



一詮精密工業股份有限公司  
I-CHIUN PRECISION INDUSTRY CO., LTD.

Stock code: 2486

# I-CHIUN PRECISION INDUSTRY CO., LTD.

## 2025 Annual Meeting of Shareholders Meeting Agenda Handbook

May 26, 2025

**I-CHIUN PRECISION INDUSTRY CO., LTD.**  
**Handbook for the 2025 Annual Meeting of Shareholders**

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# I-CHIUN PRECISION INDUSTRY CO., LTD.

## Procedure for the 2025 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. Discussions
- VI. Questions and Motions
- VII. Adjournment

# I-CHIUN PRECISION INDUSTRY CO., LTD.

## Agenda of Annual Meeting of Shareholders of 2025

Method of Convening: Physical Shareholders' Meeting

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

Location: 3F, No. 95, Wugong Rd., Xinzhuang Dist., New Taipei City, Taiwan  
(R.O.C.) (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. 2024 Business Report
  2. 2024 Audit Committee's Review Report
  3. 2024 Annual Employee Wage and Director Remuneration Distribution Report
  4. 2024 Report on Director Remuneration Payment
  5. Report on Profit Distribution and Cash Distribution from Capital Surplus
  6. Report on Amendments to the "Rules of Procedure for Board of Directors Meetings"
  7. Report on the Issuance of the Sixth Domestic Unsecured Convertible Corporate Bonds
- IV. Proposals
  1. 2024 financial statements
  2. Proposal for the 2024 Surplus Distribution
- V. Discussions
  1. Discussion on the Amendment to the "Articles of Incorporation"
  2. Discussion Item on Amendments to the "Procedures for Endorsements and Guarantees"
- VI. Questions and Motions
- VII. Adjournment

## **Management Presentation (Company Reports)**

### Report No. 1

Proposal: 2024 Business Report, please review and acknowledge.

Explanation: See Attachment 1 on page 14 of the Meeting Agenda Handbook for the 2024 Business Report.

### Report No. 2

Proposal: 2024 Audit Committee's Review Report, please review and acknowledge.

Explanation:

1. The Company's 2024 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 19 of the Meeting Agenda Handbook for the Audit Committee's Review Report.

### Report No. 3

Proposal: 2024 Annual Employee Wage and Director Remuneration Distribution Report, please review and acknowledge.

Explanation:

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 2024 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 NT\$2,245,236 and the remuneration for directors will be distributed in cash at NT\$673,570.
3. There is no difference between the abovementioned amount and the estimated amount for the year of expenses recognition.

## Report No. 4

Proposal: 2024 Report on Director Remuneration Payment, please review and acknowledge.

### Explanation:

1. All Directors and Supervisors of the Company may receive recurring remuneration, such as transportation allowances and salaries. The Board of Directors is authorized to determine the amounts of such remuneration based on the level of their involvement in, and the value of their contributions to, the operation of the Company. Such remuneration shall be paid according to the common standard adopted in the industry, regardless of whether there is an operating profit or loss.
2. The Company has established the Remuneration Committee to assist the Board of Directors in determining the remuneration to the Company's directors and managers, and the Company's remuneration policy. If the Company retains earnings at the end of the year, the remuneration shall be distributed to directors upon review by the Remuneration Committee and per the resolution of the Board of Directors, subject to the Company's operating performance and involvement of each director in the Company's operations and the value of their contribution. The income and remuneration are linked to the reasonableness and fairness of the performance risk. The Remuneration Committee also regularly evaluates the contents and reasonableness of the payment standards applicable to directors.
3. The directors remuneration paid by the Company for Fiscal Year 2024 is listed in the table below.

Unit: NTD thousand

| Position                | Name              | Remuneration to Directors |   |                                |   |                                |   |                         |   | Sum of A, B, C, and D,<br>and sum as percentage<br>of net income after tax |   | Remuneration to directors also holding employee positions |   |                                |   |                           |                  |   |   | The sum of A, B, C, D,<br>E, F and G and<br>percentage of net profit<br>margin (%) |   | Remuneration from Invested Businesses Other<br>than Subsidiaries or from Parent Company |
|-------------------------|-------------------|---------------------------|---|--------------------------------|---|--------------------------------|---|-------------------------|---|--|---|---|---|--------------------------------|---|---------------------------|------------------|---|---|--|---|---|
|                         |                   | Remuneration (A)          |   | Pension upon<br>retirement (B) |   | Directors’<br>remuneration (C) |   | Service Expenses<br>(D) |   |  |   | Wages, bonuses, and<br>special allowances, etc.<br>(E)    |   | Pension upon<br>retirement (F) |   | Employee Compensation (G) |                  |   |   |  |   |   |
|                         |                   | The Company               | All companies included in<br>the financial statements | The Company                    | All companies included in<br>the financial statements | The Company                    | All companies included in<br>the financial statements | The Company             | All companies included in<br>the financial statements | The Company  | All companies included in<br>the financial statements | The Company   | All companies included in<br>the financial statements | The Company                    | All companies included in<br>the financial statements | The Company               |                  | All companies included in the<br>financial statements |   | The Company  | All companies included in<br>the financial statements |   |
| Amount of cash          | Amount of shares  |                           |   |                                |   |                                |   |                         |   |  |   |   |   |                                |   | Amount of cash            | Amount of shares |   |   |  |   |   |
| Chairman                | CHOU, WAN-SHUN    | 7,001                     | 9,411   | 0                              | 0   | 37                             | 1,008   | 90                      | 160   | 7,128<br>37.90%  | 10,579<br>56.25%                                      | 0   | 0   | 0                              | 0   | 45                        | 0                | 45  | 0 | 7,173<br>38.14%  | 10,624<br>56.49%                                      | None  |
| Vice<br>Chairman        | LEE, CHUNG-YI     | 0                         | 0   | 0                              | 0   | 37                             | 437   | 90                      | 160   | 127<br>0.68%   | 597<br>3.17%  | 0   | 4,179   | 0                              | 0   | 0                         | 0                | 1,275   | 0 | 127<br>0.68%   | 6,051<br>32.17%                                       | None  |
| Director                | LIN, WU-CHUN      | 0                         | 0   | 0                              | 0   | 100                            | 100   | 90                      | 90  | 190<br>1.01%   | 190<br>1.01%  | 0   | 0   | 0                              | 0   | 0                         | 0                | 0   | 0 | 190<br>1.01%   | 190<br>1.01%  | None  |
| Director                | YEH, CHWEI-JING   | 0                         | 0   | 0                              | 0   | 100                            | 100   | 60                      | 60  | 160<br>0.85%   | 160<br>0.85%  | 0   | 0   | 0                              | 0   | 0                         | 0                | 0   | 0 | 160<br>0.85%   | 160<br>0.85%  | None  |
| Independent<br>Director | LEE, JIH-CHIEN    | 120                       | 120   | 0                              | 0   | 100                            | 100   | 90                      | 90  | 310<br>1.65%   | 310<br>1.65%  | 0   | 0   | 0                              | 0   | 0                         | 0                | 0   | 0 | 310<br>1.65%   | 310<br>1.65%  | None  |
| Independent<br>Director | KUO, CHUNG-CHIEN  | 120                       | 120   | 0                              | 0   | 100                            | 100   | 80                      | 80  | 300<br>1.60%   | 300<br>1.60%  | 0   | 0   | 0                              | 0   | 0                         | 0                | 0   | 0 | 300<br>1.60%   | 300<br>1.60%  | None  |
| Independent<br>Director | CHANG, HSIEN-SUNG | 120                       | 120   | 0                              | 0   | 100                            | 100   | 80                      | 80  | 300<br>1.60%   | 300<br>1.60%  | 0   | 0   | 0                              | 0   | 0                         | 0                | 0   | 0 | 300<br>1.60%   | 300<br>1.60%  | None  |
| Independent<br>Director | HUNG, SHUN-CHING  | 120                       | 120   | 0                              | 0   | 100                            | 100   | 90                      | 90  | 310<br>1.65%   | 310<br>1.65%  | 0   | 0   | 0                              | 0   | 0                         | 0                | 0   | 0 | 310<br>1.65%   | 310<br>1.65%  | None  |
|                         | Total             | 7,481                     | 9,891   | 0                              | 0   | 674                            | 2,045   | 670                     | 810   | 8,825<br>46.92%  | 12,746<br>67.77%                                      | 0   | 4,179   | 0                              | 0   | 45                        | 0                | 1,320   | 0 | 8,870<br>47.16%  | 18,245<br>97.01%                                      | None  |

## Report No. 5

Proposal: Report on Profit Distribution and Cash Distribution from Capital Surplus, please review and acknowledge.

Explanation:

1. As authorized by the Company's Articles of Incorporation and approved by resolution of the Board of Directors, the Company's cash dividend distribution to shareholders from the profits of Fiscal Year 2024 is NT\$35,093,787, with a per-share distribution of NT\$0.15.
2. As authorized by the Company's Articles of Incorporation and approved by resolution of the Board of Directors, cash will be distributed from the capital surplus derived from the premium on issuance of shares above par value in the amount of NT\$81,885,503, with a per-share distribution of NT\$0.35.
3. Cash dividends and cash distributions from capital surplus shall be calculated and paid to the nearest NT dollar (truncating amounts under NT\$1). The total sum of fractional amounts less than NT\$1 shall be adjusted in descending order of decimal value and in ascending order of shareholder account numbers until the total distribution amount is met.
4. 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.

## Report No. 6

Proposal: Report on Amendments to the "Rules of Procedure for Board of Directors Meetings," please review and acknowledge.

Explanation: In response to the amendments to the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" and the reference example of "Rules of Procedure for Board of Directors Meetings of ○○ Corporation," the Company's "Rules of Procedure for Board of Directors Meetings" has been amended accordingly. The comparison table of the provisions before and after the amendment is as follows.



| Article   | Before Amendment  | After Amendment  | Explanation of Amendment  |
|-----------|---|--|---|
| Article 7 | <p>The Board of Directors meetings shall be convened by the Chairman of the Board, who shall serve as the chairperson. However, for the first Board meeting of each newly elected Board, the meeting shall be convened by the director who received the most votes at the shareholders' meeting, and this convener shall serve as the chairperson. If there are two or more persons with convening rights, they shall select one person from among themselves to serve as the chairperson.</p> <p>When the Board of Directors meeting is convened by a majority of directors on their own initiative pursuant to Paragraph 4 of Article 203 or Paragraph 3 of Article 203-1 of the Company Act, the directors shall elect one from among themselves to serve as the chairperson.</p> <p>In the event that the Chairman of the Board is on leave or unable to exercise his/her powers for any reason, the Chairman shall designate one director to act on his/her behalf. If the Chairman does not designate a proxy, the directors shall elect one from among themselves to act on the Chairman's behalf.</p>       | <p>The Board of Directors meetings shall be convened by the Chairman of the Board, who shall serve as the chairperson. However, for the first Board meeting of each newly elected Board, the meeting shall be convened by the director who received the most votes at the shareholders' meeting, and this convener shall serve as the chairperson. If there are two or more persons with convening rights, they shall select one person from among themselves to serve as the chairperson.</p> <p>When the Board of Directors meeting is convened by a majority of directors on their own initiative pursuant to Paragraph 4 of Article 203 or Paragraph 3 of Article 203-1 of the Company Act, the directors shall elect one from among themselves to serve as the chairperson.</p> <p>When the Chairman of the Board is on leave or unable to exercise his/her powers for any reason, <u>the Vice Chairman shall act on his/her behalf; if there is no Vice Chairman or the Vice Chairman is also on leave or unable to exercise his/her powers for any reason,</u> the Chairman shall designate one director to act on his/her behalf. If the Chairman does not designate a proxy, the directors shall elect one from among themselves to act on the Chairman's behalf.</p> | Addition of Vice Chairman's acting authority  |
| Article 8 | <p>When convening a Board of Directors meeting, the management department (or the unit designated by the Board for meeting affairs) shall prepare relevant materials for directors' reference at any time during the meeting.</p> <p>When convening a Board meeting, non-director managers from relevant departments may be notified to attend the meeting depending on the content of the agenda items. When necessary, CPAs, attorneys, or other professionals may also be invited to attend the meeting.</p> <p>The chairperson shall call the meeting to order at the scheduled meeting time when more than half of the directors are in attendance.</p> <p>If the scheduled meeting time has arrived but half of all directors are not in attendance, the chairperson may announce a postponement of the meeting, which is limited to two occurrences. If the quorum is still not met after two postponements, the chairperson may reconvene the meeting following the procedures prescribed in Paragraph 2 of Article 3.</p> <p>The term "all directors" as referred to in the preceding paragraph and in</p> | <p>When convening a Board of Directors meeting, the management department (or the unit designated by the Board for meeting affairs) shall prepare relevant materials for directors' reference at any time during the meeting.</p> <p>When convening a Board meeting, non-director managers from relevant departments may be notified to attend the meeting depending on the content of the agenda items. When necessary, CPAs, attorneys, or other professionals may also be invited to attend the meeting.</p> <p>The chairperson shall call the meeting to order at the scheduled meeting time when more than half of the directors are in attendance.</p> <p>If the scheduled meeting time has arrived but half of all directors are not in attendance, the chairperson may announce a postponement of the meeting <u>on the same day</u>, with such postponement limited to two times. If the quorum is still not met after two postponements, the chairperson may reconvene the meeting following the procedures prescribed in Paragraph 2 of Article 3.</p> <p>The term "all directors" as referred to in the preceding paragraph and in</p>   | Amended in accordance with the revisions to the Regulations Governing Procedure for Board of Directors Meetings of Public Companies |

| Article    | Before Amendment   | After Amendment   | Explanation of Amendment   |
|------------|--|---|--|
|            | Subparagraph 2, Paragraph 2 of Article 16 shall be calculated based on the number of directors actually in office.   | Subparagraph 2, Paragraph 2 of Article 16 shall be calculated based on the number of directors actually in office.  |  |
| Article 11 | <p>The Board of Directors meetings of the Company shall proceed according to the agenda specified in the meeting notice. However, the agenda may be changed with the approval of a majority of directors present at the meeting. The chairperson may not declare the meeting adjourned without the approval of a majority of the directors present at the meeting.</p> <p>If, during the course of a Board meeting, the number of directors present is fewer than half of the total directors, upon a motion made by the directors at the meeting, the chairperson shall declare a suspension of the meeting, and Paragraph 3 of Article 8 shall apply mutatis mutandis.</p> | <p>The Board of Directors meetings of the Company shall proceed according to the agenda specified in the meeting notice. However, the agenda may be changed with the approval of a majority of directors present at the meeting. The chairperson may not declare the meeting adjourned without the approval of a majority of the directors present at the meeting.</p> <p>If, during the course of a Board meeting, the number of directors present is fewer than half of the total directors, the chairperson shall declare a suspension of the meeting upon a motion made by the directors present, and <u>Paragraph 4</u> of Article 8 shall apply mutatis mutandis. <u>If, during the course of a Board meeting, the chairperson is unable to continue presiding over the meeting or directly declares the meeting adjourned without complying with Paragraph 2, the selection of an acting chairperson shall be conducted in accordance with Paragraph 3 of Article 7.</u></p> | <p>1. Error correction</p> <p>2. Amended in accordance with the revisions to the Regulations Governing Procedure for Board of Directors Meetings of Public Companies</p> |
| Remarks    | <p>Amendment Date: July 28, 2017 (reported at the shareholders' meeting on June 5, 2018)</p> <p>Amendment Date: November 8, 2017 (reported at the shareholders' meeting on June 5, 2018)</p> <p>Amendment Date: March 23, 2020 (reported at the shareholders' meeting on June 10, 2020)</p> <p>Amendment Date: November 9, 2022 (reported at the shareholders' meeting on May 30, 2023)</p>  | <p>Amendment Date: July 28, 2017 (reported at the shareholders' meeting on June 5, 2018)</p> <p>Amendment Date: November 8, 2017 (reported at the shareholders' meeting on June 5, 2018)</p> <p>Amendment Date: March 23, 2020 (reported at the shareholders' meeting on June 10, 2020)</p> <p>Amendment Date: November 9, 2022 (reported at the shareholders' meeting on May 30, 2023)</p> <p><u>Amendment Date: March 4, 2025</u></p>   | Addition of amendment date   |

## Report No. 7

Proposal: Report on the Issuance of the Sixth Domestic Unsecured Convertible Corporate Bonds, please review and acknowledge.

Explanation: On April 9, 2024, the Board of Directors resolved to issue the Sixth Domestic Unsecured Convertible Corporate Bonds. Information regarding the issuance is listed below.

|   |  |
|---|--|
| Type of Corporate Bond  | Sixth Domestic Unsecured Convertible Corporate Bonds   |
| Issuance (process) date   | July 1, 2024   |
| Face Value  | NT\$100,000  |
| Issue price   | Issued at 101% of par value  |
| Total   | NT\$600,000,000  |
| Interest rate   | Coupon Rate: 0% per annum  |
| Term  | 3-year term, Maturity Date: July 1, 2027   |
| Trustee   | Trust Department of Mega International Commercial Bank Co., Ltd.   |
| Underwriters  | Fubon Securities Co., Ltd., Uni-President Securities Corp., Capital Securities Corp.   |
| Certifying Attorney   | Attorney Chiu Ya-Wen of Handsome Attorneys-at-Law  |
| Name of CPA   | Not applicable   |
| Redemption Method   | Unless converted into common shares of the Company in accordance with the conversion terms, or redeemed early, sold back, repurchased by the Company (including repurchase through securities firms' business premises), the bonds will be redeemed at par value in a lump sum at maturity |
| Outstanding Principal   | NT\$ 600,000,000   |
| Terms and Conditions for Redemption or Early Repayment  | Details of Issuance and Conversion Procedures  |
| Restricted Clause   | Details of Issuance and Conversion Procedures  |
| Issuance and Conversion, Exchange or Subscription Procedures, Impact of Issuance Terms on Potential Equity Dilution and Existing Shareholders' Equity | Current conversion price NT\$126; if fully converted, this would increase capital stock by 4,762 thousand shares. The current outstanding shares are 233,959 thousand shares, representing a ratio of 2.03%, which would not have a significant impact on shareholders' equity             |

## **Proposals**

### Proposals 1 (Proposed by the Board)

Proposal: Approval of Financial Statements for 2024.

Explanation:

1. The Company's 2024 standalone financial statements and consolidated financial statements, which have been audited and certified by the CPAs Min-Chuan Feng and Juan-Lu Man-Yu 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 14 and 20–31, respectively, of the Meeting Agenda Handbook for the 2024 Business Report, CPAs' audit report, the balance sheet as of December 31, 2024, 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 2024 Surplus Distribution is hereby submitted for recognition.

Explanation: The Company's 2024 after-tax profit is NT\$18,806,800 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  
2024

|   | Unit: NTD    |
|---|--------------|
| Unappropriated earnings at the beginning of the period                | 6,711,322    |
| Add: Adjustment to retained earnings (actuarial pension calculations) | 3,670,031    |
| Less: Changes in ownership interests in subsidiaries                  | (66,282)     |
| Adjusted unappropriated earnings                                      | 10,315,071   |
| Add: Net surplus after tax of the year                                | 18,806,800   |
| Less: Allocation of 10% for legal reserve                             | (2,241,055)  |
| Add: Reversal of Special Reserve Appropriated According to Law        | 11,218,704   |
| Distributable surplus   | 38,099,520   |
| Less: Dividend (Per Share NT\$0.15)                                   | (35,093,787) |
| Tax on unappropriated retained earnings at the end of the year        | 3,005,733    |

Chairman: CHOU, WAN-SHUN

President: CHOU, WAN-SHUN

Accounting Officer: YANG, PAI-JUNG

Resolution:

## **Discussions**

Discussion No. 1 (Proposed by the Board)

Proposal: Discussion on the Amendment to the “Articles of Incorporation” is hereby submitted for resolution.

Explanation: In response to the amendment of Article 14 of the Securities and Exchange Act, which newly stipulates the ratio for distributing compensation to entry-level employees, the Company’s “Articles of Incorporation” are hereby amended. The comparison table of the amended provisions is as follows:

| Articles   | Before Amendment   | After Amendment  | Explanation of Amendment  |
|------------|--|--|---|
| 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 consent 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. | The Company shall, after covering accumulated losses from the current year’s profit before tax and before distributing employees’ and directors’ compensation, <u>allocate no less than ten percent as employee compensation, of which no less than 4.5 percent shall be distributed as compensation to entry-level employees, and no more than three percent as directors’ compensation.</u> 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 consent 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. | Addition of the ratio for distributing compensation to entry-level employees in accordance with Article 14 of the Securities and Exchange Act |

|            |   |  |   |
|------------|---|--|---|
| Article 20 | .....<br>The 39th amendment was made on June 1, 2022. | .....<br>The 39th amendment was made on June 1, 2022.<br><u>The 40th amendment was made on May 26, 2025.</u> | Addition of the date of the 40th amendment. |
|------------|---|--|---|

Resolution:

## Discussion No. 2 (Proposed by the Board)

Proposal: Amendment to the “Procedures for Endorsements and Guarantees,” Please Vote.

Description: The Company has previously established procedures for endorsements and guarantees; however, it has not complied with Article 12, Paragraph 1, Item 3 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies,” which stipulates the total amount of endorsements and guarantees that may be provided by a public company and its subsidiaries as a whole, and the amount of endorsements and guarantees for a single enterprise. The comparison table of the amended provisions is as follows:

| Article   | After Amendment  | Before Amendment  | Notes   |
|-----------|--|---|---|
| Article 5 | <p>5.4 The total amount of endorsements and guarantees provided by the Company and its subsidiaries as a whole shall not exceed 50% of the Company’s net worth as stated in its most recent financial statements. Additionally, the amount of endorsements and guarantees for a single enterprise shall not exceed 20% of the Company’s net worth as stated in its most recent financial statements.</p> <p>5.5 The latest recent financial statements refer to the most recent financial statements that have been audited (attested) by certified public accountants (CPAs).</p> | <p>5.4 The latest recent financial statements refer to the most recent financial statements that have been audited (attested) by certified public accountants (CPAs).</p> | Addition of 5.4, original 5.4 renumbered as 5.5 |

Resolution:

## **Questions and Motions**

## **Adjournment**

## 2024 Business Report

In 2024, despite the global economic slowdown and adverse factors such as inflation, the Company's main products—LED leadframes, ceramic substrates, IC leadframes, and TV backlight modules—saw revenue growth. However, revenue from thermal components slightly decreased due to customer product transitions and the ongoing development and certification of new products. Overall, revenue continued to grow thanks to the efforts of all employees.

Looking ahead to 2025, although global recovery remains somewhat unsteady due to continuing global inflation, the ongoing Russia-Ukraine war, China's economic slowdown, US tariff conflicts, and global climate change impacts. 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 2024 is as follows:

(I) Implementation results of the 2024 business plan (consolidated financial statements):

1. Comparative analysis of business results

Unit: NTD thousand

|                                     | 2024      | 2023      | Increase<br>(decrease)<br>in Amount | Change in<br>Percentage<br>(%) |
|-------------------------------------|-----------|-----------|-------------------------------------|--------------------------------|
| Net operating revenue               | 5,492,378 | 5,068,696 | 423,682                             | 8.36%                          |
| Operating costs                     | 4,721,507 | 4,351,582 | 369,925                             | 8.50%                          |
| Gross profit                        | 770,871   | 717,114   | 53,757                              | 7.50%                          |
| Operating expense                   | 793,640   | 540,614   | 253,026                             | 46.80%                         |
| Operating profit                    | (22,769)  | 176,500   | (199,269)                           | (112.90%)                      |
| Non-operating revenues and expenses | 88,957    | 67,935    | 21,022                              | 30.94%                         |
| Net profit before tax               | 66,188    | 244,435   | (178,247)                           | (72.92%)                       |
| Income tax expense                  | 36,484    | 45,527    | (9,043)                             | (19.86%)                       |
| Current net profit                  | 29,704    | 198,908   | (169,204)                           | (85.07%)                       |
| Non-controlling equity              | 10,897    | (1,979)   | 12,876                              | (650.63%)                      |
| Current net profit or loss          | 18,807    | 200,887   | (182,080)                           | (90.64%)                       |



The Company's product portfolio includes LED leadframes, TV backlight modules, thermal components, ceramic substrates, and IC leadframes. For fiscal year 2024, operating revenue was NT\$5,492,378 thousand, an increase of NT\$423,682 thousand or 8.36% compared to NT\$5,068,696 thousand in fiscal year 2023. This growth was primarily driven by increases in LED leadframes and ceramic substrates, which grew by 18.46% and 43.68% respectively, contributing to the overall revenue growth.

Gross profit margin for the past two fiscal years remained stable at approximately 14%, with no significant fluctuations. However, pre-tax net income for fiscal year 2024 decreased, mainly due to increased operating expenses from share-based payment transactions and higher expected credit impairment losses, resulting in lower profitability compared to the previous year.

(II) Execution of the 2024 budget: The Company did not disclose the financial forecast for 2024.

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

| Items \ Year                 |  | 2024      | 2023      |
|------------------------------|--|-----------|-----------|
| Financial income and expense | Operating revenue (NTD thousand)                         | 5,492,378 | 5,068,696 |
|                              | Gross profit (loss) (NTD thousand)                       | 770,871   | 717,114   |
|                              | Profit after tax (loss) (NTD thousand)                   | 29,704    | 198,908   |
| Profitability Analysis       | Asset return ratio (%)                                   | 0.75      | 3.17      |
|                              | Return On Equity (%)                                     | 0.61      | 4.62      |
|                              | Income before tax as a percentage of paid-in capital (%) | 2.83      | 11.01     |
|                              | Net profit ratio (%)                                     | 0.54      | 3.92      |
|                              | Earnings Per Share (losses) (NTD)                        | 0.08      | 0.92      |

(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) Energy-efficient HPC technology for high-density AI computing
  - (2) Development of external automotive remote sensor bracket.
  - (3) Development of package heat dissipation system for super large multi-functional areas.
  - (4) High-reliability automotive ceramic circuit boards
  - (5) High-power laser ceramic circuit boards

## II. Business operating plan for 2025

### (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 aforementioned four pillars, we establish our obligations for long-term development, and implement improved administration as the method of sustainable development for corporate governance and management.
- (3) With refining, we focus on strategies to create core values. 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) Success comes from “change.”
- (2) Proactive change offers greater opportunities for success with lower risks.
- (3) With high sensitivity to changes, one can actively anticipate developments. Compared to reactive change, proactive change presents higher chances of success.
- (4) Achieving proactive transformation—“when constrained, adapt; when adapting, breakthrough; one breakthrough leads to universal understanding.”

#### 3. Business philosophy

- (1) Sincerity in dealings: both the beginning and ultimate goal.
- (2) Respect in execution: the process.
- (3) Consistency between words and actions: the outcome.

Goodness as foundation, people as priority, developing high technology, implementing talent cultivation, and investing in research and development.

Utilizing strategic objectives, concepts of excellence, innovative thinking to drive continuous corporate growth.

Maintaining a positive and optimistic attitude, courage to take responsibility, creating value together, sharing fairly, advancing with integrity to co-create the future, enabling sustainable business operations that contribute to society.

### (II) Expected sales volume

Expected sales volume is budgeted based on current existing orders and the status of potential customer orders, with reference to new product development plans and progress, while considering future production capacity planning. Based on the current international situation and economic conditions, the expected sales volume for fiscal year 2025 is projected to grow compared to the previous year.

### (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) Talent Cultivation and Globalized 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

In response to AI development, the overall electronics industry is expected to continue growing this year. In the coming year, we will strengthen our understanding of product market trends, deepen communications with customers, address core customer needs, enhance product design to improve production efficiency and ensure stable quality, while moving toward niche and high value-added product development.

As electronic products increasingly emphasize high performance and miniaturization, electronic components trend toward smaller volume and greater power efficiency. Solving heat dissipation issues within limited space is crucial to maintain product reliability and extend service life. Thermal components are the primary solution for electronic component heat dissipation problems, with applications spanning servers, telecommunication base stations, automotive applications, gaming consoles, PCs, and other fields. In recent years, applications have deepened in automotive, high-performance computing (HPC)/AI (Artificial Intelligence) sectors. Therefore, we continue to focus on improving production technology, optimizing automation equipment, and strategically collaborating with major international manufacturers to develop new products, strengthening our production advantages and quality.

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

As global operations continue to recover, threats to global economic growth persist due to ongoing inflation, the unresolved Russia–Ukraine conflict, China’s economic slowdown, US tariff disputes, and global climate change impacts. Nevertheless, demand for 5G applications, IOT, and AI is expected to maintain growth momentum. Facing various regulatory changes and environmental requirements for net-zero emissions and carbon reduction, governments worldwide have established timelines requiring industries to comply according to scheduled progress. Both domestic and international competitors face these challenges. The Company addresses these challenges through continuous new product

development, process capability enhancement, efficiency improvements, and cost reduction initiatives.

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 2024 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 FENG, MIN-CHUAN and Juan-Lu Man-Yu 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,

2025 Annual Meeting of Shareholders

I-CHIUN PRECISION INDUSTRY CO., LTD.

Audit Committee Convener:

KUO, CHUNG-CHIEN

March 4, 2025

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES  
Consolidated Balance Sheet  
December 31, 2024 and 2023

Unit: NTD thousand

[Attachment 3]

|      | Asset  | Notes        | December 31, 2024    |            | December 31, 2023   |            |
|------|--|--------------|----------------------|------------|---------------------|------------|
|      |  |              | Amount               | %          | Amount              | %          |
|      | <b>Current assets</b>  |              |                      |            |                     |            |
| 1100 | Cash and cash equivalents  | 6(1)         | \$ 1,354,616         | 12         | \$ 1,492,468        | 19         |
| 1110 | Financial assets at fair value through profit and loss – current     | 6(2)         | 136,594              | 1          | 137,396             | 2          |
| 1136 | Financial assets at amortized cost – current                         | 6(3) & 8     | 87,439               | 1          | 166,288             | 2          |
| 1150 | Notes receivable, net  | 6(4) & 12(2) | 48,446               | -          | 126,277             | 1          |
| 1170 | Accounts receivable, net   | 6(4) & 12(2) | 2,418,179            | 22         | 2,006,646           | 26         |
| 1200 | Other receivables  |              | 81,195               | 1          | 93,721              | 1          |
| 1220 | Current income tax assets  |              | 8,858                | -          | 370                 | -          |
| 130X | Inventories  | 6(5)         | 1,377,923            | 13         | 1,151,733           | 15         |
| 1479 | Other current assets – others  |              | 142,586              | 1          | 62,516              | 1          |
| 11XX | <b>Total current assets</b>  |              | <u>5,655,836</u>     | <u>51</u>  | <u>5,237,415</u>    | <u>67</u>  |
|      | <b>Non-current assets</b>  |              |                      |            |                     |            |
| 1510 | Financial assets at fair value through profit and loss – non-current | 6(2)         | 22,198               | -          | 20,000              | -          |
| 1535 | Financial assets at amortized cost – non-current                     | 6(3) & 8     | 2,929                | -          | -                   | -          |
| 1550 | Investments accounted for under equity method                        | 6(6)         | 46,589               | -          | -                   | -          |
| 1600 | Property, plant and equipment  | 6(7) & 8     | 4,551,196            | 41         | 1,716,801           | 22         |
| 1755 | Right-of-use assets  | 6(8) & 8     | 100,514              | 1          | 403,074             | 5          |
| 1760 | Investment property, net   | 6(10) & 8    | 160,960              | 2          | 190,788             | 3          |
| 1780 | Intangible assets  |              | 23,205               | -          | 24,349              | -          |
| 1840 | Deferred income tax assets   | 6(25)        | 73,274               | 1          | 112,982             | 2          |
| 1900 | Other non-current assets   | 9(2)         | 378,626              | 4          | 91,802              | 1          |
| 15XX | <b>Total non-current assets</b>                                      |              | <u>5,359,491</u>     | <u>49</u>  | <u>2,559,796</u>    | <u>33</u>  |
| 1XXX | <b>Total assets</b>  |              | <u>\$ 11,015,327</u> | <u>100</u> | <u>\$ 7,797,211</u> | <u>100</u> |

(Continued)

**I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES**  
**Consolidated Balance Sheet**  
**December 31, 2024 and 2023**

Unit: NTD thousand

| Liabilities and Equity   |   | Notes     | December 31, 2024    |            | December 31, 2023   |            |
|--|---|-----------|----------------------|------------|---------------------|------------|
|  |   |           | Amount               | %          | Amount              | %          |
| <b>Liability</b>   |   |           |                      |            |                     |            |
| <b>Current liabilities</b>   |   |           |                      |            |                     |            |
| 2100   | Short-term borrowings   | 6(11) & 8 | \$ 734,340           | 7          | \$ 646,307          | 8          |
| 2130   | Contract liabilities – current  | 6(20)     | 14,242               | -          | 242                 | -          |
| 2150   | Notes payable   |           | 14,804               | -          | 72,240              | 1          |
| 2170   | Accounts payable  | 7         | 700,457              | 6          | 570,384             | -          |
| 2200   | Other payables  | 6(13)     | 495,652              | 5          | 358,349             | 5          |
| 2230   | Current income tax liabilities  |           | 2,971                | -          | 10,140              | -          |
| 2280   | Lease liabilities – current   |           | 21,694               | -          | 58,870              | 1          |
| 2320   | Long-term borrowings (including due within one year or one operating cycle) | 6(14) & 8 | 15,623               | -          | 966,667             | 13         |
| 2399   | Other current liabilities – others  |           | 5,435                | -          | 5,094               | -          |
| 21XX   | <b>Total current liabilities</b>  |           | <b>2,005,218</b>     | <b>18</b>  | <b>2,688,293</b>    | <b>35</b>  |
| <b>Non-current liabilities</b>   |   |           |                      |            |                     |            |
| 2500   | Financial liabilities at fair value through profit and loss - non-current   | 6(2)      | 2,220                | -          | -                   | -          |
| 2530   | Corporate Bonds Payable   | 6(12)     | 570,149              | 5          | -                   | -          |
| 2540   | Long-term borrowings  | 6(14) & 8 | 2,616,126            | 24         | 6,667               | -          |
| 2570   | Deferred income tax liabilities   | 6(25)     | 330,834              | 3          | 321,415             | 4          |
| 2580   | Lease liabilities – non-current   |           | 7,372                | -          | 294,478             | 4          |
| 2600   | Other non-current liabilities   | 6(15)     | 97,725               | 1          | 103,146             | 1          |
| 25XX   | <b>Total non-current liabilities</b>  |           | <b>3,624,426</b>     | <b>33</b>  | <b>725,706</b>      | <b>9</b>   |
| 2XXX   | <b>Total liabilities</b>  |           | <b>5,629,644</b>     | <b>51</b>  | <b>3,413,999</b>    | <b>44</b>  |
| <b>Equity</b>  |   |           |                      |            |                     |            |
| <b>Equity attributable to owners of the parent</b>                       |   |           |                      |            |                     |            |
| Share capital  |   |           |                      |            |                     |            |
| 3110   | Share capital – common stock  | 6(17)     | 2,339,586            | 21         | 2,219,586           | 28         |
| Capital surplus  |   |           |                      |            |                     |            |
| 3200   | Capital surplus   | 6(18)     | 2,776,019            | 24         | 1,864,432           | 24         |
| Retained earnings  |   |           |                      |            |                     |            |
| 3310   | Legal reserve   | 6(19)     | 52,415               | 1          | 32,697              | -          |
| 3320   | Special reserve   |           | 155,885              | 2          | 122,718             | 2          |
| 3350   | Retained earnings   |           | 29,122               | -          | 203,870             | 3          |
| Other equity   |   |           |                      |            |                     |            |
| 3400   | Other equity  |           | ( 144,666)           | ( 1)       | ( 212,676)          | ( 3)       |
| 3500   | Treasury stock  | 6(17)     | -                    | -          | ( 39,538)           | -          |
| 31XX   | <b>Total equity attributable to owners of the parent</b>                    |           | <b>5,208,361</b>     | <b>47</b>  | <b>4,191,089</b>    | <b>54</b>  |
| 36XX   | <b>Non-controlling equity</b>   | 6(27)     | <b>177,322</b>       | <b>2</b>   | <b>192,123</b>      | <b>2</b>   |
| 3XXX   | <b>Total equity</b>   |           | <b>5,385,683</b>     | <b>49</b>  | <b>4,383,212</b>    | <b>56</b>  |
| Significant Contingent Liabilities and Unrecognized Contract Commitments |   |           |                      |            |                     |            |
| Significant Events after the Balance Sheet Date                          |   |           |                      |            |                     |            |
| 3X2X   | <b>Total liabilities and equity</b>   | 11        | <b>\$ 11,015,327</b> | <b>100</b> | <b>\$ 7,797,211</b> | <b>100</b> |

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, 2024 and 2023**

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

|      | Items   | Notes            | 2024         |       | 2023         |       |
|------|---|------------------|--------------|-------|--------------|-------|
|      |   |                  | Amount       | %     | Amount       | %     |
| 4000 | Operating revenue   | 6(20)            | \$ 5,492,378 | 100   | \$ 5,068,696 | 100   |
| 5000 | Operating costs   | 6(5)(10)(24) & 7 | ( 4,721,507) | ( 86) | ( 4,351,582) | ( 86) |
| 5900 | Operating gross profit  |                  | 770,871      | 14    | 717,114      | 14    |
|      | Operating expense   | 6(24)            |              |       |              |       |
| 6100 | Selling expenses  |                  | ( 202,896)   | ( 4)  | ( 173,339)   | ( 3)  |
| 6200 | Administrative expenses   |                  | ( 396,373)   | ( 7)  | ( 307,085)   | ( 6)  |
| 6300 | Research and development expenses   |                  | ( 159,592)   | ( 3)  | ( 117,139)   | ( 2)  |
| 6450 | Expected credit impairment (loss) profit  | 12(2)            | ( 34,779)    | ( 1)  | 56,949       | 1     |
| 6000 | Total operating expenses  |                  | ( 793,640)   | ( 15) | ( 540,614)   | ( 10) |
| 6900 | Operating (loss) profit   |                  | ( 22,769)    | ( 1)  | 176,500      | 4     |
|      | Non-operating revenues and expenses   |                  |              |       |              |       |
| 7100 | Interest revenue  |                  | 27,839       | -     | 35,200       | 1     |
| 7010 | Other revenue   | 6(21)            | 28,693       | 1     | 16,377       | -     |
| 7020 | Other gains and losses  | 6(22)            | 90,201       | 2     | 76,168       | 1     |
| 7050 | Finance costs   | 6(23)            | ( 51,494)    | ( 1)  | ( 59,810)    | ( 1)  |
| 7060 | Share of Profit (Loss) of Associates and Joint Ventures Accounted for Using Equity Method | 6(6)             | ( 6,282)     | -     | -            | -     |
| 7000 | Total non-operating revenues and expenses   |                  | 88,957       | 2     | 67,935       | 1     |
| 7900 | <b>Net profit before tax</b>  |                  | 66,188       | 1     | 244,435      | 5     |
| 7950 | Income tax expense  | 6(25)            | ( 36,484)    | -     | ( 45,527)    | ( 1)  |
| 8200 | <b>Current net profit</b>   |                  | \$ 29,704    | 1     | \$ 198,908   | 4     |
|      | <b>Items that will not be reclassified to profit or loss</b>                              |                  |              |       |              |       |
| 8311 | Remeasurements of defined benefit plans   | 6(15)            | \$ 4,469     | -     | ( \$ 4,623)  | -     |
| 8349 | Income tax related to items that will not be reclassified to profit or loss               | 6(25)            | ( 894)       | -     | 924          | -     |
| 8310 | Total of items that will not be reclassified to profit or loss                            |                  | 3,575        | -     | ( 3,699)     | -     |
|      | <b>Items that may be reclassified to profit or loss</b>                                   |                  |              |       |              |       |
| 8361 | Financial statements translation differences of foreign operations                        |                  | 85,012       | 1     | ( 41,459)    | ( 1)  |
| 8399 | Income tax relating to the items that may be reclassified to profit or loss               | 6(25)            | ( 17,002)    | -     | 8,292        | -     |
| 8360 | Sum of items that may be reclassified to profit or loss                                   |                  | 68,010       | 1     | ( 33,167)    | ( 1)  |
| 8300 | <b>Other comprehensive income (net)</b>   |                  | \$ 71,585    | 1     | ( \$ 36,866) | ( 1)  |
| 8500 | <b>Total comprehensive income for current period</b>                                      |                  | \$ 101,289   | 2     | \$ 162,042   | 3     |
|      | Net income (loss) attributable to:  |                  |              |       |              |       |
| 8610 | Owners of the parent  |                  | \$ 18,807    | 1     | \$ 200,887   | 4     |
| 8620 | Non-controlling equity  |                  | 10,897       | -     | ( 1,979)     | -     |
|      |   |                  | \$ 29,704    | 1     | \$ 198,908   | 4     |
|      | Total comprehensive income attributable to:   |                  |              |       |              |       |
| 8710 | Owners of the parent  |                  | \$ 90,420    | 2     | \$ 164,021   | 3     |
| 8720 | Non-controlling equity  |                  | 10,869       | -     | ( 1,979)     | -     |
|      |   |                  | \$ 101,289   | 2     | \$ 162,042   | 3     |
|      | Earnings per share (EPS)  | 6(26)            |              |       |              |       |
| 9750 | Basic earnings per share  |                  | \$ 0.08      |       | \$ 0.92      |       |
| 9850 | Diluted earnings per share  |                  | \$ 0.08      |       | \$ 0.92      |       |

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, 2024 and 2023

Unit: NTD thousand

|   |           | Equity attributable to owners of the parent |                 |               |                 |                        |  |                |              |                        |              |
|---|-----------|---|-----------------|---------------|-----------------|------------------------|--|----------------|--------------|------------------------|--------------|
|   |           | Retained earnings                           |                 |               |                 |                        | Other equity   |                |              |                        |              |
|   |           | Share capital – common stock                | Capital surplus | Legal reserve | Special reserve | Undistributed earnings | Financial statements translation differences of foreign operations | Treasury stock | Total        | Non-controlling equity | Total equity |
| Notes   |           |   |                 |               |                 |                        |  |                |              |                        |              |
| <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(19)     |   |                 |               |                 |                        |  |                |              |                        |              |
| 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(27)     | -   | -               | -             | -               | -                      | -  | -              | -            | ( 3,191 )              | ( 3,191 )    |
| Treasury shares repurchased                                 | 6(17)(28) | -   | -               | -             | -               | -                      | -  | ( 29,326 )     | ( 29,326 )   | -                      | ( 29,326 )   |
| Cost of share-based payment                                 | 6(16)(18) | -   | 47,962          | -             | -               | -                      | -  | -              | 47,962       | -                      | 47,962       |
| Treasury shares subscribed for by employees                 | 6(17)(18) | -   | ( 151 )         | -             | -               | -                      | -  | 50,490         | 50,339       | -                      | 50,339       |
| Disposal of equity in a subsidiary (without losing control) | 6(18)(27) | -   | 2,197           | -             | -               | -                      | -  | -              | 2,197        | 4,026                  | 6,223        |
| Acquisition of subsidiary                                   |           | -   | -               | -             | -               | -                      | -  | -              | -            | 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 |
| <u>2024</u>   |           |   |                 |               |                 |                        |  |                |              |                        |              |
| Balance at January 1, 2024                                  |           | \$ 2,219,586                                | \$ 1,864,432    | \$ 32,697     | \$ 122,718      | \$ 203,870             | (\$ 212,676)   | (\$ 39,538)    | \$ 4,191,089 | \$ 192,123             | \$ 4,383,212 |
| Current net profit  |           | -   | -               | -             | -               | 18,807                 | -  | -              | 18,807       | 10,897                 | 29,704       |
| Other comprehensive income for current period               |           | -   | -               | -             | -               | 3,603                  | 68,010   | -              | 71,613       | ( 28 )                 | 71,585       |
| Total comprehensive income for current period               |           | -   | -               | -             | -               | 22,410                 | 68,010   | -              | 90,420       | 10,869                 | 101,289      |
| Capital increase in cash                                    | 6(17)     | 120,000                                     | 744,000         | -             | -               | -                      | -  | -              | 864,000      | -                      | 864,000      |
| Earnings appropriation and distribution for 2023:           | 6(19)     |   |                 |               |                 |                        |  |                |              |                        |              |
| Allocation for Legal reserve                                |           | -   | -               | 19,718        | -               | ( 19,718 )             | -  | -              | -            | -                      | -            |
| Allocation for Special reserve                              |           | -   | -               | -             | 33,167          | ( 33,167 )             | -  | -              | -            | -                      | -            |
| Cash dividend paid out                                      |           | -   | -               | -             | -               | ( 144,273 )            | -  | -              | ( 144,273 )  | -                      | ( 144,273 )  |
| Cash dividend paid out by subsidiary                        | 6(27)     | -   | -               | -             | -               | -                      | -  | -              | -            | ( 11,965 )             | ( 11,965 )   |
| Issuance of Convertible Corporate Bonds                     | 6(12)(18) | -   | 37,026          | -             | -               | -                      | -  | -              | 37,026       | -                      | 37,026       |
| Cost of share-based payment                                 | 6(16)(18) | -   | 130,126         | -             | -               | -                      | -  | -              | 130,126      | -                      | 130,126      |
| Treasury shares subscribed for by employees                 | 6(16)(18) | -   | ( 106 )         | -             | -               | -                      | -  | 39,538         | 39,432       | -                      | 39,432       |
| Disposal of Subsidiary Equity (Loss of Control)             | 6(6)(18)  | -   | 387             | -             | -               | -                      | -  | -              | 387          | ( 13,705 )             | ( 13,318 )   |
| Changes in Ownership Interests in Investments               | 6(18)     | -   | -               | -             | -               | -                      | -  | -              | -            | -                      | -            |
| Accounted for Using Equity Method                           |           | -   | 90              | -             | -               | -                      | -  | -              | 90           | -                      | 90           |
| Exercise of Disgorgement Rights                             | 6(18)     | -   | 64              | -             | -               | -                      | -  | -              | 64           | -                      | 64           |
| Balance at December 31, 2024                                |           | \$ 2,339,586                                | \$ 2,776,019    | \$ 52,415     | \$ 155,885      | \$ 29,122              | (\$ 144,666)   | \$ -           | \$ 5,208,361 | \$ 177,322             | \$ 5,385,683 |

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, 2024 and 2023**

Unit: NTD thousand

|   | Notes           | January 1 to<br>December 31, 2024 | January 1 to<br>December 31, 2023 |
|---|-----------------|-----------------------------------|-----------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                 |                                   |                                   |
| Current net profit before tax   |                 | \$ 66,188                         | \$ 244,435                        |
| Adjustments   |                 |                                   |                                   |
| Adjustments to reconcile profit (loss)  |                 |                                   |                                   |
| Depreciation expenses   | 6(7)(8)(10)(24) | 412,710                           | 447,276                           |
| Amortization expenses   | 6(24)           | 7,549                             | 6,592                             |
| Expected credit impairment loss (profit)  | 12(2)           | 34,779                            | ( 56,949 )                        |
| Net gains on financial assets and liabilities at fair value through profit and loss | 6(22)           | ( 32,501 )                        | ( 71,342 )                        |
| Interest expenses   | 6(23)           | 51,494                            | 59,810                            |
| Interest revenue  |                 | ( 27,839 )                        | ( 35,200 )                        |
| Dividend revenue  | 6(21)           | ( 1,080 )                         | ( 450 )                           |
| Cost of share-based payment   | 6(16)           | 130,126                           | 47,962                            |
| Share of Loss of Associates Accounted for Using Equity Method                       | 6(6)            | 6,282                             | -                                 |
| Loss on Disposal of Property, Plant and Equipment                                   | 6(22)           | 46,972                            | 1,821                             |
| Property, Plant and Equipment Transferred to Expenses                               |                 | 87                                | -                                 |
| Impairment Loss on Property, Plant, and Equipment                                   | 6(22)           | 15,115                            | -                                 |
| Gains arising from lease changes  | 6(8)(22)        | ( 24,766 )                        | -                                 |
| Changes in operating assets and liabilities   |                 |                                   |                                   |
| Net changes in operating assets   |                 |                                   |                                   |
| Financial assets at fair value through profit and loss                              |                 | 31,525                            | ( 2,333 )                         |
| Notes receivable  |                 | 77,831                            | 15,672                            |
| Accounts receivable   |                 | ( 445,445 )                       | ( 190,615 )                       |
| Other receivables   |                 | 9,684                             | 5,992                             |
| Inventories   |                 | ( 204,862 )                       | 227,813                           |
| Other current assets  |                 | ( 102,253 )                       | ( 3,155 )                         |
| Other non-current assets  |                 | 24,449                            | ( 7,894 )                         |
| Net changes in operating liabilities  |                 |                                   |                                   |
| Contract liabilities – current  |                 | 14,000                            | ( 14,701 )                        |
| Notes payable   |                 | ( 57,436 )                        | 67,454                            |
| Accounts payable  |                 | 131,609                           | 94,403                            |
| Other payables  |                 | 90,567                            | 52,200                            |
| Other current liabilities   |                 | 404                               | ( 696 )                           |
| Other non-current liabilities   |                 | ( 5,188 )                         | ( 6,662 )                         |
| Cash inflow generated from operations   |                 | 250,001                           | 881,433                           |
| Interest received   |                 | 27,886                            | 35,309                            |
| Dividends received  |                 | 1,080                             | 450                               |
| Interest paid   | 6(28)           | ( 45,471 )                        | ( 60,005 )                        |
| Income tax paid   |                 | ( 13,484 )                        | ( 12,429 )                        |
| Net cash inflow from operating activities   |                 | 220,012                           | 844,758                           |

(Continued)

**I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the Years Ended December 31, 2024 and 2023**

Unit: NTD thousand

|   | Notes       | January 1 to<br>December 31, 2024 | January 1 to<br>December 31, 2023 |
|---|-------------|-----------------------------------|-----------------------------------|
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |             |                                   |                                   |
| Acquisition of financial assets at fair value through profit and loss – non-current |             | \$ -                              | ( \$ 20,000 )                     |
| Decrease (increase) in financial assets at amortized cost                           |             | 75,920                            | ( 56,113 )                        |
| Acquisition of Investments Accounted for Using Equity Method                        | 6(6) & 7(9) | ( 34,767 )                        | -                                 |
| Net Cash Outflow from Disposal of Subsidiaries                                      | 6(28)       | ( 20,147 )                        | -                                 |
| Increase in other non-current assets  |             | ( 35,921 )                        | ( 5,681 )                         |
| Price of purchase of property, plant and equipment                                  | 6(28)       | ( 3,443,388 )                     | ( 129,013 )                       |
| Proceeds from disposal of property, plant and equipment                             |             | 17,986                            | 21,015                            |
| Price of purchase of intangible assets  |             | ( 6,405 )                         | ( 10,993 )                        |
| Cash inflow generated from the merger and acquisition                               | 6(27)       | -                                 | 15,550                            |
| Cash outflow from investing activities  |             | ( 3,446,722 )                     | ( 185,235 )                       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>   |             |                                   |                                   |
| Increase (decrease) in Short-term borrowings  | 6(29)       | 88,033                            | ( 51,684 )                        |
| Issuance of Convertible Corporate Bonds   | 6(29)       | 603,167                           | -                                 |
| New long-term borrowings  | 6(29)       | 2,629,560                         | -                                 |
| Repayment of long-term borrowings   | 6(29)       | ( 971,145 )                       | ( 265,416 )                       |
| Repayment of lease principal  | 6(29)       | ( 57,747 )                        | ( 56,739 )                        |
| Increase (decrease) in other non-current liabilities                                |             | -                                 | ( 967 )                           |
| Cash dividend paid out  | 6(19)       | ( 144,273 )                       | ( 87,183 )                        |
| Capital increase in cash  | 6(17)       | 864,000                           | -                                 |
| Treasury shares transferred to employees  | 6(17)       | 39,432                            | 50,490                            |
| Repurchased treasury shares   | 6(28)       | -                                 | ( 40,367 )                        |
| Proceeds from the disposal of equity in a subsidiary (without loss of control)      | 6(27)       | -                                 | 6,223                             |
| Cash Dividends Distributed by Subsidiaries to Non-controlling Interests             | 6(27)       | ( 11,965 )                        | ( 3,191 )                         |
| Exercise of Disgorgement Rights   | 6(18)       | 64                                | -                                 |
| Net cash inflow (outflow) from financing activities                                 |             | 3,039,126                         | ( 448,834 )                       |
| Effect of exchange rate changes on cash and cash equivalents                        |             | 49,732                            | ( 30,529 )                        |
| Net increase (decrease) in cash and cash equivalents of the current period          |             | ( 137,852 )                       | 180,160                           |
| Balance of cash and cash equivalents, beginning of period                           |             | 1,492,468                         | 1,312,308                         |
| Balance of cash and cash equivalents, end of period                                 |             | \$ 1,354,616                      | \$ 1,492,468                      |

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.  
PARENT COMPANY ONLY BALANCE SHEETS  
December 31, 2024 and 2023

Unit: NTD thousand

|                    |  |                 | December 31, 2024 |           | December 31, 2023 |    |           |     |
|--------------------|--|-----------------|-------------------|-----------|-------------------|----|-----------|-----|
| Asset              |  |                 | Amount            |           | Amount            |    |           |     |
| Notes              |  |                 | %                 |           | %                 |    |           |     |
| Current assets     |  |                 |                   |           |                   |    |           |     |
| 1100               | Cash and cash equivalents  | 6(1)            | \$                | 343,365   | 4                 | \$ | 557,972   | 8   |
| 1110               | Financial assets at fair value through profit and loss - current     | 6(2)            |                   | 136,516   | 2                 |    | 137,225   | 2   |
| 1136               | Financial assets at amortized cost - current                         | 6(3) & 8        |                   | -         | -                 |    | 28,000    | -   |
| 1150               | Notes receivable, net  | 6(4) & 12(2)    |                   | 42        | -                 |    | -         | -   |
| 1170               | Accounts receivable, net   | 6(4) & 12(2)    |                   | 1,066,886 | 11                |    | 960,792   | 15  |
| 1180               | Accounts receivable - related parties, net                           | 6(4), 7 & 12(2) |                   | 13,315    | -                 |    | 17,519    | -   |
| 1200               | Other receivables  |                 |                   | 70,062    | 1                 |    | 88,689    | 1   |
| 1210               | Other receivables - related parties                                  | 7               |                   | 30,000    | -                 |    | 44,346    | 1   |
| 1220               | Current income tax assets  |                 |                   | 8,447     | -                 |    | -         | -   |
| 130X               | Inventories  | 6(5)            |                   | 889,440   | 9                 |    | 726,487   | 11  |
| 1479               | Other current assets - others  |                 |                   | 12,416    | -                 |    | 33,849    | 1   |
| 11XX               | Total current assets   |                 |                   | 2,570,489 | 27                |    | 2,594,879 | 39  |
| Non-current assets |  |                 |                   |           |                   |    |           |     |
| 1510               | Financial assets at fair value through profit and loss - Non-current | 6(2)            |                   | 22,198    | -                 |    | 20,000    | -   |
| 1550               | Investments accounted for under equity method                        | 6(6)            |                   | 2,908,336 | 30                |    | 2,747,591 | 42  |
| 1600               | Property, plant and equipment  | 6(7) & 8        |                   | 3,716,736 | 39                |    | 834,707   | 13  |
| 1755               | Right-of-use assets  | 6(8)            |                   | 5,508     | -                 |    | 293,579   | 5   |
| 1780               | Intangible assets  |                 |                   | 21,468    | -                 |    | 22,147    | -   |
| 1840               | Deferred income tax assets   | 6(23)           |                   | 70,404    | 1                 |    | 78,620    | 1   |
| 1900               | Other non-current assets   | 9(2)            |                   | 323,966   | 3                 |    | 20,459    | -   |
| 15XX               | Total non-current assets   |                 |                   | 7,068,616 | 73                |    | 4,017,103 | 61  |
| 1XXX               | Total assets   |                 | \$                | 9,639,105 | 100               | \$ | 6,611,982 | 100 |

(Continued)

I-CHIUN PRECISION INDUSTRY CO., LTD.  
PARENT COMPANY ONLY BALANCE SHEETS  
December 31, 2024 and 2023

Unit: NTD thousand

| Liabilities and shareholders' equity |   |           | December 31, 2024 |      | December 31, 2023 |      |
|--------------------------------------|---|-----------|-------------------|------|-------------------|------|
|                                      |   |           | Amount            | %    | Amount            | %    |
| Liability                            |   |           |                   |      |                   |      |
| Current liabilities                  |   |           |                   |      |                   |      |
| 2100                                 | Short-term borrowings   | 6(9)      | \$ 410,000        | 5    | \$ 240,000        | 4    |
| 2130                                 | Contract liabilities - current  | 6(18)     | 10,065            | -    | -                 | -    |
| 2170                                 | Accounts payable  | 7         | 276,912           | 3    | 304,055           | 5    |
| 2200                                 | Other payables  | 6(11)     | 207,920           | 2    | 183,606           | 3    |
| 2230                                 | Current income tax liabilities  |           | 2,971             | -    | 10,140            | -    |
| 2280                                 | Lease liabilities - current   |           | 5,187             | -    | 43,205            | 1    |
| 2320                                 | Long-term borrowings (including due within one year or one operating cycle) | 6(12) & 8 | -                 | -    | 960,000           | 14   |
| 2399                                 | Other current liabilities - others  |           | 2,667             | -    | 3,632             | -    |
| 21XX                                 | Total current liabilities   |           | 915,722           | 10   | 1,744,638         | 27   |
| Non-current liabilities              |   |           |                   |      |                   |      |
| 2500                                 | Financial liabilities at fair value through profit and loss - non-current   | 6(2)      | 2,220             | -    | -                 | -    |
| 2530                                 | Corporate Bonds Payable   | 6(10)     | 570,149           | 6    | -                 | -    |
| 2540                                 | Long-term borrowings  | 6(12) & 8 | 2,540,000         | 26   | -                 | -    |
| 2570                                 | Deferred income tax liabilities   | 6(7)(23)  | 328,797           | 3    | 321,416           | 5    |
| 2580                                 | Lease liabilities - non-current   |           | 624               | -    | 271,880           | 4    |
| 2600                                 | Other non-current liabilities   | 6(13)     | 73,232            | 1    | 82,959            | 1    |
| 25XX                                 | Total non-current liabilities   |           | 3,515,022         | 36   | 676,255           | 10   |
| 2XXX                                 | Total liabilities   |           | 4,430,744         | 46   | 2,420,893         | 37   |
| Equity                               |   |           |                   |      |                   |      |
|                                      | Share capital   | 6(15)     |                   |      |                   |      |
| 3110                                 | Share capital - common stock  |           | 2,339,586         | 24   | 2,219,586         | 34   |
|                                      | Capital surplus   | 6(16)     |                   |      |                   |      |
| 3200                                 | Capital surplus   |           | 2,776,019         | 28   | 1,864,432         | 28   |
|                                      | Retained earnings   | 6(17)     |                   |      |                   |      |
| 3310                                 | Legal reserve   |           | 52,415            | 1    | 32,697            | -    |
| 3320                                 | Special reserve   |           | 155,885           | 2    | 122,718           | 2    |
| 3350                                 | Undistributed earnings  |           | 29,122            | -    | 203,870           | 3    |
|                                      | Other equity  |           |                   |      |                   |      |
| 3400                                 | Other equity  |           | ( 144,666)        | ( 1) | ( 212,676)        | ( 3) |
| 3500                                 | Treasury stock  | 6(15)     | -                 | -    | ( 39,538)         | ( 1) |
| 3XXX                                 | Total equity  |           | 5,208,361         | 54   | 4,191,089         | 63   |
|                                      | Significant Contingent Liabilities and Unrecognized Contract Commitments    | 9         |                   |      |                   |      |
|                                      | Significant Events after the Balance Sheet Date                             | 11        |                   |      |                   |      |
| 3X2X                                 | Total liabilities and equity  |           | \$ 9,639,105      | 100  | \$ 6,611,982      | 100  |

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, 2024 and 2023**

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

|      | Items   | Notes        | 2024             |             | 2023                |             |
|------|---|--------------|------------------|-------------|---------------------|-------------|
|      |   |              | Amount           | %           | Amount              | %           |
| 4000 | Operating revenue   | 6(18) & 7    | \$ 2,593,933     | 100         | \$ 2,598,476        | 100         |
| 5000 | Operating costs   | 6(5)(22) & 7 | ( 2,301,461)     | ( 90)       | ( 2,227,955)        | ( 86)       |
| 5900 | Operating gross profit  |              | 292,472          | 10          | 370,521             | 14          |
| 5910 | Unrealized loss (profit) from sales   |              | 158              | -           | ( 2,033)            | -           |
| 5950 | Net operating margin  |              | 292,630          | 10          | 368,488             | 14          |
|      | Operating expense   | 6(22) & 7    |                  |             |                     |             |
| 6100 | Selling expenses  |              | ( 81,972)        | ( 3)        | ( 72,068)           | ( 3)        |
| 6200 | Administrative expenses   |              | ( 253,004)       | ( 10)       | ( 191,915)          | ( 7)        |
| 6300 | Research and development expenses   |              | ( 38,612)        | ( 2)        | ( 36,540)           | ( 1)        |
| 6450 | Expected credit impairment gain (loss)  | 12(2)        | ( 8,316)         | -           | 7,673               | -           |
| 6000 | Total operating expenses  |              | ( 381,904)       | ( 15)       | ( 292,850)          | ( 11)       |
| 6900 | Operating (loss) profit   |              | ( 89,274)        | ( 5)        | 75,638              | 3           |
|      | Non-operating revenues and expenses   |              |                  |             |                     |             |
| 7100 | Interest revenue  |              | 10,060           | -           | 11,219              | 1           |
| 7010 | Other revenue   | 6(19)        | 4,959            | -           | 3,171               | -           |
| 7020 | Other gains and losses  | 6(20)        | 66,210           | 3           | 61,309              | 2           |
| 7050 | Finance costs   | 6(21)        | ( 40,366)        | ( 2)        | ( 46,360)           | ( 2)        |
| 7070 | Share of profit or loss on associates and joint ventures accounted for under equity method  | 6(6)         | 67,945           | 3           | 128,824             | 5           |
| 7000 | Total non-operating revenues and expenses   |              | 108,808          | 4           | 158,163             | 6           |
| 7900 | <b>Net profit before tax</b>  |              | 19,534           | ( 1)        | 233,801             | 9           |
| 7950 | Income tax expense  | 6(23)        | ( 727)           | -           | ( 32,914)           | ( 1)        |
| 8200 | <b>Current net profit</b>   |              | <u>\$ 18,807</u> | <u>( 1)</u> | <u>\$ 200,887</u>   | <u>8</u>    |
|      | <b>Other comprehensive income (net)</b>   |              |                  |             |                     |             |
|      | <b>Items that will not be reclassified to profit or loss</b>  |              |                  |             |                     |             |
| 8311 | Remeasurements of defined benefit plans   | 6(13)        | \$ 4,588         | -           | ( \$ 4,623)         | -           |
| 8330 | Share of other comprehensive income of subsidiaries, associates, and joint ventures accounted for using the equity method - items that will not be reclassified to profit or loss |              | ( 67)            | -           | -                   | -           |
| 8349 | Income tax related to items that will not be reclassified to profit or loss   | 6(23)        | ( 918)           | -           | 924                 | -           |
| 8310 | Total of items that will not be reclassified to profit or loss  |              | 3,603            | -           | ( 3,699)            | -           |
|      | <b>Items that may be reclassified to profit or loss</b>   |              |                  |             |                     |             |
| 8361 | Financial statements translation differences of foreign operations  |              | 85,012           | 3           | ( 41,459)           | ( 2)        |
| 8399 | Income tax relating to the items that may be reclassified to profit or loss   | 6(23)        | ( 17,002)        | -           | 8,292               | -           |
| 8360 | Sum of items that may be reclassified to profit or loss   |              | 68,010           | 3           | ( 33,167)           | ( 2)        |
| 8300 | <b>Other comprehensive income (net)</b>   |              | <u>\$ 71,613</u> | <u>3</u>    | <u>( \$ 36,866)</u> | <u>( 2)</u> |
| 8500 | <b>Total comprehensive income for current period</b>  |              | <u>\$ 90,420</u> | <u>2</u>    | <u>\$ 164,021</u>   | <u>6</u>    |
|      | Earnings per share (EPS)  | 6(24)        |                  |             |                     |             |
| 9750 | Basic earnings per share  |              | \$ 0.08          |             | \$ 0.92             |             |
| 9850 | Diluted earnings per share  |              | \$ 0.08          |             | \$ 0.92             |             |

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, 2024 and 2023

Unit: NTD thousand

|   |           |                                 | Retained earnings |               |                 | Other equity              |  |                |              |
|---|-----------|---------------------------------|-------------------|---------------|-----------------|---------------------------|--|----------------|--------------|
|   |           | Share capital -<br>common stock | Capital surplus   | Legal reserve | Special reserve | Undistributed<br>earnings | Financial<br>statements<br>translation<br>differences of<br>foreign operations | Treasury stock | Total equity |
|   | Notes     |                                 |                   |               |                 |                           |  |                |              |
| <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(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 )   |
| Treasury shares repurchased   | 6(15)     | -                               | -                 | -             | -               | -                         | -  | ( 29,326 )     | ( 29,326 )   |
| Cost of share-based payment   | 6(14)(16) | -                               | 47,962            | -             | -               | -                         | -  | -              | 47,962       |
| Treasury shares subscribed for by employees                                     | 6(15)(16) | -                               | ( 151 )           | -             | -               | -                         | -  | 50,490         | 50,339       |
| Disposal of equity in a subsidiary (without losing control)                     | 6(16)     | -                               | 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 |
| <u>2024</u>   |           |                                 |                   |               |                 |                           |  |                |              |
| Balance at January 1, 2024  |           | \$ 2,219,586                    | \$ 1,864,432      | \$ 32,697     | \$ 122,718      | \$ 203,870                | (\$ 212,676 )  | (\$ 39,538 )   | \$ 4,191,089 |
| Current net profit  |           | -                               | -                 | -             | -               | 18,807                    | -  | -              | 18,807       |
| Other comprehensive income for current period                                   |           | -                               | -                 | -             | -               | 3,603                     | 68,010   | -              | 71,613       |
| Total comprehensive income for current period                                   |           | -                               | -                 | -             | -               | 22,410                    | 68,010   | -              | 90,420       |
| Capital increase in cash  | 6(15)     | 120,000                         | 744,000           | -             | -               | -                         | -  | -              | 864,000      |
| Earnings appropriation and distribution for 2023:                               | 6(17)     |                                 |                   |               |                 |                           |  |                |              |
| Allocation for Legal reserve  |           | -                               | -                 | 19,718        | -               | ( 19,718 )                | -  | -              | -            |
| Allocation for Special reserve  |           | -                               | -                 | -             | 33,167          | ( 33,167 )                | -  | -              | -            |
| Cash dividend paid out  |           | -                               | -                 | -             | -               | ( 144,273 )               | -  | -              | ( 144,273 )  |
| Issuance of Convertible Corporate Bonds   | 6(10)(16) | -                               | 37,026            | -             | -               | -                         | -  | -              | 37,026       |
| Cost of share-based payment   | 6(14)(16) | -                               | 130,126           | -             | -               | -                         | -  | -              | 130,126      |
| Treasury shares subscribed for by employees                                     | 6(15)(16) | -                               | ( 106 )           | -             | -               | -                         | -  | 39,538         | 39,432       |
| Disposal of equity in a subsidiary (loss of control)                            | 6(16)     | -                               | 387               | -             | -               | -                         | -  | -              | 387          |
| Changes in Ownership Interests in Investments Accounted for Using Equity Method | 6(16)     | -                               | 90                | -             | -               | -                         | -  | -              | 90           |
| Exercise of Disgorgement Rights   | 6(16)     | -                               | 64                | -             | -               | -                         | -  | -              | 64           |
| Balance at December 31, 2024  |           | \$ 2,339,586                    | \$ 2,776,019      | \$ 52,415     | \$ 155,885      | \$ 29,122                 | (\$ 144,666 )  | \$ -           | \$ 5,208,361 |

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, 2024 and 2023

Unit: NTD thousand

|   | Notes       | January 1 to<br>December 31, 2024 | January 1 to<br>December 31, 2023 |
|---|-------------|-----------------------------------|-----------------------------------|
| <u>CASH FLOWS FROM OPERATING ACTIVITIES</u>   |             |                                   |                                   |
| Current net profit before tax   |             | \$ 19,534                         | \$ 233,801                        |
| Adjustments   |             |                                   |                                   |
| Adjustments to reconcile profit (loss)  |             |                                   |                                   |
| Depreciation expenses   | 6(7)(8)(22) | 184,150                           | 193,018                           |
| Amortization expenses   | 6(22)       | 5,577                             | 4,361                             |
| Expected credit impairment loss (reversal gain)                                     | 12(2)       | 8,316                             | ( 7,673 )                         |
| Net gains on financial assets and liabilities at fair value through profit and loss | 6(2)(20)    | ( 22,223 )                        | ( 50,042 )                        |
| Interest expenses   | 6(21)       | 40,366                            | 46,360                            |
| Interest revenue  |             | ( 10,060 )                        | ( 11,219 )                        |
| Dividend revenue  | 6(19)       | ( 1,080 )                         | -                                 |
| Cost of share-based payment   | 6(14)       | 130,126                           | 47,962                            |
| Share of profit or loss on subsidiaries using equity method                         | 6(6)        | ( 67,945 )                        | ( 128,824 )                       |
| Losses (gains) on disposal of property, plant and equipment                         | 6(20)       | 53,025                            | ( 2,185 )                         |
| Gains arising from lease changes  | 6(20)       | ( 24,766 )                        | -                                 |
| Unrealized gains with associates  |             | -                                 | ( 2,003 )                         |
| Unrealized profit/loss from sales   |             | ( 158 )                           | 2,033                             |
| Changes in operating assets and liabilities   |             |                                   |                                   |
| Net changes in operating assets   |             |                                   |                                   |
| Financial Assets and Liabilities at Fair Value through Profit or Loss               |             |                                   |                                   |
| Notes receivable  |             | 21,154                            | ( 23,462 )                        |
| Accounts receivable (including related parties)                                     |             | ( 42 )                            | -                                 |
| Other receivables – (including related parties)                                     |             | ( 107,926 )                       | ( 53,098 )                        |
| Inventories   |             | 50,750                            | 49,602                            |
| Other current assets  |             | ( 141,625 )                       | 177,254                           |
| Other non-current assets  |             | 336                               | ( 9,539 )                         |
| Net changes in operating liabilities  |             |                                   |                                   |
| Contract liabilities - current  |             | -                                 | 1,623                             |
| Accounts payable  |             | 10,065                            | ( 13,029 )                        |
| Other payables  |             | ( 27,143 )                        | 84,573                            |
| Other current liabilities   |             | 7,380                             | 42,009                            |
| Other non-current liabilities   |             | ( 965 )                           | ( 1,543 )                         |
| Cash inflow generated from operations   |             | ( 5,141 )                         | ( 6,660 )                         |
| Interest received   |             | 121,705                           | 573,319                           |
| Dividends received  |             | 10,005                            | 11,219                            |
| Interest paid   |             | 1,080                             | -                                 |
| Income tax paid   | 6(25)       | ( 34,269 )                        | ( 46,364 )                        |
| Net cash inflow from operating activities   |             | ( 18,666 )                        | ( 10,270 )                        |
|   |             | 79,855                            | 527,904                           |

(Continued)



I-CHIUN PRECISION INDUSTRY CO., LTD.  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
For the Years Ended December 31, 2024 and 2023

Unit: NTD thousand

|   | Notes         | January 1 to<br>December 31, 2024 | January 1 to<br>December 31, 2023 |
|---|---------------|-----------------------------------|-----------------------------------|
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u>   |               |                                   |                                   |
| Acquisition of financial assets at fair value through profit and loss – non-current |               | \$ -                              | ( \$ 20,000 )                     |
| Decrease in financial assets at amortized cost                                      |               | 28,000                            | -                                 |
| Acquisition of investments accounted for using the equity method                    | 6(6) and 7(2) | ( 34,767 )                        | -                                 |
| Acquisition of subsidiary   | 6(6)          | -                                 | ( 20,000 )                        |
| Proceeds from the disposal of equity in a subsidiary (without loss of control)      |               | -                                 | 6,223                             |
| Cash dividend paid out by subsidiary  |               | 27,549                            | 7,346                             |
| Price of purchase of property, plant and equipment                                  | 6(25)         | ( 3,334,007 )                     | ( 72,558 )                        |
| Proceeds from disposal of property, plant and equipment                             |               | 8,802                             | 2,736                             |
| Price of acquisition of intangible assets   |               | ( 4,898 )                         | ( 9,718 )                         |
| Increase in other receivables – related parties                                     |               | ( 25,000 )                        | ( 5,000 )                         |
| Increase in other non-current assets  |               | ( 30,991 )                        | ( 94 )                            |
| Cash outflow from investing activities  |               | ( 3,365,312 )                     | ( 111,065 )                       |
| <u>CASH FLOWS FROM FINANCING ACTIVITIES</u>   |               |                                   |                                   |
| Increase (decrease) in Short-term borrowings  | 6(26)         | 170,000                           | ( 20,000 )                        |
| Issuance of Convertible Corporate Bonds   | 6(26)         | 603,167                           | -                                 |
| New long-term borrowings  | 6(26)         | 2,540,000                         | -                                 |
| Repayment of long-term borrowings   | 6(26)         | ( 960,000 )                       | ( 240,000 )                       |
| Repayment of lease principal  | 6(26)         | ( 41,540 )                        | ( 41,310 )                        |
| Cash dividend paid out  | 6(17)         | ( 144,273 )                       | ( 87,183 )                        |
| Capital increase in cash  | 6(15)         | 864,000                           | -                                 |
| Treasury shares transferred to employees  | 6(15)         | 39,432                            | 50,490                            |
| Repurchased treasury shares   | 6(25)         | -                                 | ( 40,367 )                        |
| Exercise of Disgorgement Rights   | 6(16)         | 64                                | -                                 |
| Net cash inflow (outflow) from financing activities                                 |               | 3,070,850                         | ( 378,370 )                       |
| Net increase (decrease) in cash and cash equivalents of the current period          |               | ( 214,607 )                       | 38,469                            |
| Balance of cash and cash equivalents, beginning of period                           |               | 557,972                           | 519,503                           |
| Balance of cash and cash equivalents, end of period                                 |               | <u>\$ 343,365</u>                 | <u>\$ 557,972</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.

## Articles of Incorporation (full texts before amendment)

### 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 NT\$3,000,000,000, divided into 300,000,000 shares, at a par value of NT\$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.

I. 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.

II. 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.

III. 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 consent 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 NT\$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.

## Rules of Procedure for Board of Directors Meetings

### (Full Text Before Amendment)

Article 1 (Basis for These Rules)

In order to establish a sound governance system for the Company's Board of Directors, strengthen supervisory functions, and enhance management capabilities, these Rules are adopted pursuant to Article 2 of the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies."

Article 2 (Scope of These Rules)

The main agenda items, operational procedures, required contents of minutes, public announcements, and other matters to be followed by the Company's Board of Directors shall be handled in accordance with these Rules.

Article 3 (Board Meeting Convening and Meeting Notification)

The Company's Board of Directors shall meet at least once quarterly.

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.

The matters listed in Paragraph 1, Article 12 of these Rules shall be specified in the notice of the board meeting and may not be raised as extemporaneous motions.

Article 4 (Meeting Notification and Meeting Materials)

The Company designates the Finance and Accounting Department as the unit responsible for handling board meeting affairs.

The unit responsible for board meeting affairs shall draft board meeting agendas and provide sufficient meeting materials, which shall be sent together with the notice of the meeting.

If a director considers the meeting materials to be insufficient, he/she may request the unit responsible for meeting affairs to provide supplementary materials. If a director considers the proposal materials to be insufficient, deliberation of the proposal may be postponed by a resolution of the board of directors.

Article 5 (Attendance Book and Proxy Attendance)

When convening a board meeting, an attendance book shall be provided for the attending directors to sign in for reference purposes.

Directors shall attend board meetings in person. If a director is unable to attend in person, he/she may appoint another director to attend as his/her proxy in accordance with the Company's Articles of Incorporation. Directors participating via videoconference shall be deemed as attending in person.

When a director appoints another director as his/her proxy to attend a board meeting, a proxy form shall be issued for each meeting, specifying the scope of authorization regarding the reasons for the meeting.

The proxy referred to in Paragraph 2 above may accept the appointment of only one person.

Article 6 (Principles for Board Meeting Location and Time)

The location and time of the Company's board meetings shall be at the Company's premises during business hours or at a location and time convenient for directors to attend and suitable for holding board meetings.

Article 7 (Board Chairman and Acting Chairman)

The Board of Directors meetings shall be convened by the Chairman of the Board, who shall serve as the chairperson. However, for the first Board meeting of each newly elected Board, the meeting shall be convened by the director who received the most votes at the shareholders' meeting, and this convener shall serve as the chairperson. If there are two or more persons with convening rights, they shall select one person from among themselves to serve as the chairperson.

When the Board of Directors meeting is convened by a majority of directors on their own initiative pursuant to Paragraph 4 of Article 203 or Paragraph 3 of Article 203-1 of the Company Act, the directors shall elect one from among themselves to serve as the chairperson.

In the event that the Chairman of the Board is on leave or unable to exercise his/her powers for any reason, the Chairman shall designate one director to act on his/her behalf. If the Chairman does not designate a proxy, the directors shall elect one from among themselves to act on the Chairman's behalf.

Article 8 (Board Meeting Reference Materials, Attendees, and Convening of Board Meetings)

When convening a Board of Directors meeting, the management department (or the unit designated by the Board for meeting affairs) shall prepare relevant materials for directors' reference at any time during the meeting.

When convening a Board meeting, non-director managers from relevant departments may be notified to attend the meeting depending on the content of the agenda items. When necessary, CPAs, attorneys, or other professionals may also be invited to attend the meeting.

The chairperson shall call the meeting to order at the scheduled meeting time when more than half of the directors are in attendance.

If the scheduled meeting time has arrived but half of all directors are not in attendance, the chairperson may announce a postponement of the meeting, which is limited to two occurrences. If the quorum is still not met after two postponements, the chairperson may reconvene the meeting following the procedures prescribed in Paragraph 2 of Article 3.

The term "all directors" as referred to in the preceding paragraph and in Subparagraph 2, Paragraph 2 of Article 16 shall be calculated based on the number of directors actually in office.

Article 9 (Audio or Video Recording of Board Meeting Proceedings as Evidence)

The entire proceedings of the Company's board meetings shall be recorded in audio or video and preserved for at least five years. The recordings may be preserved in electronic form.

If any litigation arises with respect to a board resolution before the expiration of the preservation period referred to in the preceding paragraph, the relevant audio or

video recordings shall continue to be preserved until the conclusion of the litigation. Where a board meeting is held by videoconference, the audio and video recordings of the meeting shall constitute part of the meeting minutes and shall be properly preserved throughout the existence of the Company.

Article 10 (Meeting Agenda)

The agenda items for the Company's regular board meetings shall include at least the following:

I. Reported Items:

- (I) Report on the minutes of the previous meeting and implementation status.
- (II) Important financial and business reports.
- (III) Internal audit business reports.
- (IV) Other important reporting matters.

II. Discussion Items:

- (I) Discussion items reserved from the previous meeting.
- (II) Discussion items scheduled for the current meeting.

III. Extemporaneous motions.

Article 11 (Discussion of proposals)

The Board of Directors meetings of the Company shall proceed according to the agenda specified in the meeting notice. However, the agenda may be changed with the approval of a majority of directors present at the meeting.

The chairperson may not declare the meeting adjourned without the approval of a majority of the directors present at the meeting.

If, during the course of a Board meeting, the number of directors present is fewer than half of the total directors, upon a motion made by the directors at the meeting, the chairperson shall declare a suspension of the meeting, and Paragraph 3 of Article 8 shall apply mutatis mutandis.

Article 12 (Matters Requiring Discussion by the Board of Directors)

The following matters shall be submitted to the Company's Board of Directors for discussion:

- I. The Company's business plan.
- II. Annual financial reports and semi-annual financial reports. However, this requirement does not apply to semi-annual financial reports that are not required by law to be audited and certified by a certified public accountant.
- III. Adoption or amendment of the internal control system pursuant to Article 14-1 of the Securities and Exchange Act, and assessment of the effectiveness of the internal control system.
- IV. Formulate or amend the procedures for important business and financial behaviors, including the acquisition or disposal of assets, engaging in derivative transactions, loaning of funds to others, and making of endorsements/guarantees for another person, in accordance with Article 36-1 of the Securities and Exchange Act.
- V. Public offering, issuance, or private placement of equity-type securities.
- VI. In cases where the Board of Directors has not established a position of managing director, the election or dismissal of the chairperson.
- VII. Appointment and dismissal of the finance, accounting, or internal audit officer.

VIII. Donations to related parties or significant donations to non-related parties. However, donations of a charitable nature made for emergency relief due to major natural disasters may be submitted for ratification at the next board meeting.

IX. In accordance with Article 14-3 of the Securities and Exchange Act, other matters that should be resolved by the shareholders' meeting or the board of directors as stipulated by laws, regulations, or the articles of incorporation, or significant matters as determined by the competent authority.

The term "related party" as mentioned in Item 8 of the preceding paragraph refers to related parties as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "material donation to a non-related party" refers to any individual donation amount, or cumulative donations to the same recipient within a one-year period, that reaches NT\$100 million or more, or reaches 1% of net operating revenue or 5% of paid-in capital as stated in the most recent CPA-audited financial report.

The term "within one year" as mentioned in the preceding paragraph refers to the one-year period calculated retroactively from the date of the current board meeting, excluding portions that have already been approved by previous board resolutions.

At least one independent director shall attend the board meeting in person. For matters requiring board resolutions as specified in Paragraph 1, all independent directors shall attend the board meeting. If an independent director is unable to attend in person, they shall appoint another independent director to attend on their behalf. If an independent director expresses objection or reservation, it shall be recorded in the minutes of the board meeting. If an independent director is unable to attend the board meeting in person to express objection or reservation, they shall, unless there are justifiable reasons, provide a written opinion in advance, which shall be recorded in the minutes of the board meeting.

Article 13 (Voting Procedure I)

When the chairperson deems that a proposal has been sufficiently discussed to proceed to a vote, they may announce the end of discussion and call for a vote.

When a proposal is submitted to a vote at a board meeting of the Company, if no objection is voiced after inquiry by the chairperson to all directors present, the proposal shall be deemed approved. If objection is voiced after the chairperson's inquiry, the proposal shall be submitted to a vote.

The voting method shall be selected by the chairperson from among the following options, provided that when a person present at the meeting objects, the voting method shall be decided by a majority opinion:

- I. Show of hands or voting by voting device.
- II. Roll-call vote.
- III. Ballot vote.
- IV. Any voting method adopted by the Company.

Article 14 (Voting Procedure II and Monitoring and Counting of Votes)

Resolutions of the board of directors of the Company shall, unless otherwise provided by the Securities and Exchange Act and the Company Act, be adopted by a majority of the directors present at a meeting attended by a majority of the directors.

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. However, once one proposal has been passed, other proposals shall be deemed rejected and no further voting is necessary. If it is necessary to appoint poll watchers and vote counters for proposal voting, they shall be appointed by the chairperson, provided that the poll watchers shall have the status of directors.

The voting results shall be announced on the spot and recorded.

Article 15 (Director Recusal System for Conflicts of Interest)

When a director has a personal interest in a matter under discussion at a meeting, or represents a legal entity that has an interest in the matter, which may impair the interest of the Company, the director may express opinions and respond to inquiries but may not participate in the discussion or vote on the matter. The director shall recuse themselves during the discussion and voting, and may not exercise voting rights on behalf of other directors.

Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

For resolutions of the board of directors of the Company, with respect to directors who are prohibited from exercising voting rights under the preceding paragraph, Article 206, Paragraph 4 of the Company Act, which applies *mutatis mutandis* to Article 180, Paragraph 2 of the same Act, shall apply.

Article 16 (Meeting Minutes and Signature Requirements)

The minutes of the board meetings of the Company shall be recorded and shall accurately document the following matters:

- I. The session (or year) of the meeting and the time and place.
- II. Name of the Chairperson.
- III. The attendance status of directors, including the names and number of those present, on leave, and absent.
- IV. The names and titles of those attending the meeting as non-voting participants.
- V. The name of the minutes taker.
- VI. Reported Items.
- VII. Matters for discussion: the method of resolution and outcome for each proposal; summaries of comments made by directors, experts, and other personnel; the names of directors who have interests in the matters as referred to in Paragraph 1 of the preceding Article, explanations of the important aspects of their interests, the reasons why they should or should not recuse themselves, the status of their recusal, and any objections or reservations that were recorded or stated in writing, as well as written opinions issued by independent directors pursuant to Paragraph 4 of Article 12.
- VIII. Extemporaneous motions: the name of the proposer, the method of resolution and outcome for each motion, summaries of comments made by directors, experts, and other personnel, the names of directors who have interests in the matters as referred to in Paragraph 1 of the preceding Article, explanations of

the important aspects of their interests, the reasons why they should or should not recuse themselves, the status of their recusal, and any objections or reservations that were recorded or stated in writing.

IX. Other matters required to be recorded.

If any of the following circumstances occurs with respect to a resolution of the board of directors, in addition to being recorded in the meeting minutes, it shall be publicly announced and filed on the information reporting website designated by the competent authority within two days from the date of the board meeting:

- I. Any objection or reservation expressed by an independent director that has been recorded or stated in writing.
- II. For companies that have established an audit committee, a matter that was not approved by the audit committee but was approved by a vote of more than two-thirds of all directors.

The attendance book forms a part of the minutes of the board meeting and shall be properly preserved for the duration of the existence of the Company.

The minutes of a board meeting shall be signed or sealed by the chairperson of the meeting and the minutes taker, and shall be distributed to all directors within 20 days of the meeting. The minutes shall be included among the Company's important files and properly preserved for the duration of the existence of the Company.

The production and distribution of the meeting minutes referred to in Paragraph 1 may be conducted in electronic form.

Article 17 (Authorization Principles of the Board of Directors)

Except for matters that should be discussed by the board of directors as specified in Paragraph 1 of Article 12, during the recess of the board of directors, the Company's board of directors may, in accordance with the Company's articles of Incorporation, authorize the chairperson to exercise the powers of the board, with the scope of authorization as follows:

- I. Approval of various important contracts.
- II. Approval of real estate mortgage loans and other borrowings.
- III. Approval of the purchase and disposal of the Company's general property and real estate.
- IV. Appointment of directors and supervisors of invested companies.
- V. Approval of the record date for capital increases or decreases and for cash dividend distributions.

Article 18 (Supplemental Provisions)

The establishment and amendment of these Rules of Procedures shall be approved by the Board of Directors of the Company and reported to the shareholders' meeting.

# I-CHIUN PRECISION INDUSTRY CO., LTD.

## Endorsement and Guarantee Operating Procedures

### (Full Text Before Amendment)

#### 1. Purpose

To ensure the Company's stable and normal operations, protect shareholders' rights and interests, maintain sound financial management for the Company's endorsement and guarantee activities, reduce operational risks, and achieve the goal of sustainable business operations, these procedures are specially established.

#### 2. Legal Basis

- 2.1. Article 36-1 of the Securities and Exchange Act
- 2.2. Public Offering Companies' Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees.

#### 3. Endorsement and Guarantee Recipients

- 3.1. A company with which it does business.
- 3.2. A company that directly or indirectly holds more than 50% of the voting shares.
- 3.3. A company that directly or indirectly holds more than 50% of the voting shares in the Company.

#### 4. Scope of Application for Endorsements and Guarantees:

- 4.1. Financing endorsements/guarantees
  - 4.1.1. Discounting of commercial notes.
  - 4.1.2. Endorsements or guarantees made for the financing needs of other companies.
  - 4.1.3. Issuance of separate negotiable instruments to non-financial enterprises as security for the Company's financing purposes.
- 4.2. Customs endorsements/guarantees
  - Endorsements or guarantees made for the Company or other companies with respect to customs-related matters.
- 4.3. Other endorsements/guarantees: Endorsements or guarantees that cannot be classified into the preceding two categories.
- 4.4. When a public offering company provides movable property or real estate as collateral for another company's loans by establishing pledges or mortgages, such transactions shall also be handled in accordance with these Regulations.

#### 5. Aggregate Amount and Individual Recipient Limits for Endorsements/Guarantees:



- 5.1. The total amount of endorsements/guarantees provided by the Company to other companies shall not exceed 50% of the Company's net worth as shown in its most recent financial statements.
- 5.2. The endorsement/guarantee amount for a single enterprise shall not exceed 20% of the Company's net worth as shown in its most recent financial statements.
- 5.3. For endorsements/guarantees made due to business relationships, the amount shall not exceed the total transaction amount between the two parties in the preceding year (the higher of purchases, sales, or fixed asset transactions between the two parties).
- 5.4. The latest recent financial statements refer to the most recent financial statements that have been audited (attested) by certified public accountants (CPAs).

## 6. Decision-Making and Authorization Levels

- 6.1. Endorsement/guarantee transactions shall be conducted only after approval by the board of directors. However, the board of directors may authorize the chairperson to make decisions within the limit of NT\$5 million, which may be subsequently ratified at the next board meeting. Matters relating to endorsements/guarantees shall be reported to the shareholders' meeting for reference.
- 6.2. When the Company has established independent directors, it shall fully consider the opinions of each independent director when making endorsements/guarantees for others. If an independent director expresses objection or reservation, it shall be recorded in the minutes of the board meeting.

## 7. Procedures for Handling Endorsements/Guarantees

- 7.1. When the Company provides endorsements/guarantees for others, the guaranteed party shall complete an "Endorsement/Guarantee Application Form" and submit it to the Company's finance department.
- 7.2. Upon receiving the application, the Company's finance department shall carefully evaluate the following items:
  - 7.2.1. The necessity and reasonableness of the endorsement/guarantee.
  - 7.2.2. Credit investigation and risk assessment of the endorsement/guarantee recipient.
  - 7.2.3. The impact on the Company's operational risk, financial condition, and shareholders' equity.
  - 7.2.4. Whether collateral should be obtained and the assessed value of such collateral.
- 7.3. The responsible personnel of the Company's finance department shall compile the relevant information and evaluation results mentioned in the preceding paragraph. If the accumulated balance of endorsements/guarantees at the time of processing has not exceeded NT\$5 million, the matter shall be submitted to the chairperson for approval before processing, and subsequently reported to the next board meeting for ratification. If the accumulated balance of endorsements/guarantees has already exceeded NT\$5 million, the matter shall be submitted to the board of directors for approval, and processed

according to the board's resolution.

- 7.4. Except where the guaranteed party is a company in which the Company directly or indirectly holds 100% of the voting shares, the guaranteed party shall issue a promissory note to the Company in the same amount as the guarantee. For guarantee amounts of NT\$10 million or more, the guaranteed party shall be required to provide movable or immovable property as collateral or obtain a guarantee from a joint guarantor.
- 7.5. If the joint guarantor is a company, the guarantor's articles of incorporation shall be obtained to ensure that they include provisions allowing the company to act as a guarantor.
- 7.6. The finance department shall establish an "Endorsement/Guarantee Register" to record in detail the recipients and amounts of endorsements/guarantees, the dates of approval by the board of directors, the dates of endorsements/guarantees, and matters that should be carefully evaluated as required by regulations.
- 7.7. The finance department shall evaluate or recognize contingent losses on endorsements/guarantees in accordance with Financial Accounting Standard No. 9, appropriately disclose endorsement/guarantee information in financial reports, and provide relevant information to the certifying accountant to enable them to perform necessary audit procedures and issue an appropriate audit report.
- 7.8. When an endorsed/guaranteed enterprise makes repayment, it shall notify the Company of the repayment details. After the Company's guarantee obligation is discharged, the matter shall be immediately submitted to the chairperson for approval and then forwarded to the finance department for recording in the register.

## 8. Procedures for Use and Custody of Seals

The seal used for endorsements/guarantees shall be the company and responsible person's seals registered with the Ministry of Economic Affairs. The seal shall be managed by a designated person appointed by the chairperson and used in accordance with the "Regulations for the Use and Management of Seals." When the Company provides guarantees for foreign companies, the letters of guarantee issued by the Company shall be signed by a person authorized by the board of directors.

## 9. Public Announcement and Reporting

- 9.1. The Company shall, by the 10th day of each month, publicly announce the endorsement/guarantee balances of the Company and its subsidiaries for the preceding month.
- 9.2. When endorsements/guarantees reach one of the following thresholds, the Company shall make a public announcement within two days from the date of occurrence:
  - 9.2.1. The balance of endorsements/guarantees by the Company and its subsidiaries reaches 50% or more of the Company's net worth as stated in its most recent financial statements.

- 9.2.2. The Company and its subsidiaries have provided guarantees or endorsements to a single enterprise that exceed 20% of the Company's net worth as reported in its most recent financial statements.
- 9.2.3. The Company and its subsidiaries have provided guarantees or endorsements to a single enterprise exceeding NT\$10 million, and the aggregate amount of such endorsements/guarantees, investments accounted for using the equity method, and loans to that enterprise exceeds 30% of the Company's net worth as reported in its most recent financial statements.
- 9.2.4. The Company or its subsidiaries have newly provided guarantees or endorsements exceeding NT\$30 million and 5% of the Company's net worth as reported in its most recent financial statements.
- 9.3. If a subsidiary of the Company is not a domestic public company in Taiwan, the disclosure obligations outlined in the preceding paragraph shall be fulfilled by the Company on behalf of such subsidiary.

## 10. Matters Requiring Attention for Endorsements and Guarantees:

- 10.1. In cases where, due to changing circumstances, the endorsed/guaranteed entity no longer meets the criteria set forth in Article 3 of these Procedures, or where the amount of endorsement/guarantee exceeds the limits prescribed in Article 5 due to changes in the calculation basis, the Finance Department shall develop a corrective plan for the endorsed/guaranteed amount or the excess portion. Such corrective measures shall be implemented either upon the expiration of the contract or within a specified timeframe. The corrective plan shall be submitted to each member of the Audit Committee and reported to the Board of Directors.
- 10.2. When the Company needs to exceed the established limits set forth in these Endorsement and Guarantee Procedures due to business requirements, the Board of Directors' approval shall be obtained, and more than half of the directors shall jointly guarantee the potential losses that might arise from the excess amount. The Company shall also amend the Endorsement and Guarantee Procedures accordingly and submit them to the shareholders' meeting for ratification. If the shareholders' meeting does not approve, the Company shall establish a plan to eliminate the excess portion within a specified period.
- 10.3. The Company's internal auditors shall audit the endorsement and guarantee procedures and their implementation at least quarterly and prepare written records. If any significant violations are found, they shall immediately report in writing to each member of the Audit Committee along with relevant improvement plans.
- 10.4. When the Company provides endorsements or guarantees where the overall endorsement/guarantee amount or the net worth of the endorsed/guaranteed entity is less than half of its paid-in capital, the Board of Directors' approval shall be obtained, and more than half of the directors shall jointly guarantee the potential losses that might arise. If the Board of Directors does not approve, the Company shall establish a plan to

eliminate, within a specified period, the portion where the net worth is less than half of the paid-in capital.

- 10.5. When the total amount of endorsements/guarantees provided by the Company reaches 50% or more of the Company's net worth, the necessity and reasonableness of such endorsements/guarantees shall be explained at the shareholders' meeting.
- 10.6. The Company has established an Audit Committee which shall exercise the powers of supervisors.

## 11. Control Procedures for Subsidiaries Providing Endorsements and Guarantees:

- 11.1. Before a subsidiary intends to provide endorsements or guarantees for others, it shall establish endorsement and guarantee procedures, which shall be approved by the Company's Board of Directors before implementation.
- 11.2. The endorsement and guarantee procedures of subsidiaries shall comply with the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies."
- 11.3. Before providing endorsements or guarantees, subsidiaries shall obtain approval from the Financial Department of the parent company and the Chairman, after which they may proceed with providing endorsements or guarantees for others.
- 11.4. Companies in which the Company directly or indirectly holds 100% of the voting shares may provide endorsements or guarantees for each other.
- 11.5. Subsidiaries shall prepare and submit a report on endorsements/guarantees provided for others in the previous month by the 5th day of each month. After review and approval, the report shall be submitted to the Financial Department of the Company as the basis for public disclosure and reporting.
- 11.6. If a subsidiary has internal auditors, these auditors shall audit the endorsement and guarantee procedures and their implementation at least quarterly and prepare written records. If any significant violations are found, they shall immediately notify the Company's auditing unit in writing. The Company's auditing unit shall then forward the written documentation and relevant improvement plans to each member of the Audit Committee.
- 11.7. When conducting audits at subsidiaries according to the annual audit plan, the Company's auditors shall also review the implementation of the subsidiary's procedures for providing endorsements and guarantees to others. If any deficiencies are identified, auditors shall continuously track improvement progress and prepare a follow-up report for submission to the Chairman.
- 11.8. When a subsidiary provides endorsements or guarantees where the overall endorsement/guarantee amount or the net worth of the endorsed/guaranteed entity is less than half of its paid-in capital, the Company's Board of Directors' approval shall be obtained, and more than half of the directors shall jointly guarantee the potential losses that might arise. If the Board of Directors does not approve, a plan shall be established to

eliminate, within a specified period, the portion where the net worth is less than half of the paid-in capital.

11.9. When the total amount of endorsements/guarantees provided by a subsidiary reaches 50% or more of the subsidiary's net worth, the necessity and reasonableness of such endorsements/guarantees shall be explained at the Company's shareholders' meeting.

11.10. The Company has established an Audit Committee which shall exercise the powers of supervisors.

## 12. Penalties

The Company's managers and responsible personnel who violate these operational procedures shall be reported for evaluation in accordance with the Company's reward and punishment guidelines and shall be disciplined based on the severity of the violation.

## 13. Implementation and Amendment

13.1. These procedures shall be approved by the Board of Directors and then submitted to the shareholders' meeting for approval. If any director expresses objections that are recorded in the minutes or in a written statement, the Company shall submit such objections to the shareholders' meeting for discussion. The same process applies to any amendments to these procedures.

13.2. When the Company has appointed Independent Directors, the opinions of each Independent Director shall be fully considered when submitting these operational procedures to the Board of Directors for discussion pursuant to the preceding paragraph. If an Independent Director objects or expresses reservations, such objections or reservations shall be recorded in the Board meeting minutes.

13.3. The Company has established an Audit Committee. The establishment or amendment of these operational procedures shall require the approval of more than half of all Audit Committee members and be submitted to the Board of Directors for resolution. If the approval of more than half of all Audit Committee members is not obtained, the procedures may be implemented with the approval of more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the Board meeting minutes.

13.4. The terms "all Audit Committee members" in the preceding paragraph and "all directors" in the preceding paragraph refer to the actual number of persons currently holding those positions.

## 14. Attachment

14.1. Endorsement and Guarantee Application Form

14.2. Endorsement and Guarantee Register Book

## I-CHIUN PRECISION INDUSTRY CO., LTD.

### Information on Directors and Ownership

| Position             | Name              | Number of shares held | Shareholding ratio (%) |
|----------------------|-------------------|-----------------------|------------------------|
| Chairman             | CHOU, WAN-SHUN    | 23,032,644            | 9.84%                  |
| Vice Chairman        | LEE, CHUNG-YI     | 16,156,787            | 6.91%                  |
| Director             | LIN, WU-CHUN      | 740,931               | 0.32%                  |
| Director             | YEH, CHWEI-JING   | -                     | -                      |
| Subtotal             |                   | 39,930,362            | 17.07%                 |
| Independent Director | KUO, CHUNG-CHIEN  | -                     | -                      |
| Independent Director | LEE, JIH-CHIEN    | 300,264               | 0.13%                  |
| Independent Director | CHANG, HSIEN-SUNG | 112,298               | 0.05%                  |
| Independent Director | HUNG, SHUN-CHING  | -                     | -                      |
| Subtotal             |                   | 412,562               | 0.18%                  |
| Total                |                   | 40,342,924            | 17.25%                 |

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 recorded in the shareholders' register as of the book closure date for this shareholders' meeting (March 28, 2025).