" refers to a period of one year. However, if the company's operating cycle exceeds one year, the operating cycle shall apply. The term "financing amount" refers to the cumulative balance of short term financing provided by the company.</p>	Revised in accordance with the company's operations and financial planning.
<p>3. <u>Evaluation Criteria</u> for Loaning Funds to Others: When the company engages in lending funds, it shall follow the provisions of Article 4. For situations requiring short-term financing, lending funds is limited to the following conditions:</p> <p>(1) Companies in which the company directly or indirectly holds more than 50% of the voting shares and have a business need for short-term financing.</p> <p>(2) Other parties for which the company's Board of Directors approves the loan. The term "short-term" refers to a period of one year. However, if the company's operating cycle exceeds one year, the operating cycle shall apply.</p>	<p>3. Reasons and Necessity for Lending Funds to Others: When the company engages in lending funds to another company or business due to business relationships, it shall follow the provisions of Article 4, <u>Paragraph 2</u>. For situations requiring short-term financing, lending funds is limited to the following conditions:</p> <p>(1) Companies in which the company directly or indirectly holds more than 50% of the voting shares and have a business need for short-term financing.</p> <p>(2) Other companies or businesses that require short term financing for purchasing materials or operating turnover.</p> <p>(3) Other parties for which the company's Board of Directors approves the loan.</p>	Revised in accordance with the company's operations and financial planning.
<p>4. Total Amount of Fund Lending and Limits for Individual Recipients: The total amount of funds lent by the company shall not exceed 40% of the company's net worth, and the amount lent to any individual recipient shall not exceed 20% of the company's net worth. However, this limit does not apply to foreign companies in which the company directly or indirectly holds 100% of the voting shares, nor to foreign companies that lend funds to the company in such cases.</p>	<p>4. Total Amount of Fund Lending and Limits for Individual Recipients: (1) The total amount of funds lent by the company shall not exceed 40% of the company's net worth. (2) For companies or businesses that have business dealings with the company, the amount lent to any individual recipient shall not exceed the amount of business dealings between both parties. The term "business dealings amount" refers to the higher of the total purchase or sales amounts between the two parties. (3) When funds are lent to others due to the need for short term financing between companies or businesses, the total amount of lending shall not exceed 40% of the company's net worth, and the amount lent to any</p>	Revised in accordance with the company's operations and financial planning.

Amended provision	Current provision	Description
	<p>individual recipient shall not exceed 20% of the company's net worth. However, this limit does not apply to foreign companies in which the company directly or indirectly holds 100% of the voting shares, nor to foreign companies that lend funds to the company in such cases.</p>	
<p>5. Fund Lending Procedure:</p> <p>(1) Credit Investigation: Omitted.</p> <p>(2) Collateral: When the company conducts fund lending, <u>it may</u>, if necessary, arrange for the mortgage of movable or immovable property. For the above-mentioned debt security, if the debtor provides a sufficiently financially capable and trustworthy individual or company as a guarantor instead of providing collateral, the board of directors may consider the credit report from the finance department. If the guarantor is a company, it should be ensured that the company's articles of association allow for guaranteeing obligations.</p> <p>(3) Authorization Scope: When the company handles fund lending matters, after the credit investigation by the finance department, the matter shall be submitted to the general manager for approval and then to the board of directors for a resolution. No other person shall be authorized to make the decision. The opinions of all independent directors should be fully considered, and their clear opinions of approval or disapproval, along with reasons for any disapproval, should be recorded in the board meeting minutes. For fund lending between the company and its subsidiaries, or between subsidiaries, the board of directors shall follow the procedure outlined above. The chairman of the board may be authorized to disburse the funds in portions or on a revolving basis to the same recipient within a specific amount and a period of not more than one year, as approved by the board of directors. The term "specific amount" should comply with the provisions of Article 4.</p>	<p>5. Fund Lending Procedure:</p> <p>(1) Credit Investigation: Omitted.</p> <p>(2) Collateral: When the company handles fund lending matters, it should obtain a promissory note of the same amount as collateral, and if necessary, arrange for the mortgage of movable or immovable property. For the above-mentioned debt security, if the debtor provides a sufficiently financially capable and trustworthy individual or company as a guarantor instead of providing collateral, the board of directors may consider the credit report from the finance department. If the guarantor is a company, it should be ensured that the company's articles of association allow for guaranteeing obligations.</p> <p>(3) Authorization Scope: When the company handles fund lending matters, after the credit investigation by the finance department, the matter shall be submitted to the general manager for approval and then to the board of directors for a resolution. No other person shall be authorized to make the decision. The opinions of all independent directors should be fully considered, and their clear opinions of approval or disapproval, along with reasons for any disapproval, should be recorded in the board meeting minutes. For fund lending between the company and its subsidiaries, or between subsidiaries, the board of directors shall follow the procedure outlined above. The chairman of the board may be authorized to disburse the funds in portions or on a revolving basis to the same recipient within a specific amount and a period of not more than one year, as approved by the board of directors. The term "specific amount," <u>in addition to</u> complying with the provisions of Article 4, Paragraph 3, the authorization amount for fund lending by the company or its subsidiaries to a</p>	<p>Revised in accordance with the company's operations and financial planning.</p>

Amended provision	Current provision	Description
	single enterprise shall not exceed 10% of the company's latest net worth as stated in its financial statements.	
<p>XII. History:</p> <p>The Procedure was created on June 7, 2003.</p> <p>The 1st amendment was made on June 20, 2007.</p> <p>The 2nd amendment was made on June 18, 2009.</p> <p>The 3rd amendment was made on June 25, 2010.</p> <p>The 4th amendment was made on September 24, 2013.</p> <p>The 5th amendment was made on June 18, 2014.</p> <p>The 6th amendment was made on June 5, 2020.</p> <p>The 7th amendment was made on July 5, 2021.</p> <p><u>The 8th amendment was made on May 22, 2025.</u></p>	<p>XII. History:</p> <p>The Procedure was created on June 7, 2003.</p> <p>The 1st amendment was made on June 20, 2007.</p> <p>The 2nd amendment was made on June 18, 2009.</p> <p>The 3rd amendment was made on June 25, 2010.</p> <p>The 4th amendment was made on September 24, 2013.</p> <p>The 5th amendment was made on June 18, 2014.</p> <p>The 6th amendment was made on June 5, 2020.</p> <p>The 7th amendment was made on July 5, 2021.</p>	<p>Added the date of the 8th amendment.</p>

TaiSol Electronics Co., Ltd.

Comparison Table for the Procedures for Making Endorsements and Guarantees Before and After Revision

Amended provision	Current provision	Description
<p>3. Endorsement and Guarantee Recipients The company may provide endorsement and guarantee only to the following entities:</p> <p>(1) Companies in which the company directly or indirectly holds more than 50% of the voting shares.</p> <p>(2) Companies in which the company directly or indirectly holds 90% or more of the voting shares. Endorsement and guarantee can be provided, but the amount cannot exceed 10% of the company's net worth. However, endorsement and guarantee between companies where the company directly or indirectly holds 100% of the voting shares is not subject to this limit.</p>	<p>3. Endorsement and Guarantee Recipients Except for cases where all shareholders provide endorsement and guarantee to an invested company according to their shareholding ratio due to a joint investment relationship, the company may <u>only</u> provide endorsement and guarantee to the following entities:</p> <p>(1) Companies with which the company has business dealings.</p> <p>(2) Companies in which the company directly or indirectly holds more than 50% of the voting shares.</p> <p>(3) Companies that directly or indirectly hold more than 50% of the voting shares in the company.</p> <p>(4) Companies in which the company directly or indirectly holds 90% or more of the voting shares. Endorsement and guarantee may be provided, but the amount cannot exceed 10% of the company's net worth. However, endorsement and guarantee between companies where the company directly or indirectly holds 100% of the voting shares is not subject to this limit.</p> <p>The term "capital contribution" in the first item refers to the company's direct investment or investment through a company where it holds 100% of the voting shares.</p>	<p>This revision is made in response to the company's operations and financial planning.</p>
<p>4. Endorsement and Guarantee Limits:</p> <p>(1) The total amount of endorsements and guarantees provided by the company to external parties shall not exceed 50% of the current net worth. For a single entity, the limit on endorsement and guarantee, except for companies in which the company directly or indirectly holds more than 50% of the voting shares, shall not exceed 30% of the current net worth. For all other entities, the limit shall not exceed 20% of the current net worth. The net worth is based on the most recent financial statements that have been audited or reviewed by an accountant.</p> <p>(2) The total amount of endorsements and guarantees that the company and its subsidiaries can provide together shall not exceed 50% of the company's current net worth. The net</p>	<p>4. Endorsement and Guarantee Limits:</p> <p>(1) The total amount of endorsements and guarantees provided by the company to external parties shall not exceed 50% of the current net worth. For a single entity, the limit on endorsement and guarantee, except for companies in which the company directly or indirectly holds more than 50% of the voting shares, shall not exceed 30% of the current net worth. For all other entities, the limit shall not exceed 20% of the current net worth. The net worth is based on the most recent financial statements that have been audited or reviewed by an accountant.</p> <p>(2) The total amount of endorsements and guarantees that the company and its subsidiaries can provide together shall not exceed 50% of the company's current net worth. The</p>	<p>This revision is made in response to the company's operations and financial planning.</p>

Amended provision	Current provision	Description
<p>worth is based on the most recent financial statements that have been audited or reviewed by an accountant.</p>	<p>endorsement and guarantee limit for a single entity in which the company directly or indirectly holds less than 50% of the voting shares shall not exceed 20% of the company's current net worth. The net worth is based on the most recent financial statements that have been audited or reviewed by an accountant.</p> <p>(3) In the case of endorsements and guarantees provided due to business relationships with the company, in addition to the limits described in the previous two provisions, the individual endorsement and guarantee amount shall not exceed the business transaction amount between the parties. The term "business dealings amount" refers to the higher of the total purchase or sales amounts between the two parties.</p>	
<p>6. Endorsement and Guarantee Procedures:</p> <p>(1) When the company processes an endorsement and guarantee, the company being endorsed or guaranteed must submit an application to the company's financial department. The financial department should conduct a credit investigation on the company being endorsed, assess its risk, and maintain an evaluation record. After the review is approved, it should be submitted to the General Manager and the Chairman for approval. If necessary, collateral should be obtained.</p> <p>(2) The financial department shall conduct a credit investigation and risk assessment of the company being endorsed. The evaluation should include:</p> <ol style="list-style-type: none"> 1. The necessity and reasonableness of the endorsement and guarantee. 2. Whether the endorsement amount is justified based on the financial condition of the company being endorsed. 3. Whether the accumulated endorsement and guarantee amount remains within the limits. <p><u>4.</u> The impact on the company's operations, financial condition, and shareholders' equity.</p> <p><u>5.</u> Whether collateral should be</p>	<p>6. Endorsement and Guarantee Procedures:</p> <p>(1) When the company processes an endorsement and guarantee, the company being endorsed or guaranteed must submit an application to the company's financial department. The financial department should conduct a credit investigation on the company being endorsed, assess its risk, and maintain an evaluation record. After the review is approved, it should be submitted to the General Manager and the Chairman for approval. If necessary, collateral should be obtained.</p> <p>(2) The financial department shall conduct a credit investigation and risk assessment of the company being endorsed. The evaluation should include:</p> <ol style="list-style-type: none"> 1. The necessity and reasonableness of the endorsement and guarantee. 2. Whether the endorsement amount is justified based on the financial condition of the company being endorsed. 3. Whether the accumulated endorsement and guarantee amount remains within the limits. 4. When engaging in endorsement and guarantee due to business dealings, assess whether the endorsement amount and business transaction amount are within the limits. 5. The impact on the company's operations, financial condition, and shareholders' equity. 6. Whether collateral should be 	<p>This revision is made in response to the company's operations and financial planning.</p>

Amended provision	Current provision	Description
<p>obtained and the appraised value of the collateral.</p> <p>6. The credit investigation and risk assessment records for the endorsement and guarantee.</p>	<p>obtained and the appraised value of the collateral.</p> <p>7. The credit investigation and risk assessment records for the endorsement and guarantee.</p>	
<p>14. Effective Date and Revisions:</p> <p>The Procedure was created on June 25, 2010.</p> <p>The 1st amendment was made on June 5, 2020.</p> <p>The 2nd amendment was made on July 5, 2021.</p> <p><u>The 3rd amendment was made on May 22, 2025.</u></p>	<p>14. Effective Date and Revisions:</p> <p>The Procedure was created on June 25, 2010.</p> <p>The 1st amendment was made on June 5, 2020.</p> <p>The 2nd amendment was made on July 5, 2021.</p>	<p>Added the date of the 3rd amendment.</p>

TaiSol Electronics Co., Ltd.

Private Placement Necessity and Reasonableness Securities Underwriting Evaluation Opinion Letter

Letter Issuer: TaiSol Electronics Co., Ltd.

Letter Recipient: TaiSol Electronics Co., Ltd.

Designated Use of the Letter: Only for the handling of the private placement of securities by TaiSol Electronics Co., Ltd. in 2025.

Report Type: Private Placement Necessity and Reasonableness Securities Underwriting Evaluation Opinion Letter

Evaluation Institution: Capital Securities Corporation

March 20, 2025

TaiSol Electronics Co., Ltd. (hereinafter referred to as “TaiSol” or the “Company”) is expected to hold a board meeting on March 27, 2025, to resolve a private placement of common stock not exceeding 6,000,000 shares. This private placement must also be approved at the shareholder meeting scheduled for May 22, 2025, and the board is authorized to proceed with the placement in one or two installments within one year from the shareholder meeting resolution.

According to the Company’s audited financial report for the fiscal year 2024, the after-tax net profit was NT\$262,683 thousand, with no accumulated losses. Referring to the proposal from the Company’s board on March 27, 2025, the private placement of securities will be limited to strategic investors, in accordance with the Article 3 of “Directions for Public Companies Conducting Private Placements of Securities,” which states the following:

“A public company with a net profit and no accumulated deficit for the most recent fiscal year shall use the public offering method to issue securities, except in any of the following circumstances in which a private placement may be conducted:

- (I) The company is a public company formed by one single government or juristic-person shareholder.
- (II) The capital raised through private placement is to be used entirely in the introduction of a strategic investor(s).
- (III) ... (Omitted).”

Additionally, according to the “Directions for Public Companies Conducting Private Placements of Securities” (Article 4), the board of the Company (March 27, 2025) resolved that within the past year, the company had experienced a change in management control due to a one-third turnover of directors. Therefore, it is necessary to request the underwriting institution to issue an evaluation of the necessity and reasonableness of the private placement. The Company currently has a capital stock of 87,908,141 shares. The resolution will be for the private placement of common stock not exceeding 6,000,000 shares, which, if fully issued, would account for 6.39% of the post-placement equity.

The contents of this opinion letter are solely for the reference of TaiSol’s board resolution on March 27, 2025, and the shareholder meeting decision on May 22, 2025, regarding the private placement of securities. It is not to be used for any other purpose. This opinion letter was prepared based on the proposal provided by TaiSol’s board on March 27, 2025, and the Company’s financial data. The opinion letter does not bear any legal responsibility for changes that may occur due to adjustments in the private placement plan or other factors affecting the contents of the opinion letter. This is hereby stated.

I. Company Overview

TaiSol Electronics Co., Ltd. was established on September 23, 1994. The company was publicly listed on the stock exchange on December 13, 2013. It primarily focuses on the research, development, manufacturing, and sales of heat sinks, heat sink modules, card readers, and NFC modules, and is a professional manufacturer of heat sinks and other electronic components. The financial statements for the most recent three years are as follows:

1. Concise Balance Sheet

Unit: NT\$ thousand

Item	2022	2023	2024
Current assets	2,893,060	3,255,441	3,126,431
Non-current assets	662,406	580,335	627,474
Total assets	3,555,466	3,835,776	3,753,905
Current liabilities	1,575,229	1,799,239	1,579,235

Item	2022	2023	2024
Non-current liabilities	128,010	140,412	144,835
Total liabilities	1,703,239	1,939,651	1,724,070
Share capital	879,081	879,081	879,081
Capital reserve	348,899	348,899	348,929
Retained earnings	702,680	771,058	858,825
Other equity	-61,180	-85,660	-39,747
Treasury shares	-17,253	-17,253	-17,253
Total equity attributable to owner of the parent company	1,852,227	1,896,125	2,029,835
Total equity	1,852,227	1,896,125	2,029,835

2. Condensed statement of comprehensive income

Unit: NT\$ thousand

	2022	2023	2024
Operating revenue	4,568,318	3,811,775	3,753,882
Operating cost	3,695,334	3,024,324	3,000,884
Gross profit (loss)	872,984	787,451	752,998
Gross profit (loss), net	872,984	787,451	752,998
Operating expenses	597,304	520,920	529,733
Operating gains (loss)	275,680	266,531	223,265
Non-operating income and expenses	90,375	52,429	107,013
Net profit (loss) before tax	366,055	318,960	330,278
Income tax expenses (benefits)	98,578	75,666	67,595
Net income (loss) of the entity continuing as a going concern for the year	267,477	243,294	262,683
Net profit (loss) for the period	267,477	243,294	262,683
Other comprehensive income (loss)	23,179	-24,480	44,924
Total comprehensive income for the period	290,656	218,814	307,607
Net profit (loss) attributable to the owners of the parent company	267,477	243,294	262,683
Total comprehensive income attributable to owners of the parent company	290,656	218,814	307,607
Basic earnings per share (NT\$)	3.05	2.78	3.00

II. Underwriting Evaluation Opinion

TaiSol plans to hold a board meeting on March 27, 2025, to approve a private placement of common stock within a limit of no more than 6,000,000 shares. The funds raised will be used for, but not limited to, expanding working capital, engaging in technical cooperation or strategic alliances with domestic and international manufacturers, and addressing the company's long-term capital expenditure needs. According to the proposal from the Board of Directors on March 27, 2025, the private placement will be limited to strategic investors. However, as of the issuance date of this opinion letter, the company has not yet finalized any private placement applicants.

Below is the underwriter's evaluation of the necessity and rationality of the company's private placement of securities:

(I) Legality Evaluation

1. "Directions for Public Companies Conducting Private Placements of Securities" - Article 3

According to the company's audited financial statement for the year 2024, the net profit after tax was NT\$262,683 thousand, with no accumulated losses. Based on the proposal from the Board of Directors on March 27, 2025, this private placement will be limited to strategic investors, thus meeting the requirement in Article 3 of the "Directions for Public Companies Conducting Private Placements of Securities."

2. "Public Company's Private Placement of Securities Considerations" - Article 4, Paragraph 1, Subparagraph 1 and 2 - Regarding Private Placement Pricing and Theoretical Pricing

Article 4, Paragraph 1, Subparagraph 1 of the "Public Company's Private Placement of Securities Considerations" specifies: For a private placement of common shares, specify the percentage by which the private placement price of common shares may not be lower than the 80% of reference price, and the basis for the method by which the 80% price was set, and its reasonableness; if the place intends to make a non-cash capital contribution, the meeting notice shall also specify the capital contribution method, amount offset by the non-cash contribution and its reasonableness, and an independent expert's opinions on the reasonableness of the offset amount, to serve as a reference for the shareholders to decide whether to agree. And Article 4, Paragraph 1, Subparagraph 2 stipulates that for applicants who are insiders or related parties of the company, the price of private placement common stock should not be lower than 80% of the reference price. As per the proposal from the board of directors dated March 27, 2025, the proposed issuance price for this private placement will not be lower than 80% of the reference or theoretical price. This proposal has already been included in the board meeting agenda, ensuring compliance with the relevant legal regulations.

3. "Public Company's Private Placement of Securities Consideration" - Article 4, Paragraph 1, Subparagraph 2 - Regarding the Applicants

According to Article 4, Paragraph 1, Subparagraph 2 of the "Public Company's Private Placement of Securities Considerations": For a private placement of securities with equity characteristics such as preferred shares, convertible corporate bonds or corporate bonds with warrants, specify the terms of the private placement, the percentage by which the issuance price may not be lower than the theoretical price, and provide an overall explanation of the reasonableness of the terms set for the private placement. For a private placement of preferred shares, if the placee intends to make a non-cash capital contribution, the meeting notice shall also specify the capital contribution method, amount offset by the non-cash contribution and its reasonableness, and an independent expert's opinions on the reasonableness of the offset

amount, to serve as a reference for the shareholders to decide whether to agree. Referring to the board proposal of March 27, 2025, the private placement of securities will be limited to strategic investors, ensuring that there is no violation of relevant regulations.

(II) Necessity and Rationality Evaluation of Private Placement of Common Stock

1. Necessity Evaluation

TaiSol Electronics Co., Ltd. was established on September 23, 1994. The company was publicly listed on the stock exchange on December 13, 2013. It primarily focuses on the research, development, manufacturing, and sales of heat sinks, heat sink modules, card readers, and NFC modules, and is a professional manufacturer of heat sinks and other electronic components. With the recent breakthroughs in artificial intelligence (AI) and the promotion of trends such as digital transformation and cloud computing, there is an increasing global demand for real-time data storage, transmission, mining, and analysis. The backbone of these needs requires high-performance computing supported by data centers. As chip performance continues to improve, the demand for thermal design power (TDP) also continues to rise. Simultaneously, with the growing awareness of environmental, social, and governance (ESG) factors, the importance of energy-efficient heat dissipation technologies is also increasing. In the medium and long term, Taiwan's thermal industry has clear growth momentum, in addition to AI, cloud servers, and electric vehicles, which have attracted much attention, related research and investment competition heat up, 5G infrastructure, Internet of Things, industrial control and other technologies are becoming more mature and integrated, which is bound to develop more extensive applications and business opportunities.

In light of the recent international impacts such as the pandemic, inflation, interest rate hikes, and geopolitical issues, the company intends to carry out upstream and downstream integration or strategic alliances within the industry to achieve resource sharing, strengthen competitiveness, and obtain stable long-term funding. This will help reduce operational risks, strengthen the financial structure, and improve future operational performance. Thus, the purpose of this private placement is to introduce strategic investors and establish long-term cooperative relationships with strategic partners, to enhance the company's long-term competitiveness and operational efficiency. Therefore, this private placement, which considers strategic investors who will help the company's future business development, is deemed necessary.

2. Assessment of the reasonableness

(1) Rationality of Issuing Private Placement Securities

TaiSol plans to issue a private placement of common stock within an amount not exceeding 6,000,000 shares, which is a commonly used form of security issuance in the market and is deemed reasonable.

This private placement case is planned to be submitted to the board of directors on March 27, 2025 and approved by the shareholders' regular meeting on May 22, 2025. The shareholders' meeting will authorize the board of directors to handle it once or twice within one year from the date of the resolution of the shareholders' meeting. If all 6,000,000 shares are issued, the maximum dilution ratio will be 6.39%. The issuance price will not be lower than 80% of the reference price, and the pricing assessment is in line with market practices. Therefore, the impact on shareholder equity is not considered to be materially adverse.

(2) Rationality of the Expected Benefits of the Private Placement

TaiSol plans to conduct a private placement of common stock, with a total number of shares not exceeding 6,000,000. The purpose of this private placement is to introduce strategic investors and establish long-term cooperative relationships with strategic partners to enhance the company's long-term competitiveness and operational efficiency. The raised capital will be used for, but not limited to, replenishing working capital, collaborating with domestic and international manufacturers in technology partnerships or strategic alliances, and meeting the company's long-term capital expenditure needs. The goal is to obtain stable, long-term funding to reduce operational risks, strengthen the financial structure, and improve future operational performance.

Based on the information provided in the company's board proposal on March 27, 2025, regarding the conditions, use of funds, and expected benefits, no major issues or irregularities were found. Therefore, this private placement is expected to have a positive impact on the company's financial performance and shareholder equity, and the expected benefits of increasing profitability and enhancing shareholder equity are deemed reasonable.

3. Selection and Feasibility of the Applicants

(1) Selection of Applicants

The applicants for this private placement are limited to specific individuals under the provisions of Article 43-6 of the Securities and Exchange Act and the Financial Supervisory Commission's letter Jin-Guan-Zheng-Fa-Zi No. 1120383220 dated September 12, 2023. The applicants will be limited to strategic investors. However, as of the date of this evaluation, the specific applicants for the private placement have not been determined. The actual applicants will be confirmed and processed according to relevant regulations once they are finalized.

(2) Feasibility and Necessity of the Applicants

The company's purpose for this private placement is to bring in strategic investors to establish long-term cooperative relationships with strategic partners, thus enhancing the company's long-term competitiveness and operational efficiency. Therefore, the company's consideration for the private placement applicants is to choose strategic investors who will contribute to the company's future business development. By leveraging the experience, technology, knowledge, or networks of strategic investors, the company can strengthen its competitiveness, expand its operational scale, and improve profitability and overall shareholder equity. As such, the introduction of strategic investors in this private placement is both feasible and necessary.

4. Impact of Ownership Transfer on the Company's Business, Financials, and Shareholder Interests

TaiSol resolved on March 27, 2025, to conduct a private placement within one year of a change in one-third of its board members, indicating a potential transfer of management control. The Company currently has a capital stock of 87,908,141 shares. The resolution will be for the private placement of common stock not exceeding 6,000,000 shares, which, if fully issued, would account for 6.39% of the post-placement equity. This would not result in a transfer of management control. In the event that the Company experiences any future board

changes or a shift in management control, the company will follow the relevant disclosure regulations to ensure shareholder interests are protected.

The analysis of the potential impact on business, financials, and shareholder equity in the event of a transfer of management control are as follows:

(1) Impact on Business Operations

The purpose of the private placement is to introduce strategic investors who will directly benefit the company's operations. The funds raised will be used for various purposes, including replenishing working capital, engaging in technical collaborations or strategic alliances with domestic and international manufacturers, and addressing long-term capital expenditure needs. These investments will help secure stable long-term funding, reduce operational risks, strengthen the company's financial structure, and enhance future operational performance. As a result, the company expects increased profitability and, in turn, improved shareholder equity. Thus, the private placement is expected to have a positive impact on the company's business operations.

(2) Impact on Financials

The private placement, involving the issuance of up to 6,000,000 shares at a nominal value of NT\$10 per share, will provide stable long-term capital. This funding will reduce operational risks, strengthen the company's financial structure, and improve its overall financial performance. Therefore, the private placement is expected to have a positive effect on the company's financials, providing necessary funds for growth and enhancing its ability to weather economic challenges.

(3) Impact on Shareholder Equity

In addition to securing stable long-term funding, the private placement will introduce strategic investors, further improving the company's profitability and shareholder equity. The share price will be set at no less than 80% of the reference price, aligning with the "Directions for Public Companies Conducting Private Placements of Securities." As a result, the private placement is not expected to have any significant negative impact on shareholder equity.

In conclusion, after evaluating the Company's long-term development goals, legal requirements for fundraising, and other factors, the private placement of common stock is deemed necessary and reasonable. It will help the company secure stable long-term funding, reduce operational risks, strengthen its financial position, and enhance future operational performance, thereby benefiting shareholder equity.

Furthermore, the company's board meeting materials confirm that the private placement process, including the procedures, pricing criteria, and the selection of specific investors, complies with securities laws and regulations, and no significant irregularities have been identified.

Declaration of Independence

- I. We, the undersigned, hereby affirm our independence in providing the necessary and reasonable securities underwriting evaluation opinion for the private placement of securities by TaiSol Electronics Co., Ltd. in 2025.
- II. As a part of this evaluation, we declare that we do not have any of the following relationships or circumstances:
 - (I) Any party, along with its parent company, its parent company's entire subsidiaries, and the subsidiaries it manages, does not hold more than 10% of the shares of the other party.
 - (II) Any party has not appointed more than half of the directors of the other party's board.
 - (III) The chairman or CEO of either party is not the same person as the chairman or CEO of the other party, nor do they have close family relationships such as being spouses or direct relatives (within the second degree of kinship).
 - (IV) Any party does not have common shareholders who collectively hold more than 20% of the shares in the other party.
 - (V) More than half of the directors or supervisors of either party do not overlap with those of the other party. This includes related parties such as spouses, children, and relatives within the second degree of kinship.
 - (VI) Neither party nor its related parties holds more than 50% of the shares issued by the other party.
 - (VII) Neither party is required to file for a merger or has submitted a merger declaration that has not been prohibited by the Fair Trade Commission.
 - (VIII) Neither party directly or indirectly controls the other's personnel, financial, or business operations in a manner that compromises their independence.
- III. We confirm that the opinions provided for the necessity and rationality of the private placement of securities have been given with complete independence.

Declarant: Capital Securities Corporation

Representative: Chou, Hsiu-chen

Date: March 20, 2025

TaiSol Electronics Co., Ltd.
Articles of Incorporation(Before the Amendment)

Chapter 1 General

Article 1: The Company is incorporated in accordance with the Company Act under the name of TaiSol Electronics Co., Ltd.

Article 2: The Company mainly specializes in the following activities:

1. CC01020 Electric Wires and Cables Manufacturing
2. CC01080 Electronic Components Manufacturing
3. CC01110 Computer and Peripheral Equipment Manufacturing
4. F113070 Wholesale of Telecommunication Apparatus
5. F113990 Wholesale of Other Machinery and Tools
6. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories
7. F119010 Wholesale of Electronic Materials
8. F401010 International Trade
9. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The headquarters of the Company is located in Taipei City, and the Company may establish domestic or foreign branches or offices with a resolution made by the Board.

Article 4: The Company may provide guarantees to external parties.

Chapter 2 Shares

Article 5: The total capital of the Company is NT\$1 billion, divided into 100,000,000 shares with a par value of NT\$10, issued shares in batches.

Within the total capital above, NT\$30 million was preserved for the issuance of employee stock options in the amount of 3,000,000 shares with a par value of NT\$10 in aggregate.

Total shares held by the Company due to investments in other limited companies are not restricted by the investment limit stated under Article 13 of the Company Act.

Article 5-1: The Company intends to issue employee stock options at a subscription price lower than the market price, it shall make arrangements according to relevant requirements of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, and the issuance shall be subject to the special resolution made by the shareholders' meeting.

Article 5-2: If the Company intends to transfer its repurchased shares to its employees at a price lower than the actual average price of the shares repurchased, such transfer shall be subject to a special resolution of the shareholders' meeting in accordance with applicable regulations.

Article 5-3: The distribution targets of employee stock options, distribution targets of restrictive stock awards, targets for employee subscription of shares preserved from new shares issued due to capital increases, and targets for the transfer of treasury shares repurchased may include employees, who fulfill certain conditions, of controlling or subordinate companies; the Board is authorized to determine the conditions, distribution methods, and subscription methods.

- Article 6: Stock affairs of the Company are processed according to the requirements under the “Regulations Governing the Administration of Shareholder Services of Public Companies” promulgated by the competent authority.
- Article 6-1: If the Company intends to cancel the public offering of its stocks, it shall submit a proposal to the shareholders’ meeting for resolution; this provision shall remain unchanged during the period in which the Company is listed on the emerging stock market and TWSE/TPEX.
- Article 7: Shares of the Company are registered, with the signature or seal of Directors, who represents the Company, affixed, and issued after being certified by the competent authority or an issuance registration institution it approved. The Company is exempted from printing share certificates for the shares it issues. However, shares issued according to the abovementioned requirements shall be registered with a centralized securities depository enterprise.
- Article 8: The change in name and transfer of shares shall be suspended 60 days before an annual shareholders’ meeting, 30 days before an extraordinary shareholders’ meeting, or five days before the base day on which the Company decides to distribute dividends, bonuses, or other benefits.

Chapter 3 Shareholders’ Meeting

- Article 9: There are annual shareholders’ meetings and extraordinary shareholders’ meetings; annual shareholders’ meetings shall be convened at least once a year by the Board within six months after the end of each fiscal year according to the law; extraordinary shareholders’ meetings are convened according to the law when necessary.
- With the consent of the shareholders, the meeting notice may be provided by electronic means. For shareholders with less than 1,000 registered shares, the meeting notice in the preceding paragraph may be made by way of announcements.
- Article 10: If a shareholder is unable to attend a shareholders’ meeting due to other causes, it may issue a proxy form, which is printed and distributed by the Company, and set out the scope of authorization to engage a proxy to attend the shareholders’ meeting on its behalf.
- Apart from requirements under Article 177 of the Company Act, methods for attendance of shareholders by proxy shall be subject to the requirements of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies promulgated by the competent authority.
- Article 11: Shareholders of the Company are entitled to one vote for each share held; no vote is granted for those restricted or falling under the circumstances stated in paragraph 2, Article 179 of the Company Act.
- Article 12: Resolutions at a shareholders’ meeting shall, unless otherwise stated in the Company Act, be adopted by receiving more than half of the votes for consent from attending shareholders.
- Article 12-1: For shareholders’ meetings convened by the Board, the Chairman shall be the chairperson; if the Chairman is absent, the Chairman shall appoint one person as its proxy; if there is no appointment made, Directors shall elect one person to act on behalf of the Chairman. For shareholders’ meetings convened by a party with the power to convene but other than the Board, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chairperson from among themselves.
- Article 12-2: Resolutions made at the shareholders’ meeting shall be recorded in the minutes, signed or sealed by the chairman of the shareholders’ meeting, and processed in accordance with

Article 183 of the Company Act after the meeting.

Chapter 4 Directors and Audit Committee

- Article 13: The Company has five to nine Directors with a term of office of three years; the Company adopts the candidate nomination system for the election of Directors for the shareholders' meeting to elect Directors from the list of Director candidates; Directors may be re-elected and re-appointed. The Company adopts the cumulative voting method for the elections of its Directors. In the above number of Directors, the number of Independent Directors shall be no less than three persons, and they shall be elected by the shareholders from the list of Independent Director candidates. The acceptance method for nomination shall be subject to the requirements of the Company Act and relevant regulations.
The total shareholding of all Directors of the Company shall be subject to the requirements of the securities administration agency.
- Article 13-1: If the vacancy of Directors reaches one-third or if all Independent Directors are released of their duties, the Board shall convene an extraordinary shareholders' meeting for by-election according to the requirements under Article 201 of the Company Act and Article 14-2 of the Securities and Exchange Act; the tenure of Directors so elected shall be up to the expiry of the initial Directors.
- Article 13-2: The Company may purchase liability insurance for Directors for the compensation liabilities they assume for the scope of business execution during their tenure to minimize the spread the risks of Directors and the Company; the same may apply to material officers of the Company.
- Article 14: The Board composes Directors, and a Chairman shall be elected by receiving the consent of more than half of the attending Directors on a meeting attended by over two-third of the Directors; the Chairman represent the Company to external parties.
Board meetings shall be convened at least once a quarter, and the meeting notice with reasons specified shall be provided to Directors seven days in advance; however, for any emergencies, Board meetings may be convened at any time. The meeting notice may be made by way of fax, e-mail and other methods.
- Article 15: If the Chairman is on leave or is unable to exercise its functions due to other causes, its proxy shall make arrangements according to requirements under Article 208 of the Company Act.
If a Director is unable to attend in person, it may issue a proxy form with the reason for the meeting and the scope of authorization stated to engage another Director to attend the Board meeting on its behalf; however, only one Director may be engaged as a proxy of another Director.
- Article 15-1: Except for otherwise stated in the Company Act, the resolutions of the Board shall receive the consent of more than half of the attending Directors at a meeting attended by more than half of the Directors.
- Article 15-2: The Company has established its Audit Committee according to the requirements under Article 14-4 of the Securities and Exchange Act; the Committee composes all Independent Directors. The Audit Committee or its members are responsible for executing duties that shall be exercised by supervisors under the requirements of the Company Act, Securities and Exchange Act, and other laws and regulations.

Article 16: The Board is authorized to determine the remuneration of the Chairman and Directors, regardless of operating gains or losses of the Company, according to the level of participation in the Company's operations and the value of contributions with reference to the domestic and foreign standards within the industry.

Article 16-1: The Board may establish functional committees; the charters of functional committees shall be approved by the Board as a resolution. Functional committees are held responsible to the Board, and they shall submit all proposals to the Board for resolution.

Chapter 5 Managers

Article 17: The Company may have one President and one Executive Deputy President, who are appointed, removed and paid under Article 29 of the Company.

Article 18: (Deleted).

Chapter 6 Accounting

Article 19: The Board shall prepare the following statements and books at the end of each fiscal year and submit them to the annual shareholders' meeting for ratification according to the law.

(I). Business report

(II). Financial statements

(III). Proposal for earning distribution or loss compensation

Article 20: The Company shall appropriate a profit in the year if any, provided that if the Company has accumulated losses, an amount shall first be reserved in advance from the profit to cover such losses.

(I) No more than 5% as the remuneration of Directors

(II) No more than 15% but not less than 3% as the remuneration of employees

The remuneration of employees in the preceding paragraph may be distributed in shares or cash, and the payment targets may include employees who fulfill certain conditions set by the Board of controlling or subordinate companies.

Article 20-1: If there is a profit in the annual final accounting, the Company shall first make up for past losses and pay tax, and secondly, 10% of the remaining balance shall be set aside as statutory surplus reserve unless it amounts to total capital. In addition, depending on the Company's operational needs and laws and regulations, a special reserve may be set aside. If there is still undistributed earnings at the beginning of the same period, the board of directors shall draft an earnings distribution proposal and submit it to the shareholders' meeting for resolution.

Regarding the distribution in the preceding paragraph, the shareholders' meeting may resolve to retain the entire or partial earnings as undistributed earnings for distribution in subsequent years.

The distribution of shareholders' bonuses may be made by way of cash dividend or stock dividend, and the distribution ratio of the cash dividend shall be no less than 20%, in principle; however, the ratio of cash dividend or stock dividend for the earning distribution may be adjusted through the resolution by shareholders' meeting based on the actual profits and capital status of the year.

Chapter 7 Supplementary

- Article 21: Unaddressed matters in the Articles shall be subject to the requirements under the Company Act.
- Article 22: The Articles were established on September 12, 1994.
The 1st amendment was made on June 24, 1995.
The 2nd amendment was made on August 3, 1998.
The 3rd amendment was made on March 6, 1999.
The 4th amendment was made on July 5, 1999.
The 5th amendment was made on February 3, 2000.
The 6th amendment was made on June 10, 2000.
The 7th amendment was made on June 9, 2001.
The 8th amendment was made on June 15, 2002.
The 9th amendment was made on June 7, 2003.
The 10th amendment was made on June 5, 2004.
The 11th amendment was made on June 20, 2006.
The 12th amendment was made on June 20, 2007.
The 13th amendment was made on October 18, 2007.
The 14th amendment was made on June 18, 2009.
The 15th amendment was made on June 25, 2010.
The 16th amendment was made on June 8, 2012.
The 17th amendment was made on July 5, 2013.
The 18th amendment was made on May 15, 2015.
The 19th amendment was made on May 31, 2016.
The 20th amendment was made on June 5, 2020.
The 21st amendment was made on July 5, 2021.

TaiSol Electronics Co., Ltd.
Procedures for Loaning of Funds to Others (Before the Amendment)

I. Purpose:

In order to ensure that the company's procedures for lending funds to others are followed, the company has established this procedure.

II. Loan Recipients:

(I) Parties with which the company has business transactions.

(II) Parties that require short-term financing from the company.

The term "short-term" refers to a period of one year. However, if the company's operating cycle exceeds one year, the operating cycle shall apply.

The term "financing amount" refers to the cumulative balance of short-term financing provided by the company.

III. Reasons and Necessity for Lending Funds to Others:

When the company engages in lending funds to another company or business due to business relationships, it shall follow the provisions of Article 4, Paragraph 2. For situations requiring short-term financing, lending funds is limited to the following conditions:

(I) Companies in which the company directly or indirectly holds more than 50% of the voting shares and have a business need for short-term financing.

(II) Other companies or businesses that require short-term financing for purchasing materials or operating turnover.

(III) Other parties for which the company's Board of Directors approves the loan.

IV. Total Amount of Fund Lending and Limits for Individual Recipients:

(I) The total amount of funds lent by the company shall not exceed 40% of the company's net worth.

(II) For companies or businesses that have business dealings with the company, the amount lent to any individual recipient shall not exceed the amount of business dealings between both parties. The term "business dealings amount" refers to the higher of the total purchase or sales amounts between the two parties.

(III) When funds are lent to others due to the need for short-term financing between companies or businesses, the total amount of lending shall not exceed 40% of the company's net worth, and the amount lent to any individual recipient shall not exceed 20% of the company's net worth. However, this limit does not apply to foreign companies in which the company directly or indirectly holds 100% of the voting shares, nor to foreign companies that lend funds to the company in such cases.

V. Fund Lending Procedure:

(I) Credit Investigation:

For the Company's lending of funds, the borrower must first provide necessary company and financial information and submit a written application for the financing limit.

After receiving the application, the Company shall have the finance department investigate and evaluate the borrowing party's business operations, financial status, debt repayment ability and credit, profitability, and the purpose of the loan, and prepare a report.

The finance department should conduct a detailed evaluation and review of the lending party, and the evaluation items should at least include:

1. The necessity and rationality of lending funds to others.
2. Whether the loan amount is necessary based on the financial condition of the borrowing party.
3. Whether the accumulated loan amount is still within the limit.
4. The impact on the company's operations, financial status, and shareholder equity.

5. Whether collateral is required and the evaluated value of the collateral.
6. Providing the credit and risk assessment records for the borrowing party.

(II) Collateral:

When the company handles fund lending matters, it should obtain a promissory note of the same amount as collateral, and if necessary, arrange for the mortgage of movable or immovable property. For the above-mentioned debt security, if the debtor provides a sufficiently financially capable and trustworthy individual or company as a guarantor instead of providing collateral, the board of directors may consider the credit report from the finance department. If the guarantor is a company, it should be ensured that the company's articles of association allow for guaranteeing obligations.

(III) Authorization Scope:

When the company handles fund lending matters, after the credit investigation by the finance department, the matter shall be submitted to the general manager for approval and then to the board of directors for a resolution. No other person shall be authorized to make the decision. The opinions of all independent directors should be fully considered, and their clear opinions of approval or disapproval, along with reasons for any disapproval, should be recorded in the board meeting minutes.

For fund lending between the company and its subsidiaries, or between subsidiaries, the board of directors shall follow the procedure outlined above. The chairman of the board may be authorized to disburse the funds in portions or on a revolving basis to the same recipient within a specific amount and a period of not more than one year, as approved by the board of directors. The term "specific amount," in addition to complying with the provisions of Article 4, Paragraph 3, the authorization amount for fund lending by the company or its subsidiaries to a single enterprise shall not exceed 10% of the company's latest net worth as stated in its financial statements.

VI. Loan Term and Interest Calculation Method:

- (I) Each loan term shall be limited to one year.
- (II) The interest rate on the loan shall not be lower than the highest interest rate at which the company borrows short-term funds from financial institutions. The company's loan interest will be calculated on a monthly basis as the general principle. In special circumstances, adjustments may be made as needed, subject to board approval.

VII. Subsequent Control Measures for Loaned Amount and Overdue Debt Handling Procedures:

- (I) After the loan is disbursed, the financial, business, and credit status of the borrower and guarantor should be closely monitored. If collateral is provided, its value should be checked for any changes. In case of significant changes, the Chairman should be immediately informed, and appropriate actions will be taken as per their instructions.
- (II) When the borrower repays the loan at maturity or before maturity, the interest payable should be calculated first, and both principal and interest should be settled together. Only then can the promissory note loan be cancelled and returned to the borrower or the mortgage rights be discharged.
- (III) The borrower must repay the principal and interest upon maturity. If repayment is delayed beyond the maturity date, the borrower must submit a request for extension, which must be approved by the board before the extension can be granted. Each extension shall not exceed three months, and only one extension is allowed. If this condition is violated, the company has the right to directly dispose of the collateral or guarantee, and pursue legal actions for recovery.

VIII. Internal Control:

- (I) For handling fund lending, the company should establish a reference book that records details such as the loaned party, amount, board approval date, loan disbursement date, and matters that require prudent evaluation in accordance with regulations.
- (II) The company's internal auditors should audit the fund lending process and its implementation at least once every quarter and create written records. If major violations

are found, they should immediately notify the independent directors in writing. If major violations are found, the situation should be evaluated, and the manager and responsible personnel should be disciplined according to the company's employee manual and rewards and penalties policies.

- (III) If the company's loan balance exceeds the limit due to changes in circumstances, an improvement plan should be developed. The improvement plan should be sent to the independent directors and completed according to the schedule to strengthen internal control.

IX. Announcement and Reporting:

- (I) The company must announce and report the fund lending balance of the company and its subsidiaries for the previous month by the 10th of each month.
- (II) If the company's fund lending meets any of the following criteria, the company should announce and report it within two days from the occurrence of the event:
 1. The fund lending balance of the company and its subsidiaries reaches 20% or more of the company's latest net worth as per the financial statement.
 2. The fund lending balance to a single enterprise by the company and its subsidiaries reaches 10% or more of the company's latest net worth.
 3. The company or its subsidiaries adds a loan amount exceeding NT\$10 million and reaches more than 2% of the company's latest net worth.

If the company's subsidiary is not a publicly traded company in Taiwan, and the subsidiary meets the third reporting condition, the company will handle the announcement and reporting.

X. Other Matters:

- (I) When the company's subsidiaries intend to lend funds to others, the company should require its subsidiaries to establish a fund lending operation procedure in accordance with the regulations, and the procedure must be followed.
- (II) The company should evaluate the fund lending situation and make appropriate provisions for bad debts. Relevant information should be disclosed appropriately in the financial reports, and the necessary documents should be provided to the auditors to perform the necessary audit procedures and issue a proper audit report.
- (III) Any matters not covered in this procedure will be handled in accordance with relevant laws and regulations as well as the company's related rules.

XI. Effectiveness and Amendments:

The company's fund lending operation procedure shall be formulated with the consent of the Audit Committee, submitted to the board of directors for approval, and then reported to the shareholders' meeting for approval. If any director expresses disagreement with a record or written statement, the company should send the objection to all independent directors and present it to the shareholders' meeting for discussion. The same process applies during amendments.

When submitting the fund lending operation procedure to the board of directors for discussion, the opinions of the independent directors should be fully considered, and the clear opinions of approval or disapproval, along with the reasons for the objections, should be included in the board meeting minutes.

XII. History:

The Procedure was created on June 7, 2003.

The 1st amendment was made on June 20, 2007.

The 2nd amendment was made on June 18, 2009.

The 3rd amendment was made on June 25, 2010.

The 4th amendment was made on September 24, 2013.

The 5th amendment was made on June 18, 2014.

The 6th amendment was made on June 5, 2020.

The 7th amendment was made on July 5, 2021.

TaiSol Electronics Co., Ltd.
Procedures for Making Endorsements and Guarantees
(Before the Amendment)

- I. Regulatory basis:
- (I) Ministry of Finance, Securities and Futures Bureau, Tai-Cai-Zheng (VI) No. 0910161919, dated December 18, 2002(91).
 - (II) Financial Supervisory Commission (FSC), Executive Yuan, Jin-Guan-Zheng-Liu-Zi No. 0940006026, dated December 29, 2005.
 - (III) Financial Supervisory Commission (FSC), Executive Yuan, Jin-Guan-Zheng-Liu-Zi No. 0980000271, dated January 15, 2009.
 - (IV) Financial Supervisory Commission (FSC), Executive Yuan, Jin-Guan-Zheng-Shen-Zi No. 0990011375, dated March 19, 2010.
 - (V) Financial Supervisory Commission (FSC), Jin-Guan-Zheng-Shen-Zi No. 1010029874.
 - (VI) Financial Supervisory Commission (FSC), Jin-Guan-Zheng-Shen-Zi No. 1080304826.
- II. Scope of application of this Regulation
- (I) Financing Endorsement and Guarantee:
 - 1. Bill discounting financing.
 - 2. Endorsement or guarantee made for the purpose of financing another company.
 - 3. Issuance of promissory notes as a guarantee for non-financial enterprises for the purpose of financing the company.
 - (II) Customs Guarantee: Refers to endorsements or guarantees made for customs matters related to the company or other companies.
 - (III) Other Endorsements or Guarantees: Refers to endorsements or guarantees that cannot be categorized under the two preceding types.
 - (IV) The company setup pledges or mortgages with movable or immovable property as collateral for loans made to other companies.
- III. Endorsement and Guarantee Recipients
- Except for cases where all shareholders provide endorsement and guarantee to an invested company according to their shareholding ratio due to a joint investment relationship, the company may only provide endorsement and guarantee to the following entities:
- (I) Companies with which the company has business dealings.
 - (II) Companies in which the company directly or indirectly holds more than 50% of the voting shares.
 - (III) Companies that directly or indirectly hold more than 50% of the voting shares in the company.
 - (IV) Companies in which the company directly or indirectly holds 90% or more of the voting shares. Endorsement and guarantee may be provided, but the amount cannot exceed 10% of the company's net worth. However, endorsement and guarantee between companies where the company directly or indirectly holds 100% of the voting shares is not subject to this limit.
- The term "capital contribution" in the first item refers to the company's direct investment or investment through a company where it holds 100% of the voting shares.
- IV. Endorsement and Guarantee Limits:
- (I) The total amount of endorsements and guarantees provided by the company to external parties shall not exceed 50% of the current net worth. For a single entity, the limit on endorsement and guarantee, except for companies in which the company directly or indirectly holds more than 50% of the voting shares, shall not exceed 30% of the current net worth. For all other entities, the limit shall not exceed 20% of the current net worth. The net worth is based on the most recent financial statements that have been audited or reviewed by an accountant.
 - (II) The total amount of endorsements and guarantees that the company and its subsidiaries can provide together shall not exceed 50% of the company's current net worth. The endorsement

and guarantee limit for a single entity in which the company directly or indirectly holds less than 50% of the voting shares shall not exceed 20% of the company's current net worth. The net worth is based on the most recent financial statements that have been audited or reviewed by an accountant.

- (III) In the case of endorsements and guarantees provided due to business relationships with the company, in addition to the limits described in the previous two provisions, the individual endorsement and guarantee amount shall not exceed the business transaction amount between the parties. The term "business dealings amount" refers to the higher of the total purchase or sales amounts between the two parties.

V. Decision-Making and Authorization Levels:

- (I) For the company to handle endorsement and guarantee matters, approval must be obtained from the board of directors, and the relevant matters regarding the handling of the transaction must be reported to the shareholders' meeting for filing. The opinions of the independent directors should be fully considered, and their explicit opinions for or against, as well as the reasons for opposition, should be included in the board of directors' minutes. Additionally, the board of directors authorizes the chairman to act on behalf of the company within a limit of NT\$20 million, according to the relevant provisions of this operation procedure, with the action being ratified by the board afterward.

- (II) If the company needs to exceed the limit set by this policy for endorsement and guarantee due to business needs and meets the conditions stipulated in this policy, approval must be obtained from the board of directors. More than half of the directors must sign a joint guarantee regarding potential losses due to the excess limit, and the endorsement and guarantee operation policy should be revised and submitted to the shareholders' meeting for ratification. If the shareholders' meeting disagrees, a plan should be established to remove the excess portion within a certain period.

During the board discussion, the opinions of the independent directors must be fully considered, and their clear agreement or disagreement, as well as the reasons for opposition, should be included in the board meeting minutes.

VI. Endorsement and Guarantee Procedures:

- (I) When the company processes an endorsement and guarantee, the company being endorsed or guaranteed must submit an application to the company's financial department. The financial department should conduct a credit investigation on the company being endorsed, assess its risk, and maintain an evaluation record. After the review is approved, it should be submitted to the General Manager and the Chairman for approval. If necessary, collateral should be obtained.

- (II) The financial department shall conduct a credit investigation and risk assessment of the company being endorsed. The evaluation should include:

1. The necessity and reasonableness of the endorsement and guarantee.
2. Whether the endorsement amount is justified based on the financial condition of the company being endorsed.
3. Whether the accumulated endorsement and guarantee amount remains within the limits.
4. When engaging in endorsement and guarantee due to business dealings, assess whether the endorsement amount and business transaction amount are within the limits.
5. The impact on the company's operations, financial status, and shareholder equity.
6. Whether collateral is required and the evaluated value of the collateral.
7. The credit investigation and risk assessment records for the endorsement and guarantee.

- (III) The Financial Department shall establish a ledger for filing, detailing the endorsement and guarantee targets, amounts, board approval or chairman's execution dates, endorsement and guarantee dates, and other matters that require careful evaluation according to the previous provisions.

- (IV) The Financial Department shall assess or recognize contingent losses related to endorsements and guarantees and appropriately disclose such information in the financial reports. The department should also provide relevant data to the certified public accountant to conduct necessary audit procedures and issue a proper audit report.
- (V) If, due to changes in circumstances, an endorsement or guarantee target initially meets the provisions of this policy but later does not, or if the amount of the endorsement or guarantee exceeds the established limit due to changes in the basis used to calculate the limit, the endorsement or guarantee amount, or the excess portion, should be eliminated by the contract's expiration date or within a set period by formulating an improvement plan. This plan must be submitted to the independent directors, and the improvements must be made according to the timeline in the plan and reported to the board.
- (VI) If the company or its subsidiary provides an endorsement or guarantee for a subsidiary with net worth lower than half of its paid-in capital, in addition to following the previous provisions and requiring the subsidiary to regularly submit financial statements, the board should report the changes in the subsidiary's net worth and the amount of the endorsement or guarantee at each board meeting.

VII. Cancellation of Endorsements and Guarantees:

- (I) If the endorsement or guarantee-related documents or bills need to be canceled due to debt repayment or renewal, the endorsed company should submit a formal letter to the Financial Department of the company, returning the original documents with the "Cancelled" stamp. The application letter should be kept for record.
- (II) The Financial Department should promptly record the cancellation of the endorsement and guarantee in the ledger to reduce the total amount of the endorsement and guarantee.

VIII. Internal Control:

- (I) The company's and internal auditors should audit the fund lending process and its implementation at least once every quarter and create written records. If major violations are found, they should immediately notify the independent directors in writing.
- (II) The company should follow the prescribed procedures when engaging in endorsements and guarantees. If any major violations are found, the responsible managers and staff should be disciplined according to the company's employee handbook and reward and punishment guidelines.

IX. Stamp and Seal Management and Procedures:

- (I) The company uses the company seal approved by the Ministry of Economic Affairs for endorsements and guarantees. The seal and guarantee-related documents should be securely managed by designated personnel. The stamping and signing of the bills must follow the prescribed procedures. Any changes in the personnel responsible for the seal should be approved by the board of directors.
- (II) When the company provides a guarantee for a foreign company, the guarantee letter should be signed by an authorized individual designated by the board of directors.

X. Announcement and Reporting Procedures

The company should announce and report the endorsement and guarantee balance of the company and its subsidiaries by the 10th of each month. If the endorsement and guarantee meet any of the following criteria, it should be reported within two days from the occurrence of the event:

- (I) The balance of the endorsement and guarantee for the company and its subsidiaries exceeds 50% of the latest financial net worth of the company.
- (II) The balance of the endorsement and guarantee for a single company exceeds 20% of the latest financial net worth of the company.
- (III) The balance of the endorsement and guarantee for a single company exceeds NT\$10 million, and combined with equity-method investment and loan balances, it exceeds 30% of the latest financial net worth of the company.
- (IV) The new endorsement and guarantee amount exceed NT\$30 million and exceeds 5% of the latest financial net worth of the company.

If the company's subsidiary is not a publicly traded company in Taiwan, and the subsidiary meets the fourth reporting condition, the company will handle the announcement and reporting.

- XI. When a subsidiary of the company intends to provide an endorsement or guarantee to others, the company should require the subsidiary to establish a procedure for endorsement and guarantee operations and ensure compliance with the established procedures.

For subsidiaries where the company directly or indirectly holds more than 90% of the voting shares shall be endorsed and guaranteed in accordance with the provisions of Article 3, Paragraph 4, and shall submit a resolution to the Board of Directors of the company before proceeding. However, endorsement and guarantee between companies where the company directly or indirectly holds 100% of the voting shares is not subject to this limit.

- XII. Any matters not covered by this procedure should be handled according to relevant laws and company regulations.

- XIII. This procedure is approved by the Audit Committee, submitted to the board of directors for approval, and reported to the shareholders' meeting. If any director expresses dissent with a record or written statement, the dissent should be submitted to the independent directors and reported for discussion at the shareholders' meeting. The same procedure applies during amendments.

When submitting the procedure to the board of directors for discussion, the company should fully consider the opinions of the independent directors and include their clear agreement or opposition and the reasons for opposition in the board meeting minutes.

- XIV. Effective Date and Amendments:

The Procedure was created on June 25, 2010.

The 1st amendment was made on June 5, 2020.

The 2nd amendment was made on July 5, 2021.

TaiSol Electronics Co., Ltd.
Rules of Procedure for Shareholders' Meetings

- 1 Establishment basis:
 - 1.1 To establish strong governance system and sound supervisory capabilities for the shareholders' meetings of the Company and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
- 2 Regulatory basis:
 - 2.1 Except otherwise provided by laws, regulations, or the Articles, the rules of procedures for the shareholders' meetings of the Company shall be subject to the Rules.
- 3 Convening of shareholders' meetings, meeting notice, and shareholders' proposals:
 - 3.1 Except for where otherwise stated in laws and regulations, shareholders' meetings of the Company shall be convened by the Board.
 - 3.2 Any changes in the convening method of the shareholders' meeting of the Company shall be resolved by the Board, and be made no later than the dispatch of the notice of the shareholders' meeting.
 - 3.3 The Company shall prepare electronic files of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, proposals for discussion, or the election or dismissal of Directors, and upload them to the Market Observation Post System (MOPS) 30 days before the annual shareholders' meeting or 15 days before an extraordinary shareholders' meeting, respectively.
 - 3.4 The Company shall prepare electronic files of the shareholders' meeting manual and supplementary materials and upload them to the MOPS 21 days before the annual shareholders' meeting or 15 days before an extraordinary shareholders' meeting. If, however, the Company has a paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the shareholder register of the annual shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made 30 days before the annual shareholders meeting.
 - 3.5 In addition, 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting handbook and supplemental meeting materials and have made them available for review by shareholders at any time. The meeting handbook and supplemental materials shall also be displayed at the Company and the professional stock agent designated by the Company, and distributed at the site of the shareholders' meeting.
 - 3.6 The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic forms.
 - 3.7 Election or dismissal of Directors, amendments to the Articles of Incorporation, capital reduction, application for the approval of ceasing its status as a public company, approval for the release of non-competition restriction of Directors, capital increase from earnings, capital increase from reserves, the dissolution, merger, or division of the Company, or any matter under paragraph 1, Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extempore motion.

Where re-election of all Directors, as well as their inauguration date, is stated in the notice

of the reasons for convening the shareholders' meeting after the completion of the re-election in said meeting, such inauguration date may not be altered by any extempore motion or otherwise in the same meeting.

- 3.8 A shareholder holding 1% or more of the total number of issued shares may submit a proposal to the Company for discussions at an annual shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. A shareholder's proposal in alignment with any circumstance under any subparagraph of paragraph 4 of Article 172-1 of the Company Act may not be included in the meeting agenda by the Board. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.
- 3.9 Prior to the book closure date before the convening of an annual shareholders meeting, the Company shall publicly announce its acceptance of shareholder's proposals, acceptance method in writing or through electronic means, and the location and the period for their submission; the period for submission of shareholder's proposals may not be less than ten days.
- 3.10 A proposal submitted by a shareholder is limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall attend the annual shareholders' meeting in person or by proxy and take part in discussions of the proposal.
- 3.11 Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and Notes shall be made by the Board at the shareholders' meeting to be convened.

4 Engage proxies to attend shareholders' meetings and authorization:

- 4.1 For each shareholders' meeting, a shareholder may issue a proxy form, which is printed and distributed by the Company, and set out the scope of authorization to engage a proxy to attend the shareholders' meeting on its behalf.
- 4.2 Each shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting and shall deliver the proxy form to the Company at least five days before the date of the shareholders' meeting. When a duplicate proxy form is served, the one received earliest shall prevail, unless a declaration is made to cancel the previous proxy form.
- 4.3 Once a proxy form is received by the Company, if a shareholder wishes to attend the shareholders' meeting in person or to exercise their voting rights in writing or by electronic means, a written proxy rescission notice shall be filed with the Company at least two days prior to the date of the shareholders' meeting; otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

5 Principles for the venue and time of shareholders' meetings:

- 5.1 The venue for a shareholders' meeting shall be the premises of the Company or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.; full consideration shall be given to Independent Directors' opinions with respect to the place and time of the meeting.

- 6 Preparation of documents such as the attendance book:
 - 6.1 The Company shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.
 - 6.2 The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences.
 - 6.3 Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend to be presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.
 - 6.4 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.
 - 6.5 The Company shall furnish attending shareholders with the meeting handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of Directors, pre-printed ballots shall also be furnished.
 - 6.6 When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a corporation is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.
- 7 Chairperson and presenting person at shareholders' meetings:
 - 7.1 If a shareholders' meeting is convened by the Board, the Chairman shall be the chairperson; if the Chairman is on leave or is unable to exercise its functions due to other causes, the Chairman shall appoint one Director to act on its behalf; if the Chairman has not appointed any proxy, Directors shall elect one person by and from among themselves to act on behalf of the Chairman.
 - 7.2 The Director acting on behalf of the chairperson in the preceding paragraph shall be a Director who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall apply to a representative of a corporate Director that serves as the chairperson.
 - 7.3 7.3 Shareholders meetings convened by the Board shall be chaired by the Chairman in person and attended by a majority of the Directors and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.
 - 7.4 If a shareholders' meeting is convened by a party with the power to convene but other than the Board, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chairperson from among themselves.
 - 7.5 The Company may appoint its attorneys, CPAs, or related persons retained by it to present at shareholders' meetings.
- 8 Preservation of uninterrupted audio and video recording of shareholders' meetings as evidence:
 - 8.1 The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures.
 - 8.2 The recorded materials of the preceding paragraph shall be retained for at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the materials of the meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.

- 9 Shares represented by shareholders attended in person or by proxy at shareholders' meetings and calling meetings to order:
 - 9.1 Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of shares represented by shareholders attending the meeting shall be calculated in accordance with the attendance book or attendance cards handed in, plus the number of shares exercising voting rights by correspondence or electronic means.
 - 9.2 The chairperson shall call the meeting to order at the appointed meeting time and disclose information concerning the number of non-voting shares and the number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairperson may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chairperson shall declare the meeting adjourned.
 - 9.3 If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to paragraph 1, Article 175 of the Company Act; all shareholders shall be notified of the tentative resolution, and another shareholders' meeting shall be convened within one month.
 - 9.4 When, prior to the conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairperson may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.
- 10 Discussion of proposals:
 - 10.1 If a shareholders' meeting is convened by the Board, the meeting agenda shall be set by the Board. Votes shall be cast on each separate proposal in the agenda (including extempore motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.
 - 10.2 If a shareholders' meeting is convened by a party with the power to convene but other than the Board, requirements in the preceding paragraph may apply.
 - 10.3 The chairperson may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extempore motions), except by a resolution by the shareholders' meeting. If the chairperson declares the meeting adjourned in violation of the rules of procedure, the other members of the Board shall promptly assist the attending shareholders in electing a new chairperson in accordance with statutory procedures by agreement of a majority of the votes represented by the attending shareholders to continue the meeting.
 - 10.4 The chairperson shall allow ample opportunity during the meeting for Notes and discussion of proposals and of amendments or extempore motions put forward by the shareholders; when the chairperson considers that a proposal has been discussed sufficiently to put it to a vote, the chairperson may announce the discussion closed, call for a vote, and schedule sufficient time for voting.
- 11 Shareholder speech:
 - 11.1 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, its shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairperson.
 - 11.2 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.

- 11.3 Except with the consent of the chairperson, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed five minutes; if the shareholder's speech violates the rules or exceeds the scope of the motion, the chairperson may have the shareholder stop the speech.
 - 11.4 Attending shareholders may not interfere with the speaking shareholders without the consent of the Chairman and the speaking shareholder. The Chairman will have shareholders violating this policy stopped.
 - 11.5 When an institutional shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.
 - 11.6 After an attending shareholder has spoken, the chairperson may respond or direct relevant personnel to respond.
- 12 Calculation of voting shares and recusal system:
 - 12.1 Votes cast at shareholders' meetings shall be calculated based on the number of shares.
 - 12.2 The shares held by shareholders having no voting rights shall not be counted in the total number of issued shares while adopting a resolution at a meeting of shareholders.
 - 12.3 When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item and may not exercise voting rights as a proxy for any other shareholder.
 - 12.4 The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be counted toward the number of voting rights represented by attending shareholders.
 - 12.5 Except for trust enterprises or stock agencies approved by the competent authority of securities, when a person acts as the proxy for two or more shareholders, the number of voting rights represented by it shall not exceed 3% of the total number of voting shares of the company; otherwise, the portion of excessive voting power shall not be counted.
 - 13 Voting, monitoring, and vote calculation methods:
 - 13.1 Shareholders of the Company are entitled to one vote for each share held; however, this shall not apply to those restricted or with no voting rights as stated in paragraph 2, Article 179 of the Company Act. When the Company holds a shareholders' meeting, it may adopt the exercise of voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting convening notice. A shareholder's exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. However, it shall be deemed as a waiver of rights with respect to the extraordinary motions and amendments to the original proposals of the shareholders' meeting. Therefore the Company shall attempt to avoid the submission of extempore motions and amendments to original proposals.
 - 13.2 A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company at least two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail. However, this shall not apply to a declaration made to cancel the earlier declaration of intent. In the case a shareholder who has exercised its voting power by correspondence or electronic means intends to attend the shareholders' meeting in person, it shall serve a separate declaration of intention to rescind its previous declaration of intention made by exercising its voting rights under the preceding paragraph before two days prior to the meeting date of the scheduled shareholders' meeting and in the same manner previously used to exercise its voting rights. In the absence of a

timely rescission of the previous declaration of intention, the voting rights exercised by correspondence or electronic means shall prevail. If the shareholder exercises voting rights by correspondence or electronic means and appoints a proxy with a proxy form to attend the shareholders' meeting, the voting right exercised by the attending proxy at the meeting shall prevail.

- 13.3 Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of the majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chairperson or a person designated by the chairperson shall first announce the total number of voting rights represented by the attending shareholders, followed by a vote by the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the number of votes for or against and the number of abstentions, shall be entered on the MOPS.
- 13.4 When there is an amendment or an alternative to a proposal, the chairperson shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to the vote. When a proposal among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- 13.5 Scrutineers and vote counting personnel for the voting on proposals shall be appointed by the chairperson, provided all scrutineers shall be shareholders of the Company.
- 13.6 Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the venue of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

14 Election:

- 14.1 The election of Directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as Directors and the numbers of votes with which they were elected, and the names of Directors not elected and the number of votes they received.
- 14.2 The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the scrutineers and kept in proper custody for at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the materials of the meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.

15 Meeting minutes and matters of execution:

- 15.1 Meeting minutes shall be prepared for resolutions made at shareholder's meetings. The minutes shall be signed and affixed with a seal by the chairperson and distributed to the shareholders within 20 days after the meeting. The meeting minutes may be produced and distributed in electronic form.
- 15.2 The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairperson's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of Directors. The minutes shall be retained for the duration of the existence of the Company.

16 Public disclosure:

- 16.1 On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting.
- 16.2 If any resolutions by the shareholders' meeting are material information as stipulated by laws and regulations or Taiwan Stock Exchange Corporation, the Company shall upload the content to the MOPS within the prescribed period.

17 Maintenance of order at the meeting venue:

- 17.1 Staff handling administrative affairs of a shareholders' meeting shall wear an identification badge or an armband.
- 17.2 The chairperson may direct the proctors or security personnel to help maintain order at the meeting venue. When proctors or security personnel help maintain order at the meeting venue, they shall wear an identification badge or an armband, reading "Proctor."
- 17.3 At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chairperson may prevent the shareholder from so doing.
- 17.4 When a shareholder violates the rules of procedure and defies the chairperson's correction, obstructing the proceedings and refusing to heed calls to stop, the chairperson may direct the proctors or security personnel to escort the shareholder from the meeting.

18 Break, resumption of meetings, and adjournment:

- 18.1 When a meeting is in progress, the chairperson may announce a break based on time considerations. If a force majeure event occurs, the chairperson may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.
- 18.2 If the meeting venue is no longer available for continued use and not all the items (including extempore motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.
- 18.3 A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.
- 18.4 When the chairperson calls for an adjournment based on the meeting agenda, the shareholders' meeting is deemed ended. After the adjournment, shareholders may not otherwise elect a chairperson or seek another venue to resume the meeting.

19 Appendices:

- 19.1 The Rules were implemented on the publishing date after being approved by the shareholders' meeting.

20 History:

- 20.1 The Rules were established on June 15, 2002.
- 20.2 The 1st amendment was made on June 20, 2006.
- 20.3 The 2nd amendment was made on June 25, 2010.
- 20.4 The 3rd amendment was made on June 8, 2012.
- 20.5 The 4th amendment was made on June 5, 2020.
- 20.6 The 5th amendment was made on May 25, 2021.
- 20.7 The 6th amendment was made on May 30, 2023.

**TaiSol Electronics Co., Ltd.
Procedure for Election of Directors**

- Article 1: Unless otherwise provided by laws or the Articles of Incorporation, directors of the Company shall be elected in accordance with the Procedure.
- Article 2: The Company's directors are elected at the shareholders' meeting.
- Article 3: The overall composition of the board of directors shall be considered in the election of directors. The board of directors shall be diversely composed, and an appropriate diversity policy shall be developed in terms of its own operations, business models and development needs. It is advisable to include but not limited to the following two aspects:
- (I) Basic conditions and values: gender, age, nationality, and culture, among others.
 - (II) Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.
- Members of the Board of Directors shall generally possess the necessary knowledge, skills, and attributes required to fulfil their duties, and shall have the following abilities as a whole:
- (I) The to make operational judgments.
 - (II) Accounting and financial analysis.
 - (III) Operation and management.
 - (IV) Crisis management.
 - (V) Knowledge of the industry.
 - (VI) Outlook on the international market.
 - (VII) Leadership.
 - (VIII) Decision-making.
- More than half of the directors shall not be a spouse or a relative within the second degree of kinship.
- The board of directors shall consider adjusting its composition based on the results of performance evaluation.
- Article 4: Independent directors shall have such qualifications required under Articles 2, 3 and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.
- Independent directors shall be elected in line with Articles 5, 6, 7, 8 and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and Article 24 of the Corporate Governance Best-Practice Principles.
- Article 5: Directors shall be elected from nominated candidates as required under Article 192-1 of the Company Act.
- If the Board has fewer than five directors left after dismissal of any directors for any reason, the Company shall hold a by-election at the immediately next shareholders' meeting. However, if vacant directors represent one-third of the total number of all directors specified in the Articles of Incorporation, the Company shall convene an extraordinary general meeting for by-election within 60 days from the date of occurrence.
- If the number of independent directors falls below that specified in Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting; when all independent directors are dismissed, a by-election shall be held within 60 days from the date of occurrence of the fact. A by-election will be held at an extraordinary meeting of shareholders.
- Article 6: Directors are elected in disclosed ballots using the cumulative voting system. Each share has the same number of votes as the number of directors to be elected, and may be cast for a single candidate or split among multiple candidates.
- Article 7: The number of votes required for independent directors and non-independent directors are counted respectively based on the number of directors determined by the Articles of

Incorporation. Those winning a larger number of votes will be elected in sequence. If two or more people have the same number of votes above the threshold, such persons shall be decided through drawing. Any of them absent will be represented by the chairperson on his or her behalf.

- Article 8: The board of directors of the Company shall prepare the ballots for the directors in the number of the directors to be elected, specify the number of votes on the ballots, and distribute the ballots to the shareholders attending the meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 9: Before the election begins, the chair shall appoint the scrutineers and tally clerks who are shareholders to perform the respective duties.
- Article 10: The ballot boxes shall be prepared by the Board of Directors and publicly checked by the scrutineers before voting commences.
- Article 11: Voters shall indicate the name or account name of the candidate in column "Candidate" on the ballot. However, when the candidate is a government or institutional shareholder, the name of the government or institution shall be filled in the column for the account name of the candidate. The name of the government or institution and the name of its representative may also be filled in; if there are several representatives, the names of the representatives shall be filled in separately.
- Article 12: A ballot is invalid under any of the following circumstances:
- (I) The ballot was not prepared by a person with the right to convene.
 - (II) A blank ballot is placed in the ballot box.
 - (III) The handwriting on the ballot is blurred and illegible or has been altered.
 - (IV) The candidate whose name is entered in the ballot is not included in the list of director candidates.
 - (V) Other words or marks are entered in addition to the candidate's name or account name.
 - (VI) Two or more candidates are placed on the same ballot.
- Article 13: The ballots shall be counted on site immediately after the end of voting, and the results, including the list of directors elected and the number of votes for them, shall be announced by the chair on the spot.
- The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the scrutineers and kept in proper custody for at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the materials of the meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.
- The board of directors will issue a notice of election to the elected directors.
- Article 14: The Procedure, and any amendments hereto, shall become effective when approved by the Shareholders' Meeting.
- Article 15: The Procedure was created on June 7, 2003.
The 1st amendment was made on June 20, 2007.
The 2nd amendment was made on May 15, 2015.
The 3rd amendment was made on July 5, 2021.

TaiSol Electronics Co., Ltd.
Directors' Shareholdings

- I. The Company's paid-in capital is NT\$879,081,410, and the total number of issued shares is 87,908,141 shares.
- II. The minimum number of shares to be held by all directors is 7,032,651 shares.
- III. As of the date of suspension of share transfer for the shareholders meeting (March 24, 2025), the Company's individual directors and all directors recorded in the shareholders' register held the following number of shares:

Title	Name	Number of shares held on the book closure date	
		Number of shares	Shareholding (%)
Chairman	Singatron Enterprise Co., Ltd. Representative: Peng, Peng-Huang	13,277,000	15.10
Director	Singatron Enterprise Co., Ltd. Representative: Kan, Hsin-Nan	13,277,000	15.10
Director	Singatron Enterprise Co., Ltd. Representative: Peng, Ying-Yuan	13,277,000	15.10
Director	Hsieh, Chun-Shan	888,276	1.01
Independent Director	Wang, Hwei-Min	-	-
Independent Director	Wang, Sheng-Shun	-	-
Independent Director	Chen, Li-Mei	-	-
Total of all Directors		14,165,276	16.11

Note: As of the book closure date for the shareholders' meeting, the aggregate shareholding of all directors of the Company totaled 14,165,276 shares, in compliance with the minimum shareholding requirement for directors.