

I-CHIUN PRECISION INDUSTRY CO., LTD.

2024 Annual Meeting of Shareholders Meeting Agenda Handbook

May 30, 2024

I-CHIUN PRECISION INDUSTRY CO., LTD.
Handbook for the 2024 Annual Meeting of Shareholders

Table of Contents

I.	Meeting Procedure	1
II.	Meeting Agenda	2
III.	Management Presentation (Company Reports)	3
IV.	Proposals	5
V.	Questions and Motions	7
VI.	Adjournment	7
VII.	Attachment	8
	1. Business Report	8
	2. Audit Committee’s Review Report	14
	3. Auditor’s Audit Report and Financial Report	15
VIII.	Appendixes	37
	1. Articles of Incorporation	37
	2. Rules of Procedure for Shareholders’ Meetings	46
	3. Information on Directors and Ownership	56

I-CHIUN PRECISION INDUSTRY CO., LTD.

Procedure for the 2024 Annual Meeting of Shareholders

- I. Call the Meeting to Order (with a report of the number of shares represented by the participants)
- II. Chairperson Remarks
- III. Management Presentation (Company Reports)
- IV. Proposals
- V. Questions and Motions
- VI. Adjournment

I-CHIUN PRECISION INDUSTRY CO., LTD.

Agenda of Annual Meeting of Shareholders of Year 2024

Method of Convening: Physical Shareholders' Meeting

Time: 9:00 a.m. on Thursday, May 30, 2024

Place: 3F., No. 95, Wugong Rd., Xinzhuang Dist., New Taipei City (auditorium on the 3rd floor of the Service Center, New Taipei Industrial Park)

Meeting Procedure:

- I. Call the Meeting to Order (announce the total number of shares that should be present and the total number of shares that are present at the annual meeting of shareholders)
- II. Chairperson Remarks
- III. Management Presentation (Company Reports)
 1. 2023 Business Report
 2. 2023 Audit Committee's Review Report
 3. 2023 Annual Employee Wage and Director Remuneration Distribution Report
 4. Cash Dividend Distribution Report
- IV. Proposals
 1. 2023 financial statements
 2. Proposal for the 2023 Surplus Distribution
- V. Questions and Motions
- VI. Adjournment

Management Presentation (Company Reports)

Report 1 (Proposed by the Board)

Proposal: The 2023 Business Report is hereby submitted for recognition.

Description: See Attachment 1 on page 8 of the Meeting Agenda Handbook for the 2023 Business Report.

Report 2 (Proposed by the Board)

Proposal: The 2023 Audit Committee's Review Report is hereby submitted for recognition.

Description: 1. The Company's 2023 Business Report, surplus distribution proposal, and financial statements audited by certified public accountants (CPAs) have been reviewed by the Audit Committee, which has issued a review report.

2. See Attachment 2 on page 14 of the Meeting Agenda Handbook for the Audit Committee's Review Report.

Report 3 (Proposed by the Board)

Proposal: The 2023 Annual Employee Wage and Director Remuneration Distribution Report is hereby submitted for recognition.

Description: 1. According to the Company's Articles of Incorporation, the Company shall deduct the distribution of the remuneration of employees and the remuneration of directors from the income before tax of the current fiscal year first, followed by compensating the accumulated loss amount. Where there is any remaining amount after such deduction, no less than 10% of such amount shall be appropriated as the remuneration of employees and no more than 3% of such amount shall be appropriated as the remuneration of Directors.

2. The proposal for 2023 employee wages and director

remuneration was approved by the Company's Remuneration Committee and Board of Directors. The employee wages will be distributed in cash at NTD 26,873,722 and the remuneration for directors will be distributed in cash at NTD 8,062,116.

3. There is no difference between the abovementioned amount and the estimated amount for the year of expenses recognition.

Report 4 (Proposed by the Board)

Proposal: The Cash Dividend Distribution Report is hereby submitted for recognition.

- Description:
1. As per the provisions of the Company's Articles of Incorporation, the Board of Directors was authorized to resolve and approve that the Company's 2023 surplus distribution to shareholders in cash dividends is NTD 144,273,076. According to the shares held by the shareholders recorded in the shareholder register on the distribution base date, each share will be allocated NTD 0.65. The distributed cash dividend was calculated to NTD 1 (rounded down any number below NTD 1), and any allotment less than NTD 1 would be stated in other revenue of the company.
 2. The proposal was approved by the resolution of the Board of Directors and the Chairman was authorized to determine the ex-dividend base date, distribution date and other related matters. If there is any change in the Company's share capital, which affects the number of outstanding stocks and thereby resulting in a change in the payout ratio, the Chairman shall be authorized to handle relevant matters in accordance with the Company Act or relevant laws and regulations.

Proposals

Proposals 1 (Proposed by the Board)

Proposal: 2023 Financial Statements submitted for recognition.

- Description:
1. The Company's 2023 standalone financial statements and consolidated financial statements, which have been audited and certified by the CPAs JUAN LU, MAN-YU and FENG, MIN-CHUAN of PwC Taiwan, and the Business Report has been reviewed by the Audit Committee. Please proceed to ratify them.
 2. See Attachment 1 and Attachment 3 on pages 8 and 15–36, respectively, of the Meeting Agenda Handbook for the 2023 Business Report, CPAs' audit report, the balance sheet as of December 31, 2023, and statement of comprehensive income, statement of changes in equity, and statement of cash flows, for the years ended thereof.

Resolution:

Proposals 2 (Proposed by the Board)

Proposal: The Proposal for Recognition of the 2023 Surplus Distribution is hereby submitted for recognition.

Description: The Company's 2023 after-tax profit is NTD 200,887,521 based on the financial statements reviewed and certified by CPAs. The proposed surplus distribution table is as follows, please recognize.

I-CHIUN PRECISION INDUSTRY CO., LTD.
Table for Surplus Distribution
2023

	Unit: NTD
Unappropriated earnings, beginning:	6,681,805
Less: Adjustment to retained earnings (actuarial pension calculations)	<u>(3,698,662)</u>
Adjusted unappropriated earnings, beginning	2,983,143
Add: Net surplus after tax of the year	200,887,521
Less: Allocation of 10% for legal reserve	<u>(19,718,886)</u>
Less: Allocation for special reserve - Deduction of shareholders equities	<u>(33,167,380)</u>
Distributable surplus	150,984,398
Less: Shareholders' dividends(Per Share NTD0.65)	<u>(144,273,076)</u>
Tax on unappropriated retained earnings at the end of the year	<u>6,711,322</u>

Chairman: CHOU, WAN-SHUN President: CHOU, WAN-SHUN Accounting Officer: YANG, PAI-JUNG

Resolution:

Questions and Motions

Adjournment

2023 Business Report

In 2023, although the COVID-19 pandemic has slowed down, end electronic products consumption remained sluggish, and the supply chain continued to adjust its inventory, resulting in a decline in orders for the Company's main products, including LED lead frames, IC lead frames, and TV backlight modules. However, the Company has long-term steady growth in emerging application products (i.e. as 5G, AI, IoT, and automotive electronics), resulting in offsetting the decrease in partial overall operating revenue due to the growth in operating revenue caused by the Company's active development of new application products for its VC (semiconductor) and ceramic substrate products. Generally, despite the unfavorable economic environment in 2023, the Company still managed to make profits with the efforts of all employees.

Looking into 2024, despite the slowdown of global inflation and the end of the interest rate hike cycle by central banks in different countries, the recovery of global economy staggers. However, the demand for electronics-related products will recover. Driven by the demand for emerging technologies such as high-speed computing and artificial intelligence, it is expected to regain its growth momentum. The Company will also continue to strive for comprehensive cooperation with customers, spare no efforts in developing new-generation products, and establish automated production equipment to improve production efficiency and efficacy, accumulate operating momentum, with all employees working together to exhibit its active intentions. The Company will invest in premium human resources and financial resources, strive to exceed expectations, and improve shareholders' rights and interests.

I. The overview of the Company's business in 2023 is as follows:

(I) Implementation results of the 2023 business plan (consolidated financial statements):

1. Comparative analysis of business results

Unit: NTD thousand

	2023	2022	Increase (decrease) in Amount	Change in Percentage (%)
Net operating revenue	5,068,696	5,195,927	(127,231)	(2.45%)
Operating costs	4,351,582	4,617,647	(266,065)	(5.76%)
Gross profit	717,114	578,280	138,834	24.01%
Operating expense	540,614	579,770	(39,156)	(6.75%)
Operating profit	176,500	(1,490)	177,990	(11945.64%)

	2023	2022	Increase (decrease) in Amount	Change in Percentage (%)
Non-operating revenues and expenses	67,935	131,802	(63,867)	(48.46%)
Net profit before tax	244,435	130,312	114,123	87.58%
Income tax expense	45,527	38,356	7,171	18.70%
Current net profit	198,908	91,956	106,952	116.31%
Non-controlling equity	(1,979)	(11,332)	9,353	(82.54%)
Current net profit or loss	200,887	103,288	97,599	94.49%

The Company's products include LED lead frames, direct-lit TV backlight modules, heat spreader (semiconductor), ceramic substrate, and IC lead frames. The operating revenue in 2023 was NTD 5,068,696 thousand, representing a decrease of NTD 127,231 thousand, or 2.45%, from NTD 5,195,927 thousand in 2022. This is mainly due to the fact that the COVID-19 pandemic has slowed down, end electronic products consumption remained sluggish, and the supply chain continued to adjust its inventory. As a result, the market demand for the Company's main products, LED lead frames, IC lead frames, and TV backlight modules, declined, and the operating revenue declined by 14.53%, 10.30%, and 17.35%, respectively. Notwithstanding, as the Company developed new customers and new application products for VC (semiconductor), and the market demand thereof increased, and the operating revenue grew by 7.23% and 27.66%. Under such circumstances, the effect posed by the decrease in overall operating revenue was mitigated in part accordingly.

Apart from the decrease in operating revenue, gross profit and operating profits increased, primarily due to the reversal of losses on inventory obsolescence arising from destocking; however, the profits for the period was more favorable than last year due to the decrease in currency exchange gains and the increase in gains on financial assets at fair value through profit or loss caused by the appreciation of NTD in 2023.

- (II) Execution of the 2023 budget: The Company did not disclose the financial forecast for 2023.

(III) Analysis on financial revenue and expenditure, and profitability

Items		Year	
		2023	2022
Financial income and expense	Operating revenue (NTD thousand)	5,068,696	5,195,927
	Gross profit (loss) (NTD thousand)	717,114	578,280
	Profit after tax (loss) (NTD thousand)	198,9058	91,956
Profitability Analysis	Asset return ratio (%)	3.19	1.74
	Return On Equity (%)	4.67	2.17
	Income before tax as a percentage of paid-in capital (%)	11.01	5.87
	Net profit ratio (%)	3.96	1.77
	Earnings Per Share (losses) (NTD)	0.92	0.47

(IV) R&D status

1. The Company will continue to develop new products, continue the transformation, and promote the development of new products with new technologies and core competitiveness, in order to achieve sustainable development.
2. Through continuous improvement and creation of competitiveness, the Company will deal with the future with new knowledge and also promote creation of competitiveness.
3. The Company will continue to develop the following new products
 - (1) Development and mass production of 5G mobile phone (3030) RF bracket.
 - (2) Development of ultra-high power MOSFET holder (TO-3P).
 - (3) Development of automatic multi-cavity production of thin film VC and IGBT VC substrates.
 - (4) Water-cooling heat dissipation module

II. Business operating plan for 2024

(I) Business policy

1. Key points

- (1) Persistence: Cultivation of talents, development of new products, rapid improvement, and a growth rate of more than 20%.
- (2) With the above four pillars, we form our responsibilities for long-term

development, and adopt refined management as the way of sustainable development for corporate governance and management.

- (3) With refining, we focus on strategies to create core values in which from a macro perspective, we shall think about how to achieve company goals.
 - (4) Select the topics, measure the value created, and conduct business activities.
 - (5) Focus on specific research areas, so that urgency and importance can be determined consistently. Achieve a balance between long-term and short-term goals. Lead decision-making, and reach the achievement of the overall goals.
2. Operation strategy
- (1) Keep abreast of market trends
 - (2) Become a partner for customers
 - (3) Take innovative applications as the vision
 - (4) Train new core competencies
 - (5) Increase process efficiency to increase added value
 - (6) Provide sincere services, protect customers' interests, strive for reciprocity and sharing, and create a sustainable future together
3. Business philosophy
- (1) Honesty: the beginning and the end
 - (2) Integrity: the process
 - (3) Consistency: the results
- Follow the way of conscience, achieve what we say to fulfill the concept of honesty.
- Honesty is the foundation of trust, and trust is the foundation of all actions.
- Honest people who “fully aware of the right way” will be assisted by God to reach a full and complete life.

(II) Expected sales volume

The expected sales volume is estimated based on the existing orders and the orders to be solicited for from customers, in reference to the new product development plan and progress, and also based on the future production capacity planning. The Company's sales are expected to grow in 2024, subject to the existing international condition and economic status, in addition to the Company's past experience.

(III) Key production and marketing policies

1. Production policy

- (1) Target-based management system to improve production capacity.
- (2) Performance accountability system to meet quality requirements.
- (3) Budget-based cost system to effectively reduce costs.
- (4) Research and develop low-cost, high-value-added, and competitive products.

2. Sales policy

- (1) Develop new products and develop new customers.
- (2) Expand the share of existing customers.
- (3) Develop new products, improve products, reduce costs, and create benefits.
- (4) Train talents and internationalize marketing
 - (A) Implement education and training based on the knowledge and skills required by job duties.
 - (B) Pay attention to customer services, keep abreast of information, and expand the market.
 - (C) Cultivation and training of talents.
 - (D) Cultivation and training of talents with organizational leadership, promotion of growth and planning.

III. Future development strategy

The lockout policy against the global COVID-19 epidemic has been lifted successively in the world, and the manufacturers in the electronics industry were completing the destocking successively. Therefore, the overall electronics industry should be able to recover phase by phase this year. In the next year, the Company will strengthen understanding in product market trends, conduct in-depth communication with customers to verify the core of customers' demand, strengthen product design, improve production efficiency and ensure stable quality, and develop toward niche-type and high value-added products.

Electronic products keep claiming high performance and miniaturization. Therefore, as the smaller volume of an electronic component is, the higher power performance is, only solving the problem about heat dissipation inside the limited volume can stabilize the reliability of the product and extend the life cycle. VC is exactly the solution for the problem of heat dissipation of electronic components. Its

applications cover servers, communication base stations, automobiles, games consoles and PCs, etc. In recent years, it has been applied to automobiles and high-speed computing HPC/AI (high-performance computing/AI) more thoroughly. Therefore, the Company will continue to upgrade production technology, continue to optimize automated equipment, and develop new products through strategic cooperation with leading international manufacturers, in order to improve the production advantages and quality.

IV. Impact of external competition environment, legal environment, and overall business environment

While the threat posed by the epidemic has been relieved gradually and the global business communications are recovering increasingly, the political instability and inflation caused by the Russia–Ukraine War are still threatening the global economic growth. Notwithstanding, the demand for 5G applications, IoT and AI keeps growing. In response to various regulatory changes and the net-zero carbon emission required by the environmental protection laws and regulations, various countries' governments have required the industry to follow the schedule already set by the governments. All of the competitors in the same industry at home and abroad have to deal with the same challenges. The Company will respond to various challenges by continuing improving the development and manufacturing process of new products, improving efficiency and reducing costs.

Adhering to the business philosophy of integrity, respect, and consistency of words and action, the Company responds to changes in the international market and industry to meet customers' needs, enhance product supply flexibility, and achieve the benefits of the international division of labor. In the spirit of pragmatism and integrity as promoted by the Company's leaders, the Company as a whole will lay a solid foundation for sustainable development.

Chairman: CHOU, WAN-SHUN President: CHOU, WAN-SHUN Accounting Officer: YANG, PAI-JUNG

I-CHIUN PRECISION INDUSTRY CO., LTD.

Audit Committee's Review Report

The Board prepared the Company's 2023 Business Report, financial statements (including consolidated financial statements), and surplus distribution proposal, of which the financial statements (including consolidated financial statements) have been audited by CPAs JUAN LU, MAN-YU and FENG, MIN-CHUAN of PwC Taiwan with an audit report issued. We have reviewed the abovementioned Business Report, the financial statements (including consolidated financial statements), and the surplus distribution proposal and found them legitimate. Therefore, we are presenting them for your review in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Sincerely,

2024 Annual Meeting of Shareholders

I-CHIUN PRECISION INDUSTRY CO., LTD.

Audit Committee Convener: KUO, CHUNG-CHIEN

March 5, 2024

Independent Auditor's Audit Report

(2024) Cai-Shen-Bao No. 23004369

To the Board of Directors and Shareholders of I-CHIUN PRECISION INDUSTRY CO., LTD.

Audit Opinion

We have reviewed the accompanying consolidated balance sheets of I-CHIUN PRECISION INDUSTRY CO., LTD. and its subsidiaries (the "Group") as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements, based on our audit results and other accountants' audit reports (see the "other matters" paragraph), present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) as endorsed and issued into effect by the Financial Supervisory Commission (FSC).

Basis for Opinion

The certified public accountant (CPA) engaged to audit and attest financial statements shall do so in accordance with the Standards on Auditing (TWSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audit results and other accountants' audit reports, 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 the Group's audit of the consolidated financial statements of 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's consolidated financial statements for 2023 is stated as follows:

Assessment of allowance for inventory valuation lossesDescription

For accounting policies for inventories, please refer to Note 4(13) of the consolidated financial statements; for the uncertainty of accounting estimates and assumptions in evaluation of inventories, please refer to Note 5(2) of the consolidated financial statements; for the description of allowance for inventory valuation losses, please refer to Note 6(5) of the consolidated financial statements. The Group's inventories and allowance for inventory valuation losses on December 31, 2023 were NTD 1,303,848 thousand and NTD 152,115 thousand, respectively.

The Group's evaluation of inventories is based on the cost or net realizable value, whichever is lower. Considering the rapid changes in the technological environment, its measurement is based on the judgment and estimation that there is a higher risk in inventories due to obsolete products or no market value. The Group's inventories are measured at cost or net realizable value, whichever is

lower; for inventories exceeding a certain period of age and individually identified obsolete and outdated inventories, the net realizable value is calculated based on historical information on the selling rate of inventories and the extent of the discount.

Because the Group's inventories and its allowance for inventory valuation losses has a significant impact on the consolidated financial statements, and the net realizable value adopted in the evaluation of outdated and obsolete inventories often involves subjective judgments of whether there is still market sales value in the future, there is a high degree of estimation uncertainty. Therefore, we have listed the assessment of allowance for inventory valuation losses as a key audit matter.

Corresponding audit procedures

Our audit procedures performed in respect of the key audit matter above included the following:

1. Assess the reasonableness of the policies and procedures used in the allowance for inventory valuation losses based on our understanding of the Group and the nature of the industry, including the inventory classification used to determine the net realizable value and the judgment of obsolete inventory items.
2. Understand the Group's inventory management process, review its annual inventory plan, and participate in the annual inventory taking to evaluate the effectiveness of distinguishing and controlling obsolete and outdated inventories by the management.
3. The methods for verifying the accounting estimates are appropriate and adopted consistently, including the Group's procedures, methods, and assumptions regarding the identification of net realizable value, obsolete inventories, and outdated or damaged items, which are consistent with the previous period.
4. Randomly check the source information on selling prices used for the serial number of individual inventory items, compare the allowance for valuation losses in the previous period, and consider events taking place after the balance sheet, to assess the reasonableness of the allowance for valuation loss provided by the Group.

Other matters – reference to the audit or review of other accountants

For subsidiaries that are included in the group consolidated financial statements, the audit of financial statements involves other auditors in the audit of financial statements that are not group financial statements. Therefore, for the auditor's opinion on the abovementioned consolidated financial statements, the subsidiaries' financial statement amounts are based on the reports of other auditors. As of December 31, 2022, the subsidiaries' total assets of NTD 114,111 thousand accounted for 1% of the total consolidated assets, while the subsidiaries' 2022 operating revenue of NTD 15,853 thousand accounted for 0% of consolidated net operating revenue.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion and unqualified opinion and others on the parent company only financial statements of I-CHIUN PRECISION INDUSTRY CO., LTD. for 2023 and 2022 in our report.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," and the regulations of IFRS and IAS as well as IFRIC and SIC Interpretations as endorsed and issued into effect by the FSC to maintain necessary internal control associated with the preparation in order to ensure that the financial statements are free from material

misstatement arising from 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, 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 audit committee) are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit of consolidated financial statements conducted in accordance with TWSA will always detect a material misstatement when it exists. Misstatements can arise from error or fraud 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 the consolidated financial statements.

As part of an audit in accordance with TWSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
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 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 audit of the Group. 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 (including relevant protective measures).

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Group's consolidated financial statements of 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PRICEWATERHOUSECOOPERS TAIWAN

JUAN LU, MAN-YU
Certified Public Accountant
FENG, MIN-CHUAN

Former Financial Supervisory Commission, Executive Yuan
Approval Document No.: Jin-Guan-Zheng-Shen No.
0990058257
Securities and Futures Bureau, Former Financial Supervisory
Commission, Executive Yuan
Approval Document No.: Jin-Guan-Zheng-Six No. 0960038033

March 5, 2024

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
December 31, 2023 and 2022

Unit: NTD thousand

	Asset	Notes	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,492,468	19	\$ 1,312,308	17
1110	Financial assets at fair value through profit and loss – current	6(2)	137,396	2	124,680	2
1136	Financial assets at amortized cost – current	6(3) and 8	166,288	2	82,175	1
1150	Notes receivable, net	6(4) and 12(12)	126,277	1	141,949	2
1170	Accounts receivable, net	6(四) and 12(2)	2,006,646	26	1,758,132	22
1200	Other receivables		93,721	1	38,863	-
1220	Current income tax assets		370	-	94	-
130X	Inventories	6(5)	1,151,733	15	1,327,445	17
1479	Other current assets – others		62,516	1	59,361	1
11XX	Total current assets		<u>5,237,415</u>	<u>67</u>	<u>4,845,007</u>	<u>62</u>
Non-current assets						
1510	Financial assets at fair value through profit and loss – non-current	6(2)	20,000	-	-	-
1535	Financial assets at amortized cost – non-current	6(3) and 8	-	-	28,000	-
1600	Property, plant and equipment	6(6) and 8	1,716,801	22	1,955,703	25
1755	Right-of-use assets	6(7) and 8	403,074	5	449,142	6
1760	Investment property, net	6(9) and 8	190,788	3	212,422	3
1780	Intangible assets		24,349	-	19,948	-
1840	Deferred income tax assets	6(23)	112,982	2	116,379	2
1900	Other non-current assets		91,802	1	166,826	2
15XX	Total non-current assets		<u>2,559,796</u>	<u>33</u>	<u>2,948,420</u>	<u>38</u>
1XXX	Total assets		<u>\$ 7,797,211</u>	<u>100</u>	<u>\$ 7,793,427</u>	<u>100</u>

(Continued)

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
December 31, 2023 and 2022

Unit: NTD thousand

Liabilities and Equity		Notes	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
Liability						
Current liabilities						
2100	Short-term borrowings	6(10) and 8	\$ 646,307	8	\$ 697,991	9
2130	Contract liabilities – current	6(18)	242	-	14,943	-
2150	Notes payable		72,240	1	4,786	-
2170	Accounts payable	7	570,384	7	475,981	6
2200	Other payables	6(11)	358,349	5	323,635	4
2230	Current income tax liabilities		10,140	-	11,426	-
2280	Lease liabilities – current		58,870	1	52,754	1
2320	Long-term borrowings (including due within one year or one operating cycle)	6(12) and 8	966,667	13	261,667	4
2399	Other current liabilities – others		5,094	-	5,790	-
21XX	Total current liabilities		<u>2,688,293</u>	<u>35</u>	<u>1,848,973</u>	<u>24</u>
Non-current liabilities						
2540	Long-term borrowings	6(12) and 8	6,667	-	977,083	13
2570	Deferred income tax liabilities	6(6)(23)	321,415	4	299,658	4
2580	Lease liabilities – non-current		294,478	4	340,042	4
2600	Other non-current liabilities	6(13)	103,146	1	106,875	1
25XX	Total non-current liabilities		<u>725,706</u>	<u>9</u>	<u>1,723,658</u>	<u>22</u>
2XXX	Total liabilities		<u>3,413,999</u>	<u>44</u>	<u>3,572,631</u>	<u>46</u>
Equity						
Equity attributable to owners of the parent						
Share capital						
3110	Share capital – common stock	6(15)	2,219,586	28	2,219,586	29
	Capital surplus	6(16)				
3200	Capital surplus		1,864,432	24	1,814,424	23
	Retained earnings	6(17)				
3310	Legal reserve		32,697	-	22,267	-
3320	Special reserve		122,718	2	115,330	2
3350	Retained earnings		203,870	3	111,683	1
Other equity						
3400	Other equity		(212,676)	(3)	(179,509)	(2)
3500	Treasury stock	6(15)	(39,538)	-	(60,702)	(1)
31XX	Total equity attributable to owners of the parent		<u>4,191,089</u>	<u>54</u>	<u>4,043,079</u>	<u>52</u>
36XX	Non-controlling equity	6(25)	<u>192,123</u>	<u>2</u>	<u>177,717</u>	<u>2</u>
3XXX	Total equity		<u>4,383,212</u>	<u>56</u>	<u>4,220,796</u>	<u>54</u>
	Significant Contingent Liabilities and Unrecognized Contract Commitments	9				
	Significant Events after the Balance Sheet Date	11				
3X2X	Total liabilities and equity		<u>\$ 7,797,211</u>	<u>100</u>	<u>\$ 7,793,427</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements, and shall be read together.

Chairman: CHOU, WAN-SHUN

Manager: CHOU, WAN-SHUN

Accounting Officer: YANG, PAI-JUNG

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2023 and 2022

Unit: NTD thousand
(except for earnings per share which is in NTD)

Items	Notes	2023		2022	
		Amount	%	Amount	%
4000 Operating revenue	6(18)	\$ 5,068,696	100	\$ 5,195,927	100
5000 Operating costs	6(5)(9) (22) and 7	(4,351,582)	(86)	(4,617,647)	(89)
5900 Gross profit		<u>717,114</u>	<u>14</u>	<u>578,280</u>	<u>11</u>
Operating expense	6(22)				
6100 Selling expenses		(173,339)	(3)	(174,810)	(3)
6200 Administrative expenses		(307,085)	(6)	(247,608)	(5)
6300 Research and development expenses		(117,139)	(2)	(98,450)	(2)
6450 Expected credit impairment profit (loss)	12(2)	56,949	1	(58,902)	(1)
6000 Total operating expenses		<u>(540,614)</u>	<u>(10)</u>	<u>(579,770)</u>	<u>(11)</u>
6900 Operating profit (loss)		<u>176,500</u>	<u>4</u>	<u>(1,490)</u>	<u>-</u>
Non-operating revenues and expenses					
7100 Interest revenue		35,200	1	13,191	-
7010 Other revenue	6(19)	16,377	-	40,336	1
7020 Other gains and losses	6(20)	76,168	1	140,608	3
7050 Finance costs	6(21)	(59,810)	(1)	(62,333)	(1)
7000 Total non-operating revenues and expenses		<u>67,935</u>	<u>1</u>	<u>131,802</u>	<u>3</u>
7900 Net profit before tax		<u>244,435</u>	<u>5</u>	<u>130,312</u>	<u>3</u>
7950 Income tax expense	6(23)	(45,527)	(1)	(38,356)	(1)
8200 Current net profit		<u>\$ 198,908</u>	<u>4</u>	<u>\$ 91,956</u>	<u>2</u>

(Continued)

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2023 and 2022

Unit: NTD thousand
(except for earnings per share which is in NTD)

Items	Notes	2023		2022		
		Amount	%	Amount	%	
Items that will not be reclassified to profit or loss						
8311	Remeasurements of defined benefit plans	6(13)	(\$ 4,623)	-	\$ 3,500	-
8349	Income tax related to items that will not be reclassified to profit or loss	6(23)	924	-	(700)	-
8310	Total of items that will not be reclassified to profit or loss		(3,699)	-	2,800	-
Items that may be reclassified to profit or loss						
8361	Financial statements translation differences of foreign operations		(41,459)	(1)	47,799	1
8399	Income tax relating to the items that may be reclassified to profit or loss	6(23)	8,292	-	(9,560)	-
8360	Sum of items that may be reclassified to profit or loss		(33,167)	(1)	38,239	1
8300	Other comprehensive income (net)		(\$ 36,866)	(1)	\$ 41,039	1
8500	Total comprehensive income for current period		\$ 162,042	3	\$ 132,995	3
Net income (loss) attributable to:						
8610	Owners of the parent		\$ 200,887	4	\$ 103,288	2
8620	Non-controlling equity		(1,979)	-	(11,332)	-
			\$ 198,908	4	\$ 91,956	2
Total comprehensive income attributable to:						
8710	Owners of the parent		\$ 164,021	3	\$ 144,327	3
8720	Non-controlling equity		(1,979)	-	(11,332)	-
			\$ 162,042	3	\$ 132,995	3
Earnings per share (EPS)						
9750	Basic earnings per share	6(24)	\$ 0.92		\$ 0.47	
9850	Diluted earnings per share		\$ 0.92		\$ 0.46	

The accompanying notes are an integral part of the consolidated financial statements, and shall be read together.

Chairman: CHOU, WAN-SHUN

Manager: CHOU, WAN-SHUN

Accounting Officer: YANG, PAI-JUNG

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2023 and 2022

Unit: NTD thousand

	Notes	Equity attributable to owners of the parent								Non-controlling equity	Total equity
		Share capital – common stock	Capital surplus	Retained earnings			Other equity		Total		
				Legal reserve	Special reserve	Undistributed earnings	Financial statements translation differences of foreign operations	Treasury stock			
<u>2022</u>											
Balance at January 1, 2022		\$ 2,219,586	\$ 1,847,718	\$ -	\$ -	\$ 222,670	(\$ 217,748)	\$ -	\$ 4,072,226	\$ 177,078	\$ 4,249,304
Current net profit		-	-	-	-	103,288	-	-	103,288	(11,332)	91,956
Other comprehensive income for current period		-	-	-	-	2,800	38,239	-	41,039	-	41,039
Total comprehensive income for current period		-	-	-	-	106,088	38,239	-	144,327	(11,332)	132,995
Earnings appropriation and distribution for 2021:	6(17)										
Allocation for Legal reserve		-	-	22,267	-	(22,267)	-	-	-	-	-
Allocation for Special reserve		-	-	-	115,330	(115,330)	-	-	-	-	-
Cash dividend paid out		-	-	-	-	(77,686)	-	-	(77,686)	-	(77,686)
Cash dividend paid out from capital surplus	6(16)(17)	-	(33,294)	-	-	-	-	-	(33,294)	-	(33,294)
Changes in ownership interests in subsidiaries	6(25)	-	-	-	-	(1,792)	-	-	(1,792)	(5,259)	(7,051)
Capital increase in cash by subsidiary	6(25)	-	-	-	-	-	-	-	-	20,986	20,986
Cash dividend paid out by subsidiary	6(25)	-	-	-	-	-	-	-	-	(3,756)	(3,756)
Treasury shares repurchased		-	-	-	-	-	-	(60,702)	(60,702)	-	(60,702)
Balance at December 31, 2022		\$ 2,219,586	\$ 1,814,424	\$ 22,267	\$ 115,330	\$ 111,683	(\$ 179,509)	(\$ 60,702)	\$ 4,043,079	\$ 177,717	\$ 4,220,796
<u>2023</u>											
Balance at January 1, 2023		\$ 2,219,586	\$ 1,814,424	\$ 22,267	\$ 115,330	\$ 111,683	(\$ 179,509)	(\$ 60,702)	\$ 4,043,079	\$ 177,717	\$ 4,220,796
Current net profit		-	-	-	-	200,887	-	-	200,887	(1,979)	198,908
Other comprehensive income for current period		-	-	-	-	(3,699)	(33,167)	-	(36,866)	-	(36,866)
Total comprehensive income for current period		-	-	-	-	197,188	(33,167)	-	164,021	(1,979)	162,042
Earnings appropriation and distribution for 2022:	6(17)										
Allocation for Legal reserve		-	-	10,430	-	(10,430)	-	-	-	-	-
Allocation for Special reserve		-	-	-	7,388	(7,388)	-	-	-	-	-
Cash dividend paid out		-	-	-	-	(87,183)	-	-	(87,183)	-	(87,183)
Cash dividend paid out by subsidiary	6(25)	-	-	-	-	-	-	-	-	(3,191)	(3,191)
Treasury shares repurchased	6(15)	-	-	-	-	-	-	(29,326)	(29,326)	-	(29,326)
Cost of share-based payment	6(14)(16)	-	47,962	-	-	-	-	-	47,962	-	47,962
Treasury shares subscribed for by employees	6(14)(16)	-	(151)	-	-	-	-	50,490	50,339	-	50,339
Disposal of equity in a subsidiary (without losing control)	6(16)(25)	-	2,197	-	-	-	-	-	2,197	4,026	6,223
Acquisition of subsidiary	6(25)	-	-	-	-	-	-	-	-	15,550	15,550
Balance at December 31, 2023		\$ 2,219,586	\$ 1,864,432	\$ 32,697	\$ 122,718	\$ 203,870	(\$ 212,676)	(\$ 39,538)	\$ 4,191,089	\$ 192,123	\$ 4,383,212

The accompanying notes are an integral part of the consolidated financial statements, and shall be read together.

Chairman: CHOU, WAN-SHUN

Manager: CHOU, WAN-SHUN

Accounting Officer: YANG, PAI-JUNG

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 and 2022

Unit: NTD thousand

	Notes	January 1 to December 31, 2023	January 1 to December 31, 2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Current net profit before tax		\$ 244,435	\$ 130,312
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expenses	6(6)(7)(9) (22)	447,276	476,185
Amortization expenses	6(22)	6,592	4,345
Expected credit impairment loss (profit)	12(2)	(56,949)	58,906
Net gains on financial assets at fair value through profit and loss	6(20)	(71,342)	(9,871)
Interest expenses	6(21)	59,810	62,333
Interest revenue		(35,200)	(13,191)
Dividend revenue	6(19)	(450)	(750)
Cost of share-based payment	6(14)	47,962	-
Losses (gains) on disposal of property, plant and equipment	6(20)	1,821	(4,411)
Changes in operating assets and liabilities			
Net changes in operating assets			
Financial assets at fair value through profit and loss		(2,333)	(109,289)
Notes receivable		15,672	33,521
Accounts receivable		(190,615)	465,805
Other receivables		5,992	12,539
Inventories		227,813	221,735
Other current assets		(3,155)	70,837
Other non-current assets		(7,894)	(13,637)
Net changes in operating liabilities			
Contract liabilities – current		(14,701)	(16,381)
Notes payable		67,454	(6,323)
Accounts payable		94,403	(269,175)
Other payables		52,200	(116,404)
Other current liabilities		(696)	(930)
Other non-current liabilities		(6,662)	(2,033)
Cash inflow generated from operations		881,433	974,123
Interest received		35,309	13,191
Dividends received		450	750
Interest paid	6(26)	(60,005)	(61,882)
Income tax paid		(12,429)	(6,804)
Net cash inflow from operating activities		844,758	919,378

(Continued)

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 and 2022

Unit: NTD thousand

	<u>Notes</u>	<u>January 1 to December 31, 2023</u>	<u>January 1 to December 31, 2022</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit and loss – non-current		(\$ 20,000)	\$ -
Increase in financial assets at amortized cost		(56,113)	(71,400)
Increase/decrease in other non-current assets		(5,681)	6,169
Price of purchase of property, plant and equipment	6(26)	(129,013)	(410,559)
Proceeds from disposal of property, plant and equipment		21,015	25,156
Price of purchase of intangible assets		(10,993)	(9,786)
Cash inflow generated from the merger and acquisition	6(25)	15,550	-
Cash outflow from investing activities		<u>(185,235)</u>	<u>(460,420)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings	6(27)	(51,684)	(113,299)
New long-term borrowings	6(27)	-	40,000
Repayment of long-term borrowings	6(27)	(265,416)	(46,250)
Repayment of lease principal	6(27)	(56,739)	(52,168)
Increase (decrease) in other non-current liabilities		(967)	976
Cash dividend paid out	6(17)	(87,183)	(110,980)
Repurchased treasury shares	6(26)	(40,367)	(49,661)
Treasury shares transferred to employees	6(15)	50,490	-
Proceeds from the disposal of equity in a subsidiary (without loss of control)	6(25)	6,223	-
Cash capital increase by subsidiary – non-controlling interests	6(25)	-	20,986
Cash dividend paid out by subsidiary	6(25)	(3,191)	(3,756)
Net cash outflow from financing activities		<u>(448,834)</u>	<u>(314,152)</u>
Effect of exchange rate changes on cash and cash equivalents		<u>(30,529)</u>	<u>18,726</u>
Net increase in cash and cash equivalents of the current period		180,160	163,532
Balance of cash and cash equivalents, beginning of period		1,312,308	1,148,776
Balance of cash and cash equivalents, end of period		<u>\$ 1,492,468</u>	<u>\$ 1,312,308</u>

The accompanying notes are an integral part of the consolidated financial statements, and shall be read together.

Chairman: CHOU, WAN-SHUN

Manager: CHOU, WAN-SHUN

Accounting Officer: YANG, PAI-JUNG

Independent Auditor's Audit Report

(2024) Cai-Shen-Bao No. 23004620

To the Board of Directors and Shareholders of I-CHIUN PRECISION INDUSTRY CO., LTD.

Audit Opinion

We have reviewed the accompanying parent company only balance sheets of I-CHIUN PRECISION INDUSTRY CO., LTD. (the "Company") for the years ended December 31, 2023 and 2022 and the relevant parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and relevant notes, including a summary of significant accounting policies "(collectively referred to as the parent company only financial statements)."

In our opinion, the accompanying parent company only financial statements, based on our audit results and other accountants' audit reports (see the "other matters" paragraph) present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, 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

The certified public accountant (CPA) engaged to audit and attest financial statements shall do so in accordance with the Standards on Auditing (TWSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audit results and other accountants' audit reports, 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 the Company's audit of the parent company only financial statements of 2023. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's parent company only financial statements for 2023 is stated as follows:

Assessment of allowance for inventory valuation losses

Description

For accounting policies for inventories, please refer to Note 4(11) of the parent company only

financial statements; for the uncertainty of accounting estimates and assumptions in evaluation of inventories, please refer to Note 5(2) of the parent company only financial statements; for the description of allowance for inventory valuation losses, please refer to Note 6(5) of the parent company only financial statements. The Company's inventories and allowance for inventory valuation losses on December 31, 2023 were NTD 851,556 thousand and NTD 125,069 thousand, respectively.

The Company's evaluation of inventories is based on the cost or net realizable value, whichever is lower. Considering the rapid changes in the technological environment, its measurement is based on the judgment and estimation that there is a higher risk in inventories due to obsolete products or no market value. The Company's inventories are measured at cost or net realizable value, whichever is lower; for inventories exceeding a certain period of age and individually identified obsolete and outdated inventories, the net realizable value is calculated based on historical information on the selling rate of inventories and the extent of discount.

Because the Company's inventories and its allowance for inventory valuation losses has a significant impact on the financial statements, and the net realizable value adopted in the evaluation of outdated and obsolete inventories often involves subjective judgments of whether there is still market sales value in the future, there is a high degree of estimation uncertainty. Therefore, we have listed the assessment of allowance for inventory valuation losses as a key audit matter.

Corresponding audit procedures

Our audit procedures performed in respect of the key audit matter above included the following:

1. Assess the reasonableness of the policies and procedures used in the allowance for inventory valuation losses based on our understanding of the Company and the nature of the industry, including the inventory classification used to determine the net realizable value and the judgment of obsolete inventory items.
2. Understand the Company's inventory management process, review its annual inventory plan, and participate in the annual inventory taking to evaluate the effectiveness of distinguishing and controlling obsolete and outdated inventories by the management.
3. The methods for verifying the accounting estimates are appropriate and adopted consistently, including the Company's procedures, methods, and assumptions regarding the identification of net realizable value, obsolete inventories, and outdated or damaged items, which are consistent with the previous period.
4. Randomly check the source information on selling prices used for the serial number of individual inventory items, compare the allowance for valuation losses in the previous period, and consider events taking place after the balance sheet, to assess the reasonableness of the allowance for valuation loss provided by the Company.

Other matters – reference to the audit or review of other accountants

Since the Company's investments accounted for under equity method are included in the parent company only financial statements, the financial statements were audited by another auditor. Therefore, for the auditor's opinion on the abovementioned parent company only financial statements, the financial statement amounts are based on the reports of other auditors. As of December 31, 2022, the investments accounted for under equity method was NTD 61,143 thousand, representing 1% of the total assets. The comprehensive loss recognized for the aforementioned investments in 2022 was (NTD 25,190 thousand), accounting for (17%) of the Company's total comprehensive income.

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

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, 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 audit committee) are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit of parent company only financial statements conducted in accordance with TWSA will always detect a material misstatement when it exists. Misstatements can arise from error or fraud 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 the parent company only financial statements.

As part of an audit in accordance with TWSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for

our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for 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 auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only 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 (including relevant protective measures).

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Company's parent company only financial statements of 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PRICEWATERHOUSECOOPERS TAIWAN

JUAN LU, MAN-YU

Certified Public Accountant

FENG, MIN-CHUAN

Former Financial Supervisory Commission, Executive Yuan
Approval Document No.: Jin-Guan-Zheng-Shen No.
0990058257

Securities and Futures Bureau, Former Financial Supervisory
Commission, Executive Yuan

Approval Document No.: Jin-Guan-Zheng-Six No. 0960038033

March 5, 2024

I-CHIUN PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2023 and 2022

Unit: NTD thousand

Asset	Notes	December 31, 2023		December 31, 2022		
		Amount	%	Amount	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 557,972	8	\$ 519,503	8
1110	Financial assets at fair value through profit and loss – current	6(2)	137,225	2	124,680	2
1136	Financial assets at amortized cost – current	6(3) and 8	28,000	-	-	-
1170	Accounts receivable, net	6(4) and 12(2)	960,792	15	881,579	13
1180	Accounts receivable – related parties, net	6(4), 7 and 12(2)	17,519	-	75,188	1
1200	Other receivables		88,689	1	32,837	1
1210	Other receivables – related parties	7	44,346	1	44,563	1
1220	Current income tax assets		-	-	52	-
130X	Inventories	6(5)	726,487	11	851,081	13
1479	Other current assets – others		33,849	1	24,310	-
11XX	Total current assets		<u>2,594,879</u>	<u>39</u>	<u>2,553,793</u>	<u>39</u>
Non-current assets						
1510	Financial assets at fair value through profit and loss – non-current	6(2)	20,000	-	-	-
1535	Financial assets at amortized cost – non-current	6(3) and 8	-	-	28,000	-
1550	Investments accounted for under equity method	6(6)	2,747,591	42	2,651,628	40
1600	Property, plant and equipment	6(7) and 8	834,707	13	884,031	13
1755	Right-of-use assets	6(8)	293,579	5	320,683	5
1780	Intangible assets		22,147	-	16,790	-
1840	Deferred income tax assets	6(22)	78,620	1	67,549	1
1900	Other non-current assets	6(24)	20,459	-	99,340	2
15XX	Total non-current assets		<u>4,017,103</u>	<u>61</u>	<u>4,068,021</u>	<u>61</u>
1XXX	Total assets		<u>\$ 6,611,982</u>	<u>100</u>	<u>\$ 6,621,814</u>	<u>100</u>

(Continued)

I-CHIUN PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2023 and 2022

Unit: NTD thousand

Liabilities and shareholders' equity	Notes	December 31, 2023		December 31, 2022		
		Amount	%	Amount	%	
Liability						
Current liabilities						
2100	Short-term borrowings	6(9)	\$ 240,000	4	\$ 260,000	4
2130	Contract liabilities – current	6(17)	-	-	13,029	-
2170	Accounts payable	7	304,055	5	219,482	3
2200	Other payables	6(10)	183,606	3	150,047	2
2230	Current income tax liabilities		10,140	-	7,399	-
2280	Lease liabilities – current		43,205	1	37,322	1
2320	Long-term borrowings (including due within one year or one operating cycle)	6(11) and 8	960,000	14	240,000	4
2399	Other current liabilities – others		3,632	-	5,021	-
21XX	Total current liabilities		<u>1,744,638</u>	<u>27</u>	<u>932,300</u>	<u>14</u>
Non-current liabilities						
2540	Long-term borrowings	6(11) and 8	-	-	960,000	14
2570	Deferred income tax liabilities	6(7)(22)	321,416	5	299,658	5
2580	Lease liabilities – non-current		271,880	4	301,780	5
2600	Other non-current liabilities	6(12)	82,959	1	84,997	1
25XX	Total non-current liabilities		<u>676,255</u>	<u>10</u>	<u>1,646,435</u>	<u>25</u>
2XXX	Total liabilities		<u>2,420,893</u>	<u>37</u>	<u>2,578,735</u>	<u>39</u>
Equity						
Share capital						
3110	Share capital – common stock	6(14)	2,219,586	34	2,219,586	34
Capital surplus						
3200	Capital surplus	6(15)	1,864,432	28	1,814,424	27
Retained earnings						
3310	Legal reserve	6(16)	32,697	-	22,267	-
3320	Special reserve		122,718	2	115,330	2
3350	Undistributed earnings		203,870	3	111,683	2
Other equity						
3400	Other equity		(212,676)	(3)	(179,509)	(3)
3500	Treasury stock	6(14)	(39,538)	(1)	(60,702)	(1)
3XXX	Total equity		<u>4,191,089</u>	<u>63</u>	<u>4,043,079</u>	<u>61</u>
Significant Contingent Liabilities and Unrecognized Contract Commitments						
Significant Events after the Balance Sheet Date						
3X2X	Total liabilities and equity		<u>\$ 6,611,982</u>	<u>100</u>	<u>\$ 6,621,814</u>	<u>100</u>

The accompanying notes are an integral part of the parent company only financial statements, and shall be read together.

Chairman: CHOU, WAN-SHUN

Manager: CHOU, WAN-SHUN

Accounting Officer: YANG, PAI-JUNG

I-CHIUN PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2023 and 2022

Unit: NTD thousand
(except for earnings per share which is in NTD)

	Items	Notes	2023		2022	
			Amount	%	Amount	%
4000	Operating revenue	6(17) and 7	\$ 2,598,476	100	\$ 2,725,404	100
5000	Operating costs	6(5)(21) and 7	(2,227,955)	(86)	(2,422,592)	(89)
5900	Gross profit		370,521	14	302,812	11
5910	Unrealized profit/loss from sales		(2,033)	-	4,181	-
5950	Net operating margin		368,488	14	306,993	11
	Operating expense	6(21) and 7				
6100	Selling expenses		(72,068)	(3)	(77,911)	(3)
6200	Administrative expenses		(191,915)	(7)	(114,289)	(4)
6300	Research and development expenses		(36,540)	(1)	(39,654)	(1)
6450	Expected credit impairment profit	12(2)	7,673	-	8,511	-
6000	Total operating expenses		(292,850)	(11)	(223,343)	(8)
6900	Operating profit		75,638	3	83,650	3
	Non-operating revenues and expenses					
7100	Interest revenue		11,219	1	1,378	-
7010	Other revenue	6(18)	3,171	-	6,915	-
7020	Other gains and losses	6(19)	61,309	2	127,196	5
7050	Finance costs	6(20)	(46,360)	(2)	(39,334)	(1)
7070	Share of profit or loss on associates and joint ventures accounted for under equity method	6(6)	128,824	5	(48,024)	(2)
7000	Total non-operating revenues and expenses		158,163	6	48,131	2
7900	Net profit before tax		233,801	9	131,781	5
7950	Income tax expense	6(22)	(32,914)	(1)	(28,493)	(1)
8200	Current net profit		\$ 200,887	8	\$ 103,288	4
	Other comprehensive income (net)					
	Items that will not be reclassified to profit or loss					
8311	Remeasurements of defined benefit plans	6(12)	(\$ 4,623)	-	\$ 3,500	-
8349	Income tax related to items that will not be reclassified to profit or loss	6(22)	924	-	(700)	-
8310	Total of items that will not be reclassified to profit or loss		(3,699)	-	2,800	-
	Items that may be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		(41,459)	(2)	47,799	2
8399	Income tax relating to the items that may be reclassified to profit or loss	6(22)	8,292	-	(9,560)	(1)
8360	Sum of items that may be reclassified to profit or loss		(33,167)	(2)	38,239	1
8300	Other comprehensive income (net)		(\$ 36,866)	(2)	\$ 41,039	1
8500	Total comprehensive income for current period		\$ 164,021	6	\$ 144,327	5
	Earnings per share (EPS)	6(23)				
9750	Basic earnings per share		\$ 0.92		\$ 0.47	
9850	Diluted earnings per share		\$ 0.92		\$ 0.46	

The accompanying notes are an integral part of the parent company only financial statements, and shall be read together.

Chairman: CHOU, WAN-SHUN

Manager: CHOU, WAN-SHUN

Accounting Officer: YANG, PAI-JUNG

I-CHIUN PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2023 and 2022

Unit: NTD thousand

	Notes	Share capital – common stock	Capital surplus	Retained earnings			Other equity	Treasury stock	Total equity
				Legal reserve	Special reserve	Retained earnings	Financial statements translation differences of foreign operations		
<u>2022</u>									
Balance at January 1, 2022		\$ 2,219,586	\$ 1,847,718	\$ -	\$ -	\$ 222,670	(\$ 217,748)	\$ -	\$ 4,072,226
Current net profit		-	-	-	-	103,288	-	-	103,288
Other comprehensive income for current period		-	-	-	-	2,800	38,239	-	41,039
Total comprehensive income for current period		-	-	-	-	106,088	38,239	-	144,327
Earnings appropriation and distribution for 2021:	6(16)								
Allocation for Legal reserve		-	-	22,267	-	(22,267)	-	-	-
Allocation for Special reserve		-	-	-	115,330	(115,330)	-	-	-
Cash dividend paid out		-	-	-	-	(77,686)	-	-	(77,686)
Cash dividend paid out from capital surplus	6(15)(16)	-	(33,294)	-	-	-	-	-	(33,294)
Changes in ownership interests in subsidiaries		-	-	-	-	(1,792)	-	-	(1,792)
Treasury shares repurchased	6(14)	-	-	-	-	-	-	(60,702)	(60,702)
Balance at December 31, 2022		\$ 2,219,586	\$ 1,814,424	\$ 22,267	\$ 115,330	\$ 111,683	(\$ 179,509)	(\$ 60,702)	\$ 4,043,079
<u>2023</u>									
Balance at January 1, 2023		\$ 2,219,586	\$ 1,814,424	\$ 22,267	\$ 115,330	\$ 111,683	(\$ 179,509)	(\$ 60,702)	\$ 4,043,079
Current net profit		-	-	-	-	200,887	-	-	200,887
Other comprehensive income for current period		-	-	-	-	(3,699)	(33,167)	-	(36,866)
Total comprehensive income for current period		-	-	-	-	197,188	(33,167)	-	164,021
Earnings appropriation and distribution for 2022:	6(16)								
Allocation for Legal reserve		-	-	10,430	-	(10,430)	-	-	-
Allocation for Special reserve		-	-	-	7,388	(7,388)	-	-	-
Cash dividend paid out		-	-	-	-	(87,183)	-	-	(87,183)
Treasury shares repurchased	6(14)	-	-	-	-	-	-	(29,326)	(29,326)
Cost of share-based payment	6(13)(15)	-	47,962	-	-	-	-	-	47,962
Treasury shares subscribed for by employees	6(14)(15)	-	(151)	-	-	-	-	50,490	50,339
Disposal of equity in a subsidiary (without losing control)	6(15)	-	2,197	-	-	-	-	-	2,197
Balance at December 31, 2023		\$ 2,219,586	\$ 1,864,432	\$ 32,697	\$ 122,718	\$ 203,870	(\$ 212,676)	(\$ 39,538)	\$ 4,191,089

The accompanying notes are an integral part of the parent company only financial statements, and shall be read together.

Chairman: CHOU, WAN-SHUN

Manager: CHOU, WAN-SHUN

Accounting Officer: YANG,
PAI-JUNG

I-CHIUN PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 and 2022

Unit: NTD thousand

	Notes	January 1 to December 31, 2023		January 1 to December 31, 2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Current net profit before tax		\$ 233,801		\$ 131,781
Adjustments				
Adjustments to reconcile profit (loss)				
Depreciation expenses	6(7)(8) (21)	193,018		190,101
Amortization expenses	6(21)	4,361		3,394
Gain on reversal of expected credit loss	12(2)	(7,673 )	(	( 8,511)
Net gains on financial assets at fair value through profit and loss	6(2)(19)	(50,042 )	(	( 9,871)
Interest expenses	6(20)	46,360		39,334
Interest revenue		(11,219 )	(	( 1,378)
Dividend revenue	6(18)	-	(	( 180)
Cost of share-based payment	6(13)	47,962		-
Share of profit or loss on subsidiaries using equity method	6(6)	(128,824)		48,024
Gains on disposal of property, plant and equipment	6(19)	(2,185 )	(	( 6,945)
Unrealized gains with associates		(2,003 )	(	( 6,357)
Unrealized loss (profit) from sales		2,033	(	( 4,181)
Changes in operating assets and liabilities				
Net changes in operating assets				
Financial assets at fair value through profit and loss		(23,462 )	(	( 109,289)
Accounts receivable (including related parties)		(53,098)		294,987
Other receivables – (including related parties)		49,602		52,996
Inventories		177,254		133,679
Other current assets		(9,539)		34,307
Other non-current assets		1,623	(	( 382)
Net changes in operating liabilities				
Contract liabilities – current		(13,029 )	(	( 15,775)
Accounts payable		84,573	(	( 183,513)
Other payables		42,009	(	( 102,435)
Other current liabilities		(1,543 )	(	( 140)
Other non-current liabilities		(6,660 )	(	( 2,033)
Cash inflow generated from operations		573,319		477,613
Interest received		11,219		1,378
Dividends received		-		180
Interest paid	6(24)	(46,364 )	(	( 38,927)
Income tax paid		(10,270)		-
Net cash inflow from operating activities		527,904		440,244

(Continued)

I-CHIUN PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 and 2022

Unit: NTD thousand

	Notes	January 1 to December 31, 2023	January 1 to December 31, 2022
<u>CASH FLOWS FROM INVESTING</u>			
<u>ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit and loss – non-current		(\$ 20,000)	\$ -
Increase in financial assets at amortized cost		-	(4,000)
Price of purchase of property, plant and equipment	6(24)	(72,558)	(213,044)
Proceeds from disposal of property, plant and equipment		2,736	20,617
Price of acquisition of intangible assets		(9,718)	(6,014)
Acquisition of subsidiary	6(6)	(20,000)	-
Increase in other receivables – related parties		(5,000)	-
Proceeds from the disposal of equity in a subsidiary (without loss of control)		6,223	-
Cash dividend paid out by subsidiary		7,346	-
Increase/decrease in other non-current assets		(94)	6,025
Cash outflow from investing activities		(111,065)	(196,416)
<u>CASH FLOWS FROM FINANCING</u>			
<u>ACTIVITIES</u>			
Increase in short-term borrowings	6(25)	-	130,000
Decrease in short-term borrowings	6(25)	(20,000)	-
Repayment of long-term borrowings	6(25)	(240,000)	-
Cash dividend paid out	6(16)	(87,183)	(110,980)
Repurchased treasury shares	6(24)	(40,367)	(49,661)
Repayment of lease principal	6(25)	(41,310)	(36,965)
Treasury shares transferred to employees	6(14)	50,490	-
Net cash outflow from financing activities		(378,370)	(67,606)
Net increase in cash and cash equivalents of the current period		38,469	176,222
Balance of cash and cash equivalents, beginning of period		519,503	343,281
Balance of cash and cash equivalents, end of period		\$ 557,972	\$ 519,503

The accompanying notes are an integral part of the parent company only financial statements, and shall be read together.

Chairman: CHOU, WAN-SHUN

Manager: CHOU, WAN-SHUN

Accounting Officer: YANG, PAI-JUNG

I-CHIUN PRECISION INDUSTRY CO., LTD.

Articles of Incorporation

Chapter 1: General Rules

- Article 1 The Company shall be incorporated under the Company Act, and its name shall be I-CHIUN PRECISION INDUSTRY CO., LTD.
- Article 2 The business items of the Company are as follows:
1. CB01010 Mechanical Equipment Manufacturing
 2. CB01020 Affairs Machine Manufacturing
 3. CB01030 Pollution Controlling Equipment Manufacturing
 4. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing
 5. CC01040 Lighting Equipment Manufacturing
 6. CC01060 Wired Communication Mechanical Equipment Manufacturing
 7. CC01070 Wireless Communication Mechanical Equipment Manufacturing
 8. CC01080 Electronics Components Manufacturing
 9. CC01110 Computer and Peripheral Equipment Manufacturing
 10. CQ01010 Mold and Die Manufacturing
 11. F106030 Wholesale of Molds
 12. F107190 Wholesale of Plastic Films and Bags
 13. F113010 Wholesale of Machinery
 14. F113020 Wholesale of Electrical Appliances
 15. F113050 Wholesale of Computers and Clerical Machinery Equipment
 16. F113070 Wholesale of Telecommunication Apparatus
 17. F113100 Wholesale of Pollution Controlling Equipment
 18. F119010 Wholesale of Electronic Materials
 19. F206030 Retail Sale of Molds
 20. F213010 Retail Sale of Electrical Appliances
 21. F213030 Retail Sale of Computers and Clerical Machinery Equipment
 22. F213060 Retail Sale of Telecommunication Apparatus
 23. F213080 Retail Sale of Machinery and Tools
 24. F213100 Retail Sale of Pollution Controlling Equipment
 25. F219010 Retail Sale of Electronic Materials
 26. F401010 International Trade
 27. F601010 Intellectual Property Rights
 28. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2-1 The Company may conduct reinvestment(s) in other businesses, and the reinvestment ratio may not be subject to the limitation prescribed in Article 13

of the Company Act stating that the reinvestment total amount shall not exceed 40% of its paid-in capital.

Article 3 The Company shall have its head office in New Taipei City, and when it is determined to be necessary, upon the resolution of the Board of Directors, branch offices may be established domestically or overseas.

Article 4 The Company's announcements shall be made in accordance with Article 28 of the Company Act.

Chapter 2: Shares

Article 5 The total capital of the Company shall be NTD 3,000,000,000, divided into 300,000,000 shares, at a par value of NTD 10, and the Board of Directors is authorized to perform share issuance at discrete times depending upon the business needs of the Company.

The Company may issue employee stock option certificates, and 5,000,000 shares of the total number of shares described in the preceding paragraph may be reserved as shares for the issuance of the employee stock option certificates.

For the employee stock option certificates issued by the Company, the price of such employee stock option certificates may be lower than the Company's common share price closed on the date of issuance; however, the issuance of such employee stock option certificates shall only be made based on the consents of attending shareholders representing more than two-thirds of the total voting rights in a shareholders' meeting attended by shareholders representing a majority of the total issued shares. In addition, declaration at discrete times may be made within one year after the date of resolution of the shareholders' meeting.

Article 5-1 Regarding the employees for the transfer of treasury stock repurchased according to the Company Act, employees for the issuance of employee stock option certificates, employees for subscription of shares during the issuance of new shares or for the issuance of restricted stock for employees, the aforementioned employees may include employees of parent or subsidiaries of the Company meeting certain specific requirements.

Article 6 The shares of the Company shall be in registered form, shall be signed or sealed by the Director representing the Company, and shall be issued after certification by the competent authority or its approved issuance registration institution. The Company may be exempted from the printing of share certificates; however, the shares of the Company shall be registered with or under the custody of a centralized securities depository enterprise.

Article 7 Registration of assignment/transfer of shares shall not be made within sixty days prior to the convening date of an ordinary shareholders' meeting, or within thirty days prior to the convening date of an extraordinary shareholders' meeting, or

within five days prior to the target date fixed by the Company for distribution of dividends, bonus or other benefits.

Shareholders of the Company shall submit the seal cards to the stock affairs agency of the Company for preservation, and the same requirements shall be applied to any changes of the seal cards. When shareholders are collecting dividends and bonuses or are contacting the Company in writing or are exercising other rights, the seals identical to the seal cards submitted shall be used for verification.

For any assignment/transfer of shares of the Company, the assignee/transferee shall submit a share assignment/transfer application signed and endorsed by the original shareholder to the stock affairs agency of the Company, and such assignment/transfer of shares shall be registered in the shareholders roster in order to be set up as a defense against the Company. For request of assignment/transfer of shares due to inheritance, legitimate supporting documents shall be submitted.

In case of any lost or stolen shares, the shareholder or lawful holder of such shares shall report to the public security institution, and the share loss application form shall be filled out and submitted to the Company for verification and registration.

In addition, the applicant shall also file petition to the competent district court for public summons according to the litigation and public summons proceeding, and shall also submit a duplicate copy of the petition and photocopy of the court document acceptance receipt to the Company. Where such documents are not submitted within one month, the application for loss of shares shall be revoked.

Chapter 3: Shareholders' Meeting

Article 8 The shareholders' meeting shall be classified into two types as an ordinary shareholders' meeting and extraordinary shareholders' meeting. The ordinary shareholders' meeting shall be convened once per year, and shall be convened within six months after the close of each fiscal year. The extraordinary shareholders' meeting shall be convened whenever necessary according to relevant laws. For the convention of shareholders' meetings, all shareholders shall be informed of the date, location and reasons of convention thirty days before the convention of an ordinary shareholders' meeting, and fifteen days before the convention of an extraordinary shareholders' meeting.

Article 9 Shareholders' meetings shall be convened by the Board of Directors, and the Chairman of the Board shall act as the chair of shareholders' meetings. In cases where the Chairman of the Board is on leave or cannot exercise his/her functional duties due to reasons, the Vice Chairman shall act as a proxy thereof. If no Vice Chairman is available or the Vice Chairman is also on leave or cannot exercise his/her functional duties due to reasons, the Chairman of the Board shall designate a Director to act as the proxy. If no Director is designated, the

Directors shall elect one Director to act as the proxy. For a Board of Directors Meeting convened by any other person having the convening right, such person having the convening right shall act as the chair of the meeting provided, however, that if there are two or more persons having the convening right, the chair of the meeting shall be elected from among themselves. When the company's shareholders' meeting is convened, it may be convened by video conference or other methods announced by the central competent authority. However, if the central competent authority announces that the Company shall convene the shareholders' meeting within a certain period due to natural disasters, incidents, or other force majeure factors, the meeting may be held by video conference or in accordance with the method announced by the Company's Articles of Incorporation. Where a shareholder for any reasons cannot attend the shareholders' meeting in person, he or she may appoint a proxy to attend a shareholders' meeting on his/her/its behalf by executing a power of attorney printed by the Company stating therein the scope of power authorized to the proxy. In addition to Article 177 and Article 177-2 of the Company Act, shareholders' attendance by proxies shall be subject to the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" announced by the competent authority.

Article 10 Each shareholder of the Company shall have one voting power for each share held; however, the shares shall have no voting power under any of the following circumstances:

Where a shareholder appoints a proxy to attend a shareholders' meeting, pursuant to the provision of Article 177 of the Company Act "except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting power represented by him/her 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."

- I. The share(s) of a company that are held by the issuing company itself in accordance with the laws.
- II. The shares of a holding company that are held by its subordinate company, where the total number of voting shares or total shares equity held by the holding company in such a subordinate company represents more than one-half of the total number of voting shares or the total shares equity of such a subordinate company; or
- III. The shares of a holding company and its subordinate company(ies) that are held by another company, where the total number of the shares or total shares equity of that company held by the holding company and its

subordinate company(ies) directly or indirectly represents more than one-half of the total number of voting shares or the total share equity of such a company.

The Company's shareholders may exercise their voting rights in electronic form, and shareholders exercising their voting rights in electronic form shall be deemed to attend the meeting in person. All relevant matters shall be handled in accordance with the regulations.

Article 11 Resolutions at a shareholders' meeting, unless otherwise specified in the Company Act or relevant laws, shall be adopted by a majority of the shareholders presented in person or by their proxies, who represent more than one-half of the total number of the voting shares. Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting and shall be handled in accordance with the provision of Article 183 of the Company Act.

Chapter 4: Directors and Supervisors

Article 12 The Company shall have seven to nine Directors with a term of office of three years, who shall be elected by the shareholders' meeting from among the persons with disposing capacity and shall be eligible for re-elections.

In the roster of Directors described in the preceding paragraph, the number of Independent Directors shall be at least three.

The election of the Directors adopts the candidate nomination system described in Article 192-1 of the Company Act. The relevant matters for the acceptance method and announcement of the Director candidate nomination shall be handled in accordance with relevant regulatory requirements specified in the Company Act and the Securities and Exchange Act. Independent Directors and Non-independent Directors shall be elected at the same time but on separate ballots.

Article 12-1 The Company establishes an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act, and the Audit Committee shall be formed by all of the Independent Directors. The Audit Committee or members of the Audit Committee shall be responsible for the execution of the authorities of supervisors in accordance with the provisions of the Company Act, Securities and Exchange Act and other laws and regulations.

Article 13 The Board of Directors shall be formed by the Directors. A Chairman of the Board shall be elected by a majority of the Directors present at a meeting of the Board of Directors attended by two-thirds or more of the total number of Directors. In addition, one Director may be elected from among themselves to act as the Vice Chairman depending upon the business needs. The Chairman shall externally represent the Company.

I. Unless otherwise specified in the Company Act, resolutions of the Board of

Directors Meeting shall be executed based on the attendance of a majority of Directors and the consents of a majority of the attending Directors. The meeting minutes shall be signed or sealed by the chair and shall also be preserved at the Company.

- II. When the number of vacancies of Directors reaches one-third of the total number of Directors, the Board of Directors shall convene an extraordinary shareholders' meeting within sixty days to fill the vacancies, and the term of office thereof shall be limited to fulfill the unexpired term of office of the predecessor.
- III. The Board of Directors, in conducting business, shall act in accordance with laws and ordinances, the Articles of Incorporation, and the resolutions adopted at the meetings of shareholders. Where any resolution adopted by the Board of Directors contravenes the preceding Paragraph, thereby causing loss or damage to the company, all directors taking part in the adoption of such resolution shall be liable to compensate the company for such loss or damage; however, those directors whose disagreement appears on record or is expressed in writing shall be exempted from liability.
- IV. Nevertheless, where a Director for any reasons cannot attend the Board of Directors' Meeting in person, he/she/it may issue a power of attorney, indicating the scope of authorization along with the signature and seal in order to appoint another Director to attend the meeting as a proxy thereof.

Article 13-1 During the convention of the Board of Directors' Meeting, notices indicating the reasons for the convention shall be delivered to all Directors seven days in advance, provided that in case of emergencies, such meeting may be convened at any time.

The notice about convention of Board of Directors' meetings to Directors may be effected by letter, e-mail or fax.

Article 14 In cases where the Chairman of the Board is on leave or cannot exercise his/her functional duties due to reasons, the Vice Chairman shall act as a proxy thereof. If no Vice Chairman is available or the Vice Chairman is also on leave or cannot exercise his/her functional duties due to reasons, his/her proxy shall be handled in accordance with Article 208 of the Company Act.

Article 14-1 All Directors and Supervisors of the Company may receive recurring remunerations of transportation allowance and salaries, etc., and the Board of Directors is authorized to determine the amounts of such remunerations based on their participation level and value of contribution to the operation of the Company, and such remunerations shall be paid according to the common standard adopted in the same industry regardless of whether there is operating profit or loss.

Article 14-2 During the term of office of the Directors, the Company shall purchase liability insurances for the Directors for their indemnification liabilities within the scope of their official services according to the laws.

Chapter 5: Managerial Officers

Article 15 The Company may appoint managers, and the appointment, discharge and remuneration of the managers are subject to Article 29 of the Company Act.

Chapter 6: Accounting

Article 16 At the end of each fiscal year of the Company, the Board of Directors shall prepare (1) Business report, (2) Financial statements and (3) Proposal for distribution of profit or covering losses, for submission to the supervisors for review thirty days prior to the convention of an ordinary shareholders' meeting, and such shall also be submitted to the ordinary shareholders' meeting to request rectification.

Starting from the establishment date of the Audit Committee, such reports and statements shall be submitted to the Audit Committee for approval.

Article 17 The Company shall deduct the distribution of the remuneration of employees and the remuneration of Directors from the income before tax of the current fiscal year first, followed by covering the accumulated loss amount. Where there is any remaining amount after such deduction, no less than 10% of such amount shall be appropriated as the remuneration of employees and no more than 3% of such amount shall be appropriated as the remuneration of Directors. The distribution of the employee remuneration in shares or cash shall be executed in accordance with the resolution of the Board of Directors' Meeting attended by more than two-thirds of the Directors and the consents of a majority of the attending Directors. In addition, a report to the shareholders' meeting shall also be made. Employees are entitled to receive employee remuneration distributed in the form of shares or cash, and the subjects may be employees of the parent or subsidiaries of the Company meeting certain specific requirements.

Article 17-1 Where the Company has a net profit in the current period after the settlement of a fiscal year, the accumulated loss shall be covered first, and 10% thereof shall be set aside as the legal reserve; however, when the legal reserve has reached the paid-in capital of the Company, it may be exempted from such appropriation. For the remaining amount, a special reserve shall be set aside or reversed according to the laws or regulations of the competent authority. Subsequently, if there is still a remaining amount, such remaining amount and the accumulated undistributed surplus at the beginning of the same period may be combined with the undistributed earnings as the accumulated distributable earning for shareholders, which is submitted to the Board of Directors for the preparation of an earning distribution proposal, followed by submitting the

proposal to the shareholders' meeting for resolution on the distribution thereof, if the earnings are distributed in the form of new shares.

The company, in accordance with Paragraph 5 of Article 240 of the Company Act, authorizes the Board of Directors to pay distributable dividends and bonuses or legal reserve and the capital reserve described in Paragraph 1 of Article 241 of the Company, in whole or in part, in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors and, in addition thereto, a report of such distribution shall be submitted to the shareholders' meeting.

The Company is in the technology industry and the industrial environment change is rapid. With consideration of the future capital demand and sound financial planning for the sustainable development of the Company, it is preferable to adopt a stable dividend policy. The dividend rate is expected to be above 20%, and cash dividend accounts for more than 20% of the total shareholders' bonus. Nevertheless, when the price per share for the cash dividend is lower than NTD 0.1 (inclusive), no cash dividends are to be issued, but stock dividends are issued instead.

Chapter 7: Supplemental Provisions

- Article 18 The Company may offer guarantees to foreign companies for business needs.
- Article 19 Any matters not specified in these Articles of Incorporation shall be handled according to the regulations of the Company Act.
- Article 20 The Articles of Incorporation was established on July 6, 1977.
The 1st amendment was made on July 27, 1977.
The 2nd amendment was made on June 1, 1979.
The 3rd amendment was made on February 9, 1982.
The 4th amendment was made on July 3, 1982.
The 5th amendment was made on August 12, 1983.
The 6th amendment was made on November 1, 1983.
The 7th amendment was made on December 2, 1987.
The 8th amendment was made on December 17, 1988.
The 9th amendment was made on January 29, 1989.
The 10th amendment was made on June 18, 1990.
The 11th amendment was made on August 15, 1990.
The 12th amendment was made on October 13, 1990.
The 13th amendment was made on February 12, 1991.
The 14th amendment was made on May 5, 1993.
The 15th amendment was made on November 23, 1993.
The 16th amendment was made on July 26, 1994.
The 17th amendment was made on June 14, 1996.

The 18th amendment was made on October 2, 1996.
The 19th amendment was made on January 28, 1997.
The 20th amendment was made on May 31, 1997.
The 21st amendment was made on May 17, 1999.
The 22nd amendment was made on July 8, 1999.
The 23rd amendment was made on March 20, 2000.
The 24th amendment was made on May 24, 2001.
The 25th amendment was made on May 24, 2001.
The 26th amendment was made on May 24, 2001.
The 27th amendment was made on June 21, 2002.
The 28th amendment was made on May 30, 2003.
The 29th amendment was made on June 15, 2004.
The 30th amendment was made on June 15, 2004.
The 31st amendment was made on June 16, 2005.
The 32nd amendment was made on June 6, 2006.
The 33rd amendment was made on June 13, 2008.
The 34th amendment was made on June 16, 2009.
The 35th amendment was made on November 18, 2009.
The 36th amendment was made on June 19, 2012.
The 37th amendment was made on June 17, 2016.
The 38th amendment was made on June 6, 2019.
The 39th amendment was made on June 1, 2022.

I-CHIUN PRECISION INDUSTRY CO., LTD.

Chairman: CHOU, WAN-SHUN

I-CHIUN PRECISION INDUSTRY CO., LTD.

Rules of Procedure for Shareholders' Meetings

- Article 1 To establish a strong governance system and sound supervisory capabilities for the Company's shareholders' meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" jointly established by Taiwan Stock Exchange Corporation and Taipei Exchange.
- Article 2 The rules of procedures for shareholders' meeting of the Company, except as otherwise provided by law, regulation or the articles of incorporation, shall be as provided in these Rules.
- Article 3 (Notice of convening of shareholders' meeting)
- Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the Board of Directors.
- The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the MOPS thirty days before the date of an ordinary shareholders' meeting or fifteen days before the date of an extraordinary shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS at least 21 days before the date of the ordinary shareholders' meeting or at least 15 days before the date of the extraordinary shareholders' meeting. In addition, fifteen days prior to the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.
- The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.
- Matters pertaining to election or discharge of directors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-offs, or any matters as set forth in Paragraph 1 of Article 185 of the Company Act, Articles 26-1 and 43-6 of the

Securities and Exchange Act, and Articles 56-1 and 60-2 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions. The essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and such website shall be indicated in the above notice.

The reason for convention of the shareholders' meeting has indicated the re-election of directors, and the date of assuming the position is also indicated. After the re-election is completed in such session of shareholders' meeting, the date of assuming the position shall not be changed through extempore motion or other methods.

Shareholder(s) holding 1% or more of the total number of outstanding shares of a company may put forward to the Company a proposal for discussion at an ordinary shareholders' meeting, provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. In addition, when the circumstances of any Subparagraph of Paragraph 4 of Article 172-1 of the Company Act applies to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda. Shareholders may submit proposals urging the Company to promote public interests or fulfill its social responsibilities, and the procedure shall be conducted based on the relevant provisions of Article 172-1 of Company Act, the number of such proposal shall not exceed one, and any other proposal exceeding the limitation of number will not be included in the discussion procedure of the meeting.

Prior to the date on which share transfer registration is suspended before the convention of an ordinary shareholders' meeting, the company shall give a public notice announcing acceptance of proposal in writing or by way of electronic transmission, the place and the period for shareholders to submit proposals to be discussed at the meeting; and the period for accepting such proposals shall not be less than ten days.

Shareholder-submitted proposals are limited to 300 words, and for a proposal containing more than 300 words, such proposal is not to be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the ordinary shareholders' meeting and take part in discussion of the proposal.

The company shall, prior to preparing and delivering the shareholders' meeting notice, inform, by a notice, all the proposal submitting shareholders of the proposal screening results, and shall list in the shareholders' meeting notice the proposals

conforming to the requirements set out in 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 explanation shall be made by the Board of Directors at the shareholders' meeting to be convened.

Article 4 For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company as least five days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail, unless a declaration is made to cancel the previous proxy appointment.

After the service of the power of attorney of a proxy to the company, in case the shareholder issuing the said proxy intends to attend the shareholders' meeting in person or to exercise his/her/its voting power in writing or by way of electronic transmission, a proxy rescission notice shall be filed with the company two days prior to the date of the shareholders' meeting as scheduled in the shareholders' meeting notice so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

Article 5 (Principles for shareholders' meeting convention time and venue)

The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

Article 6 (Preparation of documents such as the attendance book)

The Company shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least thirty minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification

documents for verification.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 7 (The chair and non-voting participants of a shareholders' meeting)

If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman of the Board. When the Chairman of the Board is on leave or for any reason unable to exercise the powers of the Chairman, the Vice Chairman shall act in place of the Chairman; if there is no Vice Chairman or the Vice Chairman is also on leave or for any reason unable to exercise the powers of the Vice Chairman, the Chairman shall appoint one of the Managing Directors to act as chair, or, if there are no Managing Directors, one of the Directors shall be appointed to act as chair. Where the Chairman does not make such a designation, the Managing Directors or the Directors shall select from among themselves one person to serve as chair.

When a Managing Director or a Director serves as chair, as referred to in the preceding paragraph, the Managing Director or Director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders' meetings convened by the Board of Directors 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 respective committee. The attendance shall be recorded in the meeting minutes.

If a shareholders' meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its attorneys, CPA, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

Article 8 (Documentation of a shareholders' meeting by audio or video)

The Company, beginning from the time it accepts shareholder attendance

registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the meeting minutes involved shall be kept until the legal proceedings of the foregoing lawsuit have been concluded.

Article 9 Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

When the meeting time has been reached, the chairman shall announce that the meeting is started, and simultaneously announce the number of non-voting rights and the number of shares in attendance. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chair shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1 of 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.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 10 (Discussion of proposals)

Where a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on each separate proposal on the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11 (Shareholder speech)

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed five minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chairperson shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 12 (Calculation of voting shares and recusal system)

Voting at a shareholders' meeting shall be calculated based on the number of

shares.

The shares held by shareholders having no voting right shall not be counted in the total number of issued shares while adopting a resolution at a meeting of shareholders.

A shareholder who has a personal interest in the matter under discussion at a meeting, which may impair the interest of the company, shall not vote nor exercise the voting right on behalf of another shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders. Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting power represented by him/her 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.

Article 13 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Paragraph 2 of Article 179 of the Company Act.

When the Company holds a shareholders' meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company at least two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail; except when a declaration is made to cancel the earlier declaration of intent.

In case a shareholder who has exercised his/her/its voting power in writing or by way of electronic transmission intends to attend the shareholders' meeting in person, he/she/it shall, two days prior to the meeting date of the scheduled shareholders' meeting and in the same manner previously used in exercising his/her/its voting power, serve a separate declaration of intention to rescind his/her/its previous declaration of intention made in exercising the voting power under the preceding Paragraph Two. In the absence of a timely rescission of the previous declaration of intention, the voting power exercised in writing or by way

of electronic transmission shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. In addition, on the same day after the conclusion of the shareholders' meeting, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall have the identity of shareholders of the Company.

Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 14 (Elections)

When the shareholders' meeting elects directors, it shall be handled in accordance with the relevant election and appointment regulations set by the Company, and the election results shall be announced on the spot, including the list of elected directors and their voting rights, and the list of candidates of directors and supervisors not elected and their voting rights.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the meeting minutes involved shall be kept until the legal proceedings of the foregoing lawsuit have been concluded.

Article 15 Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of

the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the company within twenty days after the close of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of this Company.

Article 16 (Public disclosure)

On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders' meeting.

If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17 (Maintaining order at the meeting place)

Staff handling administrative affairs of a shareholders' meeting shall wear identification cards.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18 (Recess and resumption of a shareholders' meeting)

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting

temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 19 These Rules, and any amendments hereto, shall be implemented after adoption by shareholders' meetings.

These Rules were established on June 10, 2020.

Amended on June 1, 2022

I-CHIUN PRECISION INDUSTRY CO., LTD. Information on Directors and Ownership

Position	Name	Number of shares held	Shareholding ratio (%)
Chairman	CHOU, WAN-SHUN	21,854,157	9.85%
Vice Chairman	LEE, CHUNG-YI	16,007,705	7.21%
Director	LIN, WU-CHUN	516,693	0.23%
Director	YEH, CHWEI-JING	-	-
Subtotal		38,378,555	17.29%
Independent Director	KUO, CHUNG-CHIEN	-	-
Independent Director	LEE, JIH-CHIEN	500,000	0.23%
Independent Director	CHANG, HSIEN-SUNG	107,922	0.05%
Independent Director	HONG, SHUN-CHING	-	-
Subtotal		607,922	0.28%
Total		38,986,477	17.57%

- Note:
- I. According to Article 26 of the Securities and Exchange Act
The minimum number of shares that all directors of the Company (excluding independent directors) shall hold in total is 12,000,000 shares.
As the Company has established an Audit Committee, the minimum percentage of all supervisors' shareholdings is not applicable.
 - II. The number of shares listed in the shareholder register as of the book closure date for the shareholders' meeting (April 1, 2024).