

Stock Code: 2497

Website for information declaration: mops.twse.com.tw/mops/web/index

Company website: www.e-lead.com



怡利電子工業股份有限公司
E-LEAD ELECTRONIC CO., LTD.

2024 ANNUAL SHAREHOLDERS' MEETING Handbook

Meeting Time: 9:00 a.m., 12 June 2024

Place: No. 37, Gongdong 1st Rd., Shengang Township, Changhua County
(The canteen of Chuansing Factory)

Virtual conferencing platform:

Taiwan Depository & Clearing Corporation (<https://www.stockvote.com.tw/evote/index.html>)

Table of Contents

Meeting procedure.....	1
Meeting Agenda.....	2
Management Presentation (Company Reports).....	3
Proposals.....	8
Questions and Motions.....	8
Adjournment.....	8

Attachment

I. 2023 Financial Statements with Report of Independent Auditor.....	9
II. 2023 Profit Distribution Table.....	33
III. Issue and Conversion of Second Domestic Secured Convertible Corporate Bonds.....	34
IV. The Status of Loans of Funds to Subsidiaries.....	35
V. The Status of Endorsement and Guarantee Provided to Subsidiaries.....	36
VI. The Status of Significant Transactions with Related Parties.....	37

Appendices

I. Articles of Incorporation.....	39
II. Rules of Procedure for Shareholder Meetings.....	46
III. Shareholding of Directors.....	59

E-LEAD ELECTRONIC CO., LTD.

Procedure for the 2024 Annual Meeting of Shareholders

- I. Call the Meeting to Order
- II. Chairperson Remarks
- III. Management Presentation
(Company Reports)
- IV. Proposals
- V. Questions and Motions
- VI. Adjournment

E-LEAD ELECTRONIC CO., LTD.

Agenda of 2024 Annual Meeting of Shareholders

Type of Meeting: Physical Shareholders' Meeting with the
Assistance of Video Conferencing

Time and Date: 9:00 a.m., 12 June 2024 (Wednesday)

Place: No. 37, Gongdong 1st Rd., Shengang Township, Changhua County (The
canteen of Chuansing Factory)

I. Call the Meeting to Order

II. Chairperson Remarks

III. Management Presentations (Company Reports)

I. 2023 Business Report and 2024 Business Plans.

II. Audit Committee's Review Report on the 2023 Financial
Statements.

III. The Status of Distribution of 2023 Employees' Compensation and
Remuneration to Directors

IV. Issue and Conversion of Second Domestic Secured Convertible
Corporate Bonds.

V. The Status of Loans of Funds to Subsidiaries.

VI. The Status of Endorsement and Guarantee Provided to
Subsidiaries.

VII. The Status of Significant Transactions with Related Parties.

IV. Proposals

I. Adoption of the 2023 Business Report and Financial Statements.

II. Adoption of the Proposal for Distribution of 2023 Profits.

V. Questions and Motions

VI. Adjournment

III. Management Presentations (Company Reports)

I. 2023 Business Report and 2024 Business Plans.

Dear shareholders:

In 2023, the global economic landscape was marked by various conflicts, such as the Russia-Ukraine war and Israel-Hamas war, which heightened inflationary pressures worldwide. Moreover, China experienced deflationary trends while facing intensified market competition. In this challenging environment, E-LEAD encountered significant hurdles. Despite maintaining positive revenue growth, profitability fell short compared to the previous year. Currently, our ARHUD series products have secured a prominent position in the rapidly expanding Chinese market. The new products featuring cutting-edge 3D spatial visual technology, including ARHUD, PHUD, and E-mirror, have entered mass production and are actively garnering orders. Additionally, the ADAS and INFOTAINMENT series products have enjoyed steady shipments in the Southeast Asian market. We remain dedicated to expanding our client base and pursuing new projects with leading automotive manufacturers, aiming to achieve even greater success in the industry.

Looking forward to the year ahead, the global market remains dynamic, with uncertainties stemming from ongoing conflicts and geopolitical factors. These challenges may hinder the economic recovery and have ripple effects on global supply chains. Nevertheless, we hold a prudent yet hopeful perspective for our operations. With the gradual launch of new projects, we expect to maintain our growth trajectory. Our commitment to improving operational efficiency remains steadfast.

- I. Company Structure: Expanding production capacity, refining cost structures, fostering teamwork, and cultivating talent continue to be our primary emphasis.
- II. Product Line: Our primary emphasis continues to be on actively advocating for practical projects that utilize 3D spatial visual technologies like ARHUD, PHUD, and E-mirror. Moreover, the subsidiary, Far Vision, will kickstart the active promotion of innovative products, including telescopic mirrors, beginning in April.
- III. Business Promotion: Actively broadening our product and market reach, focusing on key markets like India, Japan, Europe, and the Americas. By capitalizing on our established OE Tier 1 advantages and distinctive technological strengths, we're forging strategic partnerships across industries to penetrate the 2-wheel vehicle market, with a specific focus on electric motorcycles and heavy motorcycles. Additionally, the subsidiary, Far Vision, is expanding its product promotion efforts to markets outside of China.

The strategy outlined above aims to further utilize E-LEAD's existing technology and OE system advantages in the automotive industry to enhance our business scale and profitability. We intend to achieve this through diversification, leveraging the capabilities of our subsidiary and allied companies.

I. 2023 Business Performance

- (I) Operating Revenue: The Company's consolidated net operating revenue for 2023 was over NT\$ 3.77 billion reflecting a 6% increase compared to 2022.
- (II) Operating Expense: The Company's consolidated operating expenses for 2023 were over NT\$ 650 million reflecting a 1% increase compared to 2022.
- (III) Profit or Loss: The Company's consolidated net profit for the current period in 2023 was nearly NT\$ 232 million reflecting a 33% decrease compared to 2022.
- (IV) Analysis of Receipts, Expenditures and Profitability

Unit: in NT\$ thousand

Analytical Items	2023	2022
	Consolidated	Consolidated
Net Operating Revenue	3,766,293	3,565,754
Operating Cost	(2,867,240)	(2,615,293)
Gross profit	899,053	950,461
Operating Expense	(650,006)	(641,917)
Operating Income	249,047	308,544
Non-Operating Income and Expenses	24,283	179,093
Income Before Tax	273,330	487,637
Income Tax Expense	(40,738)	(141,066)
Net Income	232,592	346,571
Other Comprehensive Income (Net of Tax) for the Current Period	(8,496)	35,509
Total Comprehensive Income	224,096	382,080
Basic Earnings per Share (NT\$)	1.89	2.88
Return on Assets (%)	6.25	10.37
Return on Equity (%)	10.98	20.13
Net Profit Margin (%)	6.18	9.72

(V) Achievements in Research and Development Projects and Product Development

1. Installation and Technical Proposal for 3D Spatial Visual HUD in Actual Vehicles
2. Development of Software for 3D Spatial Visual HUD - Creator
3. Development of ARHUD Lite for Various Mass-produced Vehicle Models
4. Preliminary Technical Development of PHUD Panoramic HUD
5. Preliminary Development of Electronic Digital Rearview Mirror

II. Outline of the Business Plan for 2024

(I) Business Policy and Production and Marketing Policy

1. Actively seeking collaborations with automotive manufacturers to integrate ARHUD, PHUD, and E-mirror 3D spatial visual technologies into their projects
2. Consistently promoting VA/VE initiatives
3. Actively implementing training programs for mid to senior-level executives.
4. Enhancing efforts in managing suppliers.

(II) Research and Development Projects and Product Development Plan

1. Development and Preparation for Large-scale Production of 3D Spatial Visual ARHUD for Mass-produced Vehicle Models
2. Development of Software for 3D Spatial Visual ARHUD - Creator
3. Development of Second-Generation AI VPA Interactive Interface
4. Development of ARHUD Lite for Various Mass-produced Vehicle Models
5. Development and Preparation for Large-scale Production of PHUD for Mass-produced Vehicle Models
6. Development and Preparation for Large-scale Production of Electronic Digital Rearview Mirror
7. Supporting the Subsidiary in Developing Products for AI-driven Eye Protection and Education

III. The Company's Future Development Strategy, and the Effect of External Competition, the Legal Environment, and the Overall Business Environment

As our business centers on serving automotive OEMs, we naturally encounter fierce competition from global industry leaders. We've established a corporate structure that aligns with Tier 1 automotive supplier standards, enabling us to utilize our technological and cost advantages to address future challenges with innovative solutions. Furthermore, we're implementing a diversification strategy by expanding into optical products beyond automotive electronics through our subsidiary.

We will stay committed to our established goals and plans and diligently work towards their execution. We appreciate the ongoing support and encouragement from our shareholders. Thank you.

Chairman: Hsi-Hsun Chen

General Manager: Hsi-Hsun Chen

Accounting Supervisor: Pi-Huan Chen

II. Audit Committee's Review Report on the 2023 Financial Statements:

E-LEAD ELECTRONIC CO., LTD.

Audit Committee's Review Report

The Company has prepared the 2023 Business Report, Consolidated Financial Statements, Parent Company Only Financial Statements, and Proposal for Distribution of Profits, which have been reviewed by the Audit Committee and resolved and approved by the Board of Directors. The CPA firm of Ernst & Young, represented by CPAs Tzu-Ping Huang and Wen-Chen Lo, was retained to audit the Consolidated Financial Statements and Parent Company Only Financial Statements and has issued an audit report relating to the Consolidated Financial Statements and Parent company only financial statements with unqualified opinion. According to relevant requirements of Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report for your review.

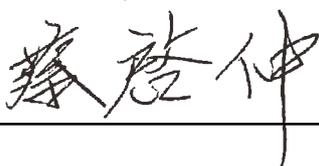
Sincerely,

For the 2024 Annual Meeting of Shareholders

E-LEAD ELECTRONIC CO., LTD.

Audit Committee

Convener:



A handwritten signature in black ink, appearing to be '蔡啓伸' (Cai Qishen), is written over a horizontal line.

6 March 2024

III. The Status of Distribution of 2023 Employees' Compensation and Remuneration to Directors

- (1) In accordance with Article 27 of the Company's Articles of Incorporation, before deducting employees' compensation and remuneration to directors, 3% of the pre-tax profit for 2023, amounting to NT\$9,535,038, was allocated for employees' compensation, and 1.5% of the pre-tax profit, amounting to NT\$4,767,519, was allocated for remuneration to directors. These amounts were distributed in cash. The independent directors of the company are compensated on a monthly basis and do not partake in the annual distribution of remuneration to directors.
- (2) The proposed figures for employees' compensation and remuneration to directors mentioned above are consistent with the entries in the 2023 financial statements.
- (3) Directors and managers of the Company undergo annual performance evaluations in accordance with the "Methodology for Evaluating the Performance of for Directors and Functional Committees" and the "Performance Appraisal Management Measures", meeting all evaluation criteria.
- (4) Individual remuneration and its relationship with performance evaluation results are outlined as follows: The Company determines reasonable remuneration for directors and managers by considering operational performance and individual contributions to the Company. Directors undergo annual evaluations based on the "Methodology for Evaluating the Performance of for Directors and Functional Committees". Managers are also assessed annually, following the "Performance Appraisal Management Measures", similar to other employees.

IV. Issue and Conversion of Second Domestic Secured Convertible Corporate Bonds is attached as P. 34.

V. The Status of Loans of Funds to Subsidiaries is attached as P. 35.

VI. The Status of Endorsement and Guarantee Provided to Subsidiaries is attached as P. 36.

VII. The Status of Significant Transactions with Related Parties is attached as P.37-P.38.

IV. Proposals

1: (Proposed by the Board)

Proposal: Adoption of the 2023 Business Report and Financial Statements

Explanation:1. The Company's 2023 Business Report, Consolidated Financial Statements and Parent Company Only Financial Statements have been completed. The Consolidated Financial Statements and Parent Company Only Financial Statements have been audited by independent auditors, Tzu-Ping Huang and Wen-Chen Lo of Ernst & Young, Taiwan.

2. Please refer to P.3-P.5 for the Business Report; and P.9-P.32 for the Financial Statements.

Resolution:

2: (Proposed by the Board)

Proposal: Adoption of the Proposal for Distribution of 2023 Profits.

Explanation:1. The net profit after tax for 2023 is NT\$232,592 thousand. A profit distribution table is prepared in accordance with the Company's Articles of Incorporation.

2. The 2023 proposed cash dividend per share for shareholders is NT\$1. Please refer to P.33 for Profit Distribution Table.

3. Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Board of Directors be authorized to resolve the ex-dividend date, ex-rights date, and other relevant issues.

4. In the event that the number of outstanding shares is affected by a buyback of shares or conversion in connection with convertible corporate bonds or other factors that may lead to a change in the dividend payout ratio, it is proposed to the Shareholders' Meeting for approval that the Chairman of the Board of Directors be authorized to handle the matter at his discretion.

Resolution:

V. Questions and Motions

VI. Adjournment

E-LEAD ELECTRONIC CO., LTD.

Declaration Statement

The entities that are required to be included in the consolidated statements of affiliates of E-LEAD ELECTRONIC CO., LTD. as at and for the year ended 31 December 2023 under the “Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No.10 “Consolidated Financial Statements”. Relevant information required to be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Consequently, E-LEAD ELECTRONIC CO., LTD. and its subsidiaries did not prepare a separate set of consolidated financial statements of affiliates.

Truly yours

E-LEAD ELECTRONIC CO., LTD.

Chairman: Hsi-Hsun Chen

6 March 2024

Independent Auditors' Report

To E-LEAD Electronic Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of E-LEAD Electronic Co., Ltd. and its subsidiaries (the “Group”) as of 31 December 2023 and 2022, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2023 and 2022, and notes to the consolidated financial statements, including the summary of significant accounting policies (together “the consolidated financial statements”).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as of 31 December 2023 and 2022, and their consolidated financial performance and cash flows for the years ended 31 December 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2023 consolidated financial statements of the Group. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Allowance for losses on accounts receivable

As of 31 December 2023, the carrying amounts of accounts receivable and allowance for losses were NT\$975,607 thousand and NT\$50,999 thousand, respectively, and the net accounts receivable accounted for 21% of total assets, which was significant to the Group. As the allowance for losses is measured by the expected amount of credit losses over the life of the asset, the assumptions used in the measurement involve significant management judgement. We therefore determined this a key audit matter.

Our audit procedures include, but are not limited to, obtaining an understanding of, and testing the effectiveness of, the internal control system established by management over the collection of accounts receivable; Analyzing changes in accounts receivable and changes in turnover rates over the period and testing the collection of accounts receivable after the period to assess recoverability; Review the breakdown of accounts receivable at the end of the period and recalculate the reasonableness of the allowance for losses on accounts receivable based on the classification of individual credit groups and the expected loss rate as assessed by management. We have also considered the appropriateness of the disclosure of accounts receivable in Notes 5 and 6 to the consolidated financial statements

Evaluation of allowance for losses on decline in value of inventories and obsolescence of inventories

As of 31 December 2023, the net inventory of the Group was NT\$1,071,433 thousand, representing 24% of total assets. Due to the uncertainty of the rapid changes in product technology and market demand, the allowance for losses on decline in value and obsolescence of inventories involve significant management judgment, we therefore determined this a key audit matter.

Our audit procedures include, but are not limited to, obtaining an understanding of, and testing the effectiveness of, management's internal control over inventory, including obtaining an understanding of the reasonableness of management's policy for the allowance for losses on decline in value and obsolescence of inventories; assessing management's inventory planning, selecting significant inventory locations and conducting physical observations of inventory counts to confirm the quantity and condition of inventories; testing the adequacy of the allowance for losses on decline in value of inventories. This includes testing the reasonableness of the net realizable value of inventories by reviewing a sample of evidence relating to the purchase and sale of inventories, obtaining a sample of inventory ageing schedules to test the correctness of the ageing calculations and recalculating the reasonableness of the allowance for losses on obsolescence of inventories. We also considered the appropriateness of the disclosures in Notes 5 and 6 to the consolidated financial statements.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Group.

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

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Group. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Other

E-LEAD Electronic Co., Ltd. has prepared its parent only financial statements for the years ended 31 December 2023 and 2022, and we have issued an audit report with an unqualified opinion for reference purposes.

/s/Huang, Tzu Ping

/s/Lo, Wen Chen

Ernst & Young, Taiwan

6 March 2024

Notice to Readers

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

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Consolidated Financial Statements Originally Issued in Chinese
E-LEAD ELECTRONIC CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
For the years ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

Code	Assets		31 December 2023		31 December 2022	
	Accounting Items	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	4,6.1	\$852,998	20	\$468,730	12
1110	Financial assets at fair value through profit or loss - current	4,6.2	8,349	-	8,878	-
1150	Notes receivable, net	4	99,440	2	60,905	2
1170	Accounts receivable, net	4,6.3,7	924,608	21	746,039	19
1200	Other receivables	4,7	41,489	1	66,766	2
130x	Inventories	4,6.4	1,071,433	24	1,170,536	30
1410	Prepayments		30,435	1	57,078	1
1470	Other current assets	4	6,627	-	9,029	-
11xx	Total current assets		<u>3,035,379</u>	<u>69</u>	<u>2,587,961</u>	<u>66</u>
	Non-current assets					
1517	Financial assets at fair value through other comprehensive income - non-current	4,6.5	906	-	1,988	-
1550	Investments accounted for using the equity method	4,6.6	6,041	-	6,381	-
1600	Property, plant and equipment	4,6.7,8	1,098,964	25	1,062,867	27
1755	Right-of-use assets	4,6.17,7,8	14,716	-	11,930	-
1780	Intangible assets	4	31,389	1	36,997	1
1840	Deferred tax assets	4,6.21	137,307	3	167,586	4
1900	Other non-current assets	4,6.8	65,528	2	73,350	2
15xx	Total non-current assets		<u>1,354,851</u>	<u>31</u>	<u>1,361,099</u>	<u>34</u>
1xxx	Total assets		<u>\$4,390,230</u>	<u>100</u>	<u>\$3,949,060</u>	<u>100</u>

(The accompanying notes are an integral part of the consolidated financial statements)

Chairman: Hsi-Hsun Chen

Manager: Hsi-Hsun Chen

Accounting Supervisor: Pi-Huan Chen

English Translation of Consolidated Financial Statements Originally Issued in Chinese

E-LEAD ELECTRONIC CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (CONTINUED)

For the years ended 31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Code	Liabilities and Equity		31 December 2023		31 December 2022	
	Accounting Items	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term loans	4,6.9	\$738,155	17	\$565,250	14
2130	Contract liabilities - current	6.15	16,939	-	10,156	-
2150	Notes payable		1,558	-	-	-
2170	Accounts payable	7	509,388	12	412,737	11
2200	Other payables	6.10,7	278,359	6	228,097	6
2230	Current income tax liabilities	4,6.21	3,728	-	6,851	-
2399	Other current liabilities	4,6.17,7	9,268	-	6,156	-
21xx	Total current liabilities		<u>1,557,395</u>	<u>35</u>	<u>1,229,247</u>	<u>31</u>
	Non-current liabilities					
2530	Bonds payable	4,6.11	292,830	7	288,098	7
2540	Long-term loans	6.12	210,000	5	210,400	6
2570	Deferred tax liabilities	4,6.21	64,699	1	88,661	2
2640	Net defined benefit obligation - non-current	4,6.13	73,349	2	80,433	2
2670	Other non-current liabilities	4,6.17,7	4,851	-	3,252	-
25xx	Total non-current liabilities		<u>645,729</u>	<u>15</u>	<u>670,844</u>	<u>17</u>
2xxx	Total liabilities		<u>2,203,124</u>	<u>50</u>	<u>1,900,091</u>	<u>48</u>
	Equity attributable to owners of the parent company					
31xx	Equity attributable to owners of the parent company					
3100	Capital					
3110	Common stock		1,227,985	28	1,227,985	31
3200	Additional Paid-in Capital		449,022	10	449,022	11
3300	Retained earnings					
3310	Legal reserve		227,281	5	208,936	5
3320	Special reserve		39,956	1	19,536	1
3350	Unappropriated retained earnings		288,947	7	183,446	5
	Subtotal		<u>556,184</u>	<u>13</u>	<u>411,918</u>	<u>11</u>
3400	Other equity					
3410	Exchange differences on translation of foreign operations		(41,391)	(1)	(36,344)	(1)
3420	Unrealized gains or losses measured at fair value through other comprehensive income		(4,694)	-	(3,612)	-
	Subtotal		<u>(46,085)</u>	<u>(1)</u>	<u>(39,956)</u>	<u>(1)</u>
3xxx	Total equity		<u>2,187,106</u>	<u>50</u>	<u>2,048,969</u>	<u>52</u>
	Total liabilities and equity		<u>\$4,390,230</u>	<u>100</u>	<u>\$3,949,060</u>	<u>100</u>

(The accompanying notes are an integral part of the consolidated financial statements)

Chairman: Hsi-Hsun Chen

Manager: Hsi-Hsun Chen

Accounting Supervisor: Pi-Huan Chen

English Translation of Consolidated Financial Statements Originally Issued in Chinese
E-LEAD ELECTRONIC CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Code	Accounting Items	Notes	2023		2022	
			Amount	%	Amount	%
4000	Revenues	4,6.15,7	\$3,766,293	100	\$3,565,754	100
5000	Operating costs	6.18,7	(2,867,240)	(76)	(2,615,293)	(73)
5900	Gross profit		899,053	24	950,461	27
	Operating expenses	6.18,7				
6100	Sales and marketing expenses		(121,168)	(3)	(142,465)	(4)
6200	General and administrative expenses		(197,148)	(5)	(199,107)	(6)
6300	Research and development expenses		(316,620)	(9)	(290,428)	(8)
6450	Expected credit loss	4,6.16	(15,070)	-	(9,917)	-
6000	Subtotal		(650,006)	(17)	(641,917)	(18)
6900	Operating profit		249,047	7	308,544	9
	Non-operating income and expenses	6.19,7				
7100	Interest income		12,206	-	1,383	-
7010	Other income		36,220	1	116,834	3
7020	Other gains or losses		10,925	-	88,839	3
7050	Finance costs		(35,070)	(1)	(29,230)	(1)
7060	Share of profits or losses of associates and joint ventures recognized under the equity method	6.6	2	-	1,267	-
7000	Subtotal		24,283	-	179,093	5
7900	Income before tax		273,330	7	487,637	14
7950	Income tax expense	4,6.21	(40,738)	(1)	(141,066)	(4)
8200	Net income		232,592	6	346,571	10
8300	Other comprehensive income	6.20				
8310	Items that will not be reclassified subsequently to profit or loss					
8311	Remeasurements on defined benefit plans		(2,959)	-	(2,985)	-
8316	Unrealized gain or loss on equity instruments measured at fair value through other comprehensive income		(1,082)	-	(1,821)	-
8349	Income tax related to items that will not be reclassified subsequently	6.21	592	-	597	-
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of foreign operations		(6,308)	-	49,647	1
8399	Income tax related to items that may be reclassified subsequently	6.21	1,261	-	(9,929)	-
8300	Total other comprehensive income, net of tax		(8,496)	-	35,509	1
8500	Total comprehensive income		\$224,096	6	\$382,080	11
8600	Net income attributable to:					
8610	Owner of parent		\$232,592		\$346,571	
8620	Non-controlling interests		-		-	
			\$232,592		\$346,571	
8700	Comprehensive income attributable to:					
8710	Owner of parent		\$224,096		\$382,080	
8720	Non-controlling interests		-		-	
			\$224,096		\$382,080	
	Earnings per share (NTD)	6.22				
9750	Basic earnings per share		\$1.89		\$2.88	
9850	Diluted earnings per share		\$1.87		\$2.85	

(The accompanying notes are an integral part of the consolidated financial statements)

Chairman: Hsi-Hsun Chen

Manager: Hsi-Hsun Chen

Accounting Supervisor: Pi-Huan Chen

English Translation of Consolidated Financial Statements Originally Issued in Chinese
E-LEAD ELECTRONIC CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

Code	Items	Equity attributable to owners of the parent company							Total Equity 3XXX
		Common stock 3110	Additional paid-in capital 3200	Retained earnings			Other equity		
				Legal reserve 3310	Special reserve 3320	Unappropriated retained earnings (accumulated deficit) 3350	Exchange differences on translation of foreign operations 3410	Unrealized gains (losses) on equity instruments measured at fair value through other comprehensive income 3420	
A1	Balance as at 1 January 2022	\$1,187,985	\$216,787	\$208,936	\$19,536	\$(160,737)	\$(76,062)	\$(1,791)	\$1,394,654
C5	Equity components arising from the issuance of convertible bonds - arising from share options		26,931						26,931
D1	Net income for 2022					346,571			346,571
D3	Other comprehensive income for 2022					(2,388)	39,718	(1,821)	35,509
D5	Total comprehensive income for 2022	-	-	-	-	344,183	39,718	(1,821)	382,080
E1	Capital increase by cash	40,000	205,304						245,304
Z1	Balance as at 31 December 2022	\$1,227,985	\$449,022	\$208,936	\$19,536	\$183,446	\$(36,344)	\$(3,612)	\$2,048,969
A1	Balance as at 1 January 2023	\$1,227,985	\$449,022	\$208,936	\$19,536	\$183,446	\$(36,344)	\$(3,612)	\$2,048,969
B1	Legal reserve			18,345		(18,345)			-
B3	Special reserve				20,420	(20,420)			-
B5	Common stock cash dividends					(85,959)			(85,959)
D1	Net income for 2023					232,592			232,592
D3	Other comprehensive income for 2023					(2,367)	(5,047)	(1,082)	(8,496)
D5	Total comprehensive income for 2023	-	-	-	-	230,225	(5,047)	(1,082)	224,096
Z1	Balance as at 31 December 2023	\$1,227,985	\$449,022	\$227,281	\$39,956	\$288,947	\$(41,391)	\$(4,694)	\$2,187,106

(The accompanying notes are an integral part of the consolidated financial statements)

Chairman: Hsi-Hsun Chen

Manager: Hsi-Hsun Chen

Accounting Supervisor: Pi-Huan Chen

English Translation of Consolidated Financial Statements Originally Issued in Chinese

E-LEAD ELECTRONIC CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended 31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Code	Item	2023	2022
AAAA	Cash flows from operating activities:		
A00010	Net profit before tax from continuing operation	\$273,330	\$487,637
A10000	Net income before tax for the period	273,330	487,637
A20000	Adjustment for:		
A20010	Income and expense items :		
A20100	Depreciation	124,686	121,105
A20200	Amortization	18,199	21,715
A20300	Expected credit loss	15,070	9,917
A20400	Losses on financial assets and liabilities at fair value through profit or loss	426	1,783
A20900	Interest expense	35,070	29,230
A21200	Interest income	(12,206)	(1,383)
A22300	Share of profit of subsidiaries, associates and joint ventures under the equity method	(2)	(1,267)
A22500	Loss on disposal of property, plant and equipment	(141)	(4,609)
A22800	(Loss) gain on disposal of intangible assets	(4,246)	124
A23000	Gain on disposal of non-current assets held for sale	-	(70,339)
A30000	Changes in assets/liabilities related to operating activities:		
A31130	Increase in notes receivable	(38,535)	(37,435)
A31150	Increase in accounts receivable	(193,639)	(131,851)
A31180	Decrease (increase) in other receivable	25,684	(38,541)
A31200	Decrease (increase) in inventories	99,103	(383,037)
A31230	Decrease (increase) in prepayments	26,643	(25,074)
A31240	Decrease (increase) in other current assets	3,080	(8,720)
A32125	Increase in contract liabilities	6,783	706
A32130	Increase (decrease) in notes payable	1,558	(13,571)
A32150	Increase (decrease) in accounts payable	96,651	(160,729)
A32180	Increase in other payable	57,638	20,808
A32230	Increase in other current liabilities	1,552	1,668
A32240	(Decrease) increase in net defined benefit obligation	(10,060)	795
A33000	Cash provided by (used in) operations	526,644	(181,068)
A33100	Interest received	11,799	1,383
A33200	Dividends received	342	1,607
A33300	Interest paid	(31,246)	(25,714)
A33500	Income tax paid	(37,656)	(59,627)
AAAA	Net cash provided by (used in) operating activities	469,883	(263,419)

(Continued)

(The accompanying notes are an integral part of the consolidated financial statements)

Chairman: Hsi-Hsun Chen

Manager: Hsi-Hsun Chen

Accounting Supervisor: Pi-Huan Chen

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

E-LEAD ELECTRONIC CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

For the years ended 31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Code	Item	2023	2022
	(Continued)		
BBBB	Cash flows from investing activities:		
B00010	Acquisition of financial assets at fair value through other comprehensive income	-	(3,113)
B02600	Disposal of non-current assets held for sale	-	97,770
B02700	Acquisition of property, plant and equipment	(166,001)	(246,602)
B02800	Disposal of property, plant and equipment	685	14,208
B04500	Acquisition of intangible assets	(12,944)	(12,369)
B04600	Disposal of intangible assets	4,366	-
B06700	Increase in other non-current assets	(12,100)	(14,967)
B06800	Decrease in other non-current assets	19,067	21,440
BBBB	Net cash used in investing activities	<u>(166,927)</u>	<u>(143,633)</u>
CCCC	Cash flows from financing activities:		
C00100	Increase in short-term loans	1,249,237	1,587,212
C00200	Decrease in short-term loans	(1,070,643)	(1,529,047)
C01200	Issuance of corporate bonds	-	314,901
C01600	Acquisition of long-term loans	-	210,400
C01700	Repayment of long-term loans	(400)	(301,083)
C03000	(Decrease) increase in deposits received	(2)	6
C04020	Repayment of leasehold principal	(2,611)	(2,342)
C04400	Decrease in other non-current liabilities	(4)	(51,619)
C04500	Distribution of cash dividends	(85,959)	-
C04600	Capital increase by cash	-	240,000
C04800	Stock options exercised by employees	-	5,304
CCCC	Net cash provided by financing activities	<u>89,618</u>	<u>473,732</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>(8,306)</u>	<u>37,038</u>
EEEE	Increase in cash and cash equivalents	384,268	103,718
E00100	Cash and cash equivalents at beginning of period	468,730	365,012
E00200	Cash and cash equivalents at end of period	<u>\$852,998</u>	<u>\$468,730</u>

(The accompanying notes are an integral part of the consolidated financial statements)

Chairman: Hsi-Hsun Chen

Manager: Hsi-Hsun Chen

Accounting Supervisor: Pi-Huan Chen

Independent Auditors' Report

To E-LEAD Electronic Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of E-LEAD Electronic Co., Ltd. (the “Company”) as of 31 December 2023 and 2022, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2023 and 2022, and notes to the parent company only financial statements, including the summary of significant accounting policies (together “the parent company only financial statements”).

In our opinion, the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of 31 December 2023 and 2022, and its financial performance and cash flows for the years ended 31 December 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China; Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2023 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Allowance for losses on accounts receivable

As of 31 December 2023, the carrying amounts of accounts receivable and allowance for losses were NT\$645,469 thousand and NT\$1,228 thousand, respectively, and the net accounts receivable accounted for 18% of total assets, which was significant to the Company. As the allowance for losses is measured by the expected amount of credit losses over the life of the asset, the assumptions used in the measurement involve significant management judgement. We therefore determined this a key audit matter.

Our audit procedures include, but are not limited to, obtaining an understanding of, and testing the effectiveness of, the internal control system established by management over the collection of accounts receivable; Analyzing changes in accounts receivable and changes in turnover rates over the period and testing the collection of accounts receivable after the period to assess recoverability; Review the breakdown of accounts receivable at the end of the period and recalculate the reasonableness of the allowance for losses on accounts receivable based on the classification of individual credit groups and the expected loss rate as assessed by management. We have also considered the appropriateness of the disclosure of accounts receivable in Notes 5 and 6 to the parent only financial statements.

Evaluation of allowance for losses on decline in value of inventories and obsolescence of inventories

As of 31 December 2023, the net inventory of the Company was NT\$203,241 thousand, representing 6% of total assets. Due to the uncertainty of the rapid changes in product technology and market demand, the allowance for losses on decline in value and obsolescence of inventories involve significant management judgment, we therefore determined this a key audit matter.

Our audit procedures include, but are not limited to, obtaining an understanding of, and testing the effectiveness of, management's internal control over inventory, including obtaining an understanding of the reasonableness of management's policy for the allowance for losses on decline in value and obsolescence of inventories; assessing management's inventory planning, selecting significant inventory locations and conducting physical observations of inventory counts to confirm the quantity and condition of inventories; testing the adequacy of the allowance for losses on decline in value of inventories. This includes testing the reasonableness of the net realizable value of inventories by reviewing a sample of evidence relating to the purchase and sale of inventories, obtaining a sample of inventory ageing schedules to test the correctness of the ageing calculations and recalculating the reasonableness of the allowance for losses on obsolescence of inventories. We also considered the appropriateness of the disclosures in Notes 5 and 6 to the individual financial statements.

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

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

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

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

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

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

/s/Huang, Tzu Ping

/s/Lo, Wen Chen

Ernst & Young, Taiwan

6 March 2024

Notice to Readers

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

Accordingly, the accompanying parent company only financial statements and report of independent auditors are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
E-LEAD ELECTRONIC CO., LTD
PARENT COMPANY ONLY BALANCE SHEETS
For the years ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

Assets			31 December 2023		31 December 2022	
Code	Accounting Items	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	4,6.1	\$512,834	15	\$226,562	7
1110	Financial assets at fair value through profit or loss - current	4,6.2	3,230	-	3,621	-
1150	Notes receivable, net	4	1,566	-	231	-
1170	Accounts receivable, net	4,6.3	194,510	5	271,464	8
1180	Accounts receivable - related parties, net	4,6.3,7	449,731	13	524,834	16
1200	Other receivables	4	8,201	-	7,532	-
1210	Other receivables - related parties	4,7	4,681	-	166,685	5
130x	Inventories	4,6.4	203,241	6	214,347	7
1410	Prepayments		12,052	-	68,839	2
1420	Prepayments - related parties		28,185	1	-	-
1470	Other current assets		861	-	3,491	-
11xx	Total current assets		<u>1,419,092</u>	<u>40</u>	<u>1,487,606</u>	<u>45</u>
	Non-current assets					
1517	Financial assets at fair value through other comprehensive income - non-current	4,6.5	906	-	-	-
1550	Investments accounted for using the equity method	4,6.6	1,359,523	39	1,002,201	30
1600	Property, plant and equipment	4,6.7,8	684,670	19	674,005	20
1755	Right-of-use assets	4,6.17,7	2,227	-	3,341	-
1780	Intangible assets	4	18,064	1	15,239	1
1840	Deferred tax assets	4,6.21	22,490	1	87,317	3
1900	Other non-current assets	4,6.8	13,090	-	20,281	1
15xx	Total non-current assets		<u>2,100,970</u>	<u>60</u>	<u>1,802,384</u>	<u>55</u>
1xxx	Total assets		<u>\$3,520,062</u>	<u>100</u>	<u>\$3,289,990</u>	<u>100</u>

(The accompanying notes are an integral part of the parent company only financial statements)

Chairman: Hsi-Hsun Chen

Manager: Hsi-Hsun Chen

Accounting Supervisor: Pi-Huan Chen

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
E-LEAD ELECTRONIC CO., LTD
PARENT COMPANY ONLY BALANCE SHEETS
For the years ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity			31 December 2023		31 December 2022	
Code	Accounting Items	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term loans	4.6.9	\$300,000	9	\$180,000	6
2130	Contract liabilities - current	6.15	4,203	-	9,302	-
2170	Accounts payable		178,651	5	205,443	6
2180	Accounts payable - related parties	7	38,940	1	15,752	1
2200	Other payables	6.10,7	169,351	5	160,362	5
2399	Other current liabilities	4.6.17,7	3,588	-	3,342	-
21xx	Total current liabilities		694,733	20	574,201	18
	Non-current liabilities					
2531	Bonds Payable	6.11	292,830	8	288,098	9
2540	Long-term loans	6.12	210,000	6	210,400	6
2570	Deferred tax liabilities	4.6.21	64,668	2	88,661	3
2640	Net defined benefit obligation - non-current	4.6.13	69,559	2	77,346	2
2670	Other non-current liabilities	4.6.17,7	1,166	-	2,315	-
25xx	Total non-current liabilities		638,223	18	666,820	20
2xxx	Total liabilities		1,332,956	38	1,241,021	38
	Equity	4.6.14				
3100	Capital					
3110	Common stock		1,227,985	35	1,227,985	37
3200	Additional Paid-in Capital		449,022	12	449,022	14
	Retained earnings					
3310	Legal reserve		227,281	7	208,936	6
3320	Special reserve		39,956	1	19,536	1
3350	Unappropriated retained earnings		288,947	8	183,446	5
3300	Subtotal		556,184	16	411,918	12
3400	Other equity components					
3410	Exchange differences on translation of foreign operations		(41,391)	(1)	(36,344)	(1)
	Unrealized gains or losses measured at fair value through other comprehensive income					
3420	Subtotal		(46,085)	(1)	(39,956)	(1)
3xxx	Total equity		2,187,106	62	2,048,969	62
2x3x	Total liabilities and equity		\$3,520,062	100	\$3,289,990	100

(The accompanying notes are an integral part of the parent company only financial statements)

Chairman: Hsi-Hsun Chen

Manager: Hsi-Hsun Chen

Accounting Supervisor: Pi-Huan Chen

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
E-LEAD ELECTRONIC CO., LTD

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended 31 December 2023 and 2022

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

Code	Accounting Items	Notes	2023		2022	
			Amount	%	Amount	%
4000	Revenues	4.6.15,7	\$2,193,637	100	\$2,173,273	100
5000	Operating costs	6.18,7	(1,507,743)	(69)	(1,499,099)	(69)
5900	Gross profit		685,894	31	674,174	31
5910	Add: Realized gain or loss from sales		146,731	7	37,585	2
5920	Less: Unrealized gain or loss from sales		(167,356)	(8)	(146,731)	(7)
5950	Gross profit, net		665,269	30	565,028	26
	Operating expenses	6.18,7				
6100	Sales and marketing expenses		(47,798)	(2)	(43,357)	(2)
6200	General and administrative expenses		(140,439)	(6)	(146,384)	(7)
6300	Research and development expenses		(277,604)	(13)	(252,654)	(11)
6450	Expected credit loss	4.6.16	(740)	-	(450)	-
6000	Subtotal		(466,581)	(21)	(442,845)	(20)
6900	Operating profit		198,688	9	122,183	6
7000	Non-operating income and expenses	6.19,7				
7100	Interest income		14,283	1	2,183	-
7010	Other income		39,824	2	75,211	3
7020	Other gains or losses		10,751	-	36,913	2
7050	Finance costs		(14,892)	(1)	(11,621)	(1)
7070	Share of profits or losses of subsidiaries, associates and joint ventures accounted for under the equity method	6.6	54,878	3	230,234	11
7000	Subtotal		104,844	5	332,920	15
7900	Income before tax		303,532	14	455,103	21
7950	Income tax expense	4.6.21	(70,940)	(3)	(108,532)	(5)
8200	Net income		232,592	11	346,571	16
	Other comprehensive income	6.20				
8310	Items that will not be reclassified subsequently to profit or loss					
8311	Remeasurements on defined benefit plans		(2,959)	-	(2,985)	-
8316	Unrealized gain or loss on equity instruments measured at fair value through other comprehensive income		(1,082)	-	(1,821)	-
8349	Income tax related to items that will not be reclassified subsequently	6.21	592	-	597	-
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of foreign operations		(6,308)	-	49,647	2
8399	Income tax related to items that may be reclassified subsequently	6.21	1,261	-	(9,929)	-
8300	Total other comprehensive income, net of tax		(8,496)	-	35,509	2
8500	Total comprehensive income		\$224,096	11	\$382,080	18
	Earnings per share (NTD)	6.22				
9750	Basic earnings per share		\$1.89		\$2.88	
9850	Diluted earnings per share		\$1.87		\$2.85	

(The accompanying notes are an integral part of the parent company only financial statements)

Chairman: Hsi-Hsun Chen

Manager: Hsi-Hsun Chen

Accounting Supervisor: Pi-Huan Chen

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
E-LEAD ELECTRONIC CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
For the years ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

Code	Item	Common stock 3100	Additional paid-in capital 3200	Retained earnings			Other equity components		Total Equity 3XXX
				Legal reserve 3310	Special reserve 3320	Unappropriated retained earnings (accumulated deficit) 3350	Exchange differences on translation of foreign operations 3410	Unrealized gains (losses) on equity instruments measured at fair value through other comprehensive income 3420	
A1	Balance as at 1 January 2022	\$1,187,985	\$216,787	\$208,936	\$19,536	\$(160,737)	\$(76,062)	\$(1,791)	1,394,654
C5	Equity components arising from the issuance of convertible bonds - arising from share options		26,931						26,931
D1	Net income for 2022					346,571			346,571
D3	Other comprehensive income for 2022					(2,388)	39,718	(1,821)	35,509
D5	Total comprehensive income for 2022	-	-	-	-	344,183	39,718	(1,821)	382,080
E1	Capital increase by cash	40,000	205,304						245,304
Z1	Balance as at 31 December 2022	\$1,227,985	\$422,091	\$208,936	\$19,536	\$183,446	\$(36,344)	\$(3,612)	\$2,048,969
A1	Balance as at 31 December 2022	\$1,227,985	\$449,022	\$208,936	\$19,536	\$183,446	\$(36,344)	\$(3,612)	\$2,048,969
B1	Legal reserve			18,345		(18,345)			-
B3	Special reserve				20,420	(20,420)			-
B5	Common stock cash dividends					(85,959)			(85,959)
D1	Net income for 2023					232,592			232,592
D3	Other comprehensive income for 2023					(2,367)	(5,047)	(1,082)	(8,496)
D5	Total comprehensive income for 2023	-	-	-	-	230,225	(5,047)	(1,082)	224,096
Z1	Balance as at 31 December 2023	\$1,227,985	\$449,022	\$227,281	\$39,956	\$288,947	\$(41,391)	\$(4,694)	\$2,187,106

(The accompanying notes are an integral part of the parent company only financial statements)

Chairman: Hsi-Hsun Chen

Manager: Hsi-Hsun Chen

Accounting Supervisor: Pi-Huan Chen

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
E-LEAD ELECTRONIC CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended 31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Code	Item	2023	2022
AAAA	Cash flows from operating activities:		
A00010	Net profit before tax from continuing operation	\$303,532	\$455,103
A10000	Net income before tax for the period	303,532	455,103
A20000	Adjustment for:		
A20010	Income and expense items :		
A20100	Depreciation	49,770	51,753
A20200	Amortization	9,228	13,139
A20300	Expected credit loss	740	450
A20400	Losses on financial assets and liabilities at fair value through profit or loss	391	79
A20900	Interest expense	14,892	11,621
A21200	Interest income	(14,283)	(2,183)
A22400	Share of profit of subsidiaries, associates and joint ventures under the equity method	(54,878)	(230,234)
A22500	Gain on disposal of property, plant and equipment	(810)	(1,924)
A22800	(Gain) loss on disposal of intangible assets	(4,246)	123
A23900	Unrealized gain from sales	20,625	109,146
A29900	Other items	(1,368)	10,757
A30000	Changes in assets/liabilities relating to operating activities:		
A31130	Increase in notes receivable	(1,335)	(22)
A31150	Decrease (increase) in accounts receivable	76,214	(139,463)
A31160	Decrease (increase) in accounts receivable - related parties	75,103	(310,590)
A31180	(Increase) decrease in other receivable	(262)	1,275
A31190	Decrease (increase) in other receivables - related parties	6,782	(1,780)
A31200	Decrease (increase) in inventories	11,106	(3,936)
A31230	Decrease (increase) in prepayments	28,602	(53,839)
A31240	Decrease (increase) in other current assets	3,304	(3,182)
A32125	(Decrease) increase in contract liabilities	(5,099)	1,601
A32150	Decrease in accounts payable	(26,792)	(41,369)
A32160	Increase (decrease) in accounts payable - related parties	23,188	(32,598)
A32180	Increase in other payable	12,675	37,278
A32230	Increase in other current liabilities	229	471
A32240	(Decrease) increase in net defined benefit obligation	(10,746)	18
A33000	Cash provided by (used in) operations	516,562	(128,306)
A33100	Interest received	14,783	2,160
A33200	Dividends received	342	1,607
A33300	Interest paid	(10,019)	(9,323)
A33500	Income tax paid	(28,927)	(18,179)
AAAA	Net cash provided by (used in) operating activities	492,741	(152,041)

(Continued)

(The accompanying notes are an integral part of the parent company only financial statements)

Chairman: Hsi-Hsun Chen

Manager: Hsi-Hsun Chen

Accounting Supervisor: Pi-Huan Chen

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
E-LEAD ELECTRONIC CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended 31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Code	Item	2023	2022
	(Continued)		
BBBB	Cash flows from investing activities:		
B00010	Acquisition of financial assets at fair value through other comprehensive income	(906)	-
B00100	Acquisition of financial assets at fair value through profit or loss	-	(3,070)
B01800	Acquisition of investments accounted for using the equity method	(329,433)	-
B02700	Acquisition of property, plant and equipment	(59,002)	(82,914)
B02800	Disposal of property, plant and equipment	3,399	6,619
B04300	Decrease (increase) in other receivable - related parties	154,315	(67,415)
B04500	Acquisition of intangible assets	(11,973)	(8,588)
B04600	Disposal of intangible assets	4,366	-
B06700	Increase in other non-current assets	-	(800)
B06800	Decrease in other non-current assets	301	3,144
BBBB	Net cash used in investing activities	(238,933)	(153,024)
CCCC	Cash flows from financing activities:		
C00100	Increase in short-term loans	560,000	590,000
C00200	Decrease in short-term loans	(440,000)	(720,000)
C01200	Issuance of corporate bonds	-	314,901
C01600	Acquisition of long-term loans	-	210,400
C01700	Repayment of long-term loans	(400)	(301,083)
C04020	Repayment of leasehold principal	(1,177)	(1,683)
C04400	Decrease in other non-current liabilities	-	-
C04500	Distribution of cash dividends	(85,959)	-
C04600	Capital increase by cash	-	240,000
C04800	Stock options exercised by employees	-	5,304
CCCC	Net cash provided by financing activities	32,464	337,839
EEEE	Increase in cash and cash equivalents	286,272	32,774
E00100	Cash and cash equivalents at beginning of period	226,562	193,788
E00200	Cash and cash equivalents at end of period	\$512,834	\$226,562

(The accompanying notes are an integral part of the parent company only financial statements)

Chairman: Hsi-Hsun Chen

Manager: Hsi-Hsun Chen

Accounting Supervisor: Pi-Huan Chen

Attachment 2

E-LEAD ELECTRONIC CO., LTD.
PROFIT DISTRIBUTION TABLE
2023

Item	Unit: NT\$ Amount
Beginning retained earnings	58,723,397
Add	
(Less): Net profit after tax for 2023	232,591,592
Other comprehensive income or loss for 2023 - remeasurement on defined benefit plans	(2,367,048)
Appropriated items:	
Legal reserve	(23,022,454)
Special reserve	(6,128,635)
Subtotal	259,796,852
Distributable items:	
Dividend to shareholders - Cash dividends (NT\$1 per share)	(122,798,463)
Unappropriated retained earnings	136,998,389

Chairman: Hsi-Hsun Chen General Manager: Hsi-Hsun Chen Accounting Supervisor: Pi-Huan Chen

Attachment 3

E-LEAD ELECTRONIC CO., LTD.

Issue and Conversion of Second Domestic Secured Convertible Corporate Bonds

Types	Second domestic secured convertible corporate bonds issued in 2022
Approval Date	8 June 2022
Issue Date	7 July 2022
Issue Amount	NT\$300,000 thousand, issued at 104.97% of par value and the total amount raised was NT\$314,901 thousand
Maturity Day	7 July 2025
Coupon Rate	0%
Guarantor	Mega International Commercial Bank Co., Ltd.
Trustee	CTBC Bank Co., Ltd.
Implementation Of Capital Allocation Plans Status	Fully executed by the third quarter of 2022
Conversion Price	The conversion price was originally NT\$85 per share. and was NT\$83.8 per share as of 31 December 2023.
Conversion Status	As of December 31, 2023, there had been no conversions

Attachment 4

E-LEAD ELECTRONIC CO., LTD.

The Status of Loans of Funds to Subsidiaries

As of December 31, 2023, the nature of the funds provided by the Company to its subsidiaries was short-term financing for operational turnover. The limits on the aggregate amount of such loans and on the amount of such loans permitted to a single borrower were both 40% of the net equity. The total amount provided was NT\$874,842 thousand, detailed as follows:

Borrower	Board Meeting Date	Amount		Actual Disbursed Amount
		Original Currency	Local Currency	
E-LEAD ELECTRONIC TECHNOLOGY (JIANSU) CO., LTD.	9 August 2023	CNY 60 million	NT\$259,740 thousand	-
E-LEAD ELECTRONIC (THAILAND) CO., LTD.	9 August 2023	USD 2 million	NT\$61,420 thousand	-
Total			NT\$321,160 thousand	-

Attachment 5

E-LEAD ELECTRONIC CO., LTD.

The Status of Endorsement and Guarantee Provided to Subsidiaries

As of 31 December 2023, the ceilings on aggregate endorsement and guarantee amount and on the amount of endorsement and guarantee for any single entity were both set at 50% of the company's net equity, totaling NT\$1,093,553 thousand. The balance of endorsement and guarantee for the subsidiary E-LEAD ELECTRONIC TECHNOLOGY (JIANSU) CO., LTD. was NT\$380,952 thousand, which accounted for 17.42% of the net equity. The actual disbursed amount was NT\$165,428 thousand, detailed as follows:

Financial Institutions	Board Meeting Date	Balance as of 31 December 2023		Actual Disbursed Amount
		In CNY 10 thousand	In NT\$ thousand	In NT\$ thousand
Mega International Commercial Bank, Wujiang Subbranch	9 August 2023	3,000	129,870	100,493
E.SUN Bank (China), Shenzhen Branch	8 November 2023	1,500	64,935	64,935
Entie Commercial Bank, Corporate Banking Regional Centers Taichung District	15 March 2023	1,300	56,277	-
CTBC Bank, Shanghai Branch	8 November 2023	3,000	129,870	-
Total		8,800	380,952	165,428

Attachment 6

E-LEAD ELECTRONIC CO., LTD.

The Status of Significant Transactions with Related Parties

The significant purchase and sales and acquisition or disposal of assets from or to any single related party are as follows:

1. The value of transaction with related parties amounting to at least NT\$100 million or 20% of the additional paid-in capital:

Purchasing (Selling) Companies	Counterpart Name	Relationship	Purchase (Sales)	Amount (NT\$ thousand)
The Company	E-LEAD ELECTRONIC (THAILAND) CO., LTD.	Parent-subsiary	Sales	441,421
The Company	E-LEAD ELECTRONIC (THAILAND) CO., LTD.	Parent-subsiary	Technical service revenue	161,511
The Company	E-LEAD ELECTRONIC TECHNOLOGY (JIANSU) CO., LTD.	Parent-subsiary	Sales	498,951
E-LEAD ELECTRONIC TECHNOLOGY (JIANSU) CO., LTD.	SUZHOU FAR HORIZON TRADING CO., LTD.	Affiliated company	Sales	144,929
The Company	E-LEAD ELECTRONIC (THAILAND) CO., LTD.	Parent-subsiary	Purchase	103,080
The Company	E-LEAD ELECTRONIC TECHNOLOGY (JIANSU) CO., LTD.	Parent-subsiary	Purchase	299,735

2. Acquisition of assets:

Name and Nature of the Subject	Equity of E-LEAD ELECTRONIC TECHNOLOGY (JIANSU) CO., LTD.
The Date and Price at Which the Related Party Originally Acquired the Assets, the Original Transaction Counterparty, and that Transaction Counterparty's Relationship to the Company and the Related Party	Board Approval Date: 10 May 2023 Total Transaction Amount: USD 9.5 million Counterparty: E-LEAD ELECTRONIC TECHNOLOGY (JIANSU) CO., LTD. Relationship: Sub-subsidiary of the Company
Actual Transaction Amount	USD 9.5 million (Completion Date: 3 August 2023)
The Purpose, Necessity and Anticipated Benefit of the Acquisition or Disposal of Assets	Investment in China
The Reason for Choosing the Related Party as a Transaction Counterparty	Cash capital increase
An Appraisal Report from a Professional Appraiser or a CPA's Opinion	N/A

Appendix 1

E-LEAD ELECTRONIC CO., LTD.

Articles of Incorporation

Chapter 1 General Provisions

Article 1: The Company shall be incorporated under the Company Act of the Republic of China, and its name shall be E-LEAD ELECTRONIC CO., LTD.

Article 2: The Company's business scope includes:

1. Manufacturing and trading of various transformers, power converters, chargers, DC power supplies, power stabilizers, and emergency power supplies.
2. Manufacturing and trading of microcomputer application products, microcomputer peripheral equipment, and related products.
3. Manufacturing, processing, and trading of various automotive electrical accessories, audio equipment, air conditioners, heaters, ovens, and other household appliances.
4. Manufacturing, processing, and trading of rewinders, accessories for recording and playback machines, televisions, washing machines, refrigerators, dishwashers, vacuum cleaners, and related products.
5. Manufacturing, processing, and trading of camera accessories and mobile phone accessories.
6. CC01020 Electric Wires and Cables Manufacturing.
7. F401021 Restrained Telecom Radio Frequency Equipment and Materials Import.
8. CC01101 Restrained Telecom Radio Frequency Equipment and Materials Manufacturing.
9. F113070 Wholesale of Telecom Instruments.
10. F219010 Retail Sale of Electronic Materials.
11. F213060 Retail Sale of Telecom Instruments.
12. C805050 Industrial Plastic Products Manufacturing.
13. CC01010 Manufacture of Power Generation, Transmission and Distribution Machinery.
14. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing.
15. CC01060 Wired Communication Equipment and Apparatus Manufacturing.
16. CC01070 Telecommunication Equipment and Apparatus Manufacturing.
17. CC01080 Electronics Components Manufacturing
18. CD01030 Motor Vehicles and Parts Manufacturing.
19. The trading business of import and export of the aforementioned products.
20. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The total amount of investments may exceed forty percent of the amount of the paid-in capital and the board of directors is authorized to execute such investments.

- Article 4: A public company shall comply with the operational procedures for endorsements/guarantees when making endorsements/guarantees for others as necessary for business operations.
- Article 5: The Company shall have its head office in Changhua County, the Republic of China, and may, pursuant to a resolution adopted at the meeting of the Board of Directors, set up branch offices within or outside the territory of the Republic of China when deemed necessary.
- Article 6: Public announcements of the Company shall be made according to the Company Act and relevant laws and regulations.

Chapter 2 Capital Stock

- Article 7: The total capital stock of the Company shall be in the amount of NT\$ 2 billion, divided into 200 million shares, at NT\$ 10 each, to be fully issued. The board of directors is authorized to issue the remaining shares in installments. The total number of shares as mentioned above includes 5 million shares reserved for the issuance of employee stock options.
- Article 8: The shares issued by the Company may be exempted from printing any share certificate for the shares issued but shall register the issued shares with a centralized securities depository enterprise.
- Article 9: All matters related to stock affairs shall be handled in accordance with the “Regulations Governing the Administration of Shareholder Services of Public Companies” and relevant laws and regulations.
- Article 10: Share transfer registration is suspended within 60 days prior to the convening date of a regular shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within 5 days prior to the target date fixed by the issuing company for distribution of dividends, bonus or other benefits.

Chapter 3 Shareholders' Meeting

- Article 11: Shareholders' meeting shall be of two kinds which are regular meeting of shareholders and special meeting of shareholders. Regular meeting of shareholders is to be held at least once every year and shall be convened within six months after close of each fiscal year. Special meeting of shareholders is to be held when necessary and can be held by means of visual communication network or other methods promulgated by the Ministry of Economic Affairs.
- Article 12: A shareholder may appoint a proxy, in accordance with Article 177 of the Company Act, to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney stating therein the scope of power authorized to the proxy. Unless otherwise provided by the Company Act, the procedures for proxy attendance at shareholders' meetings shall be governed by the “Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies” issued by the competent authority.

Article 13: The chairman of the board of directors shall preside the shareholders' meeting. In case the chairman of the board of directors is absent, the chairman of the board of directors shall designate one of the directors. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of directors. Where as for a shareholders' meeting convened by any other person having the convening right, he/she shall act as the chairman of that meeting provided, however, that if there are two or more persons having the convening right, the chairman of the meeting shall be elected from among themselves.

Article 14: Except in the circumstances otherwise provided for by act, the shareholders of the company shall have one voting power in respect of each share in his/her/its possession.

Article 15: Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Article 16: 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 (20) days after the close of the meeting. The distribution of the minutes of shareholders' meeting may be effected by means of a public notice. The minutes of shareholders' meeting shall record the date and place of the meeting, the name of the chairman, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be kept persistently throughout the life of the company. The attendance list bearing the signatures of shareholders present at the meeting and the powers of attorney of the proxies shall be kept by the company for a minimum period of at least one year.

Chapter 4 Directors and Managers

Article 17: The Company shall have 7 to 11 Directors with the term of three years. A candidates nomination system is adopted for election of the directors of the company. The shareholders shall elect the directors from among the nominees listed in the roster of director candidates. Procedures for accepting nominations of director candidates and related matters such as public announcements shall be carried out in accordance with relevant laws and regulations such as the Company Act and the Securities and Exchange Act. All directors shall be eligible for re-election. The percentage of shareholdings of all the directors is subject to the provisions separately prescribed by the competent authority in charge of securities affairs, such provisions shall prevail.

Among the number of directors to be elected prescribed in the previous paragraph, the number of independent directors shall not be less than three and shall not be less than one-fifth of the total number of directors. The independent and non-independent directors are elected at the same time, but in separately calculated numbers.

Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to independent directors shall be prescribed by the Securities and Exchange Act and relevant laws and regulations.

Article 17-1: The remuneration of directors shall be determined by the board of directors based on the level of involvement and contribution to the operations of the Company and may be paid at such level as generally adopted by the enterprises of the same industry.

Article 17-2: The Company has established an audit committee in accordance with Article 14-4 of the Securities Exchange Act. The audit committee shall be composed of the entire number of independent directors. Regulations governing exercise by the audit committee and its independent director members of the powers shall be prescribed by the Company Act, the Securities Exchange Act and other applicable laws and regulations.

Article 18: When the number of directors falls below five due to the dismissal of a director for any reason, the company shall hold a by-election for director at the next following shareholders meeting.

When the number of directors falls short by one-third of the total number prescribed by the articles of incorporation, the company shall convene a special shareholder meeting within 60 days of the occurrence of that fact to hold a by-election for directors.

When an independent director is dismissed for any reason, resulting in a number of directors lower than that required under paragraph 1 or the company's articles of incorporation, a by-election for independent director shall be held at the next following shareholders meeting.

When all independent directors have been dismissed, the company shall convene a special shareholder meeting to hold a by-election within 60 days from the date on which the situation arose.

The term of office for a director or an independent director elected to fill a vacancy shall be limited to the remaining term of the original director or independent director.

Article 19: In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office. However, the competent authority may, ex officio, order the company to elect new directors within a given time limit; and if no re-election is effected after expiry of the given time limit, the out-going directors shall be discharged ipso facto from such expiration date.

Article 20: The directors shall organize the board of directors. The board of directors shall elect a chairman of the board directors from among the directors by a majority vote at a meeting attended by over two-thirds of the directors and may also elect in the same manner a vice chairman of the board to execute all matters of the Company in accordance with applicable laws and regulations, the Articles of Incorporation, and resolutions of the shareholders' meeting and the board of directors.

Article 21: The operational guidelines and other important matters of the company shall be determined by the board of directors. Except for the first meeting of each term of the board of directors shall be convened in accordance with Article 203 of the Company Act, the meetings of the board of directors shall be convened by the chairman of the board of directors. In case the chairman of the board of directors is on leave or absent or can not exercise his power and authority for any cause, the procedures for designation shall comply with Article 208 of the Company Act.

Article 22: Unless otherwise provided for in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. In case a director appoints another director to attend a meeting of the board of directors in his/her behalf, he/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. A director may accept the appointment to act as the proxy referred to in the preceding Paragraph of one other director only. The use of proxies for attendance at shareholder meetings shall comply with the relevant legal provisions. In case a meeting of the board of directors is proceeded via visual communication network, then the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 23: In calling a meeting of the board of directors, a notice shall be given to each director no later than 7 days prior to the scheduled meeting date. In the case of emergency, a meeting of the board of directors may be convened at any time. The notice may be effected in writing, e-mail or fax.

Article 24: 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 (20) days after the close of the meeting. The minutes of shareholders' meeting shall record the date and place of the meeting, the name of the chairman, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be kept persistently throughout the life of the company; The preparation and distribution of the minutes of shareholders' meeting as required in the preceding Paragraph may be effected by means of electronic transmission.

Article 25: A company may have one general manager, several deputy general managers, associate managers, and managers. The appointment, dismissal, and remuneration of such personnel shall comply with Article 29 of the Company Act.

Chapter 5 Accounting

Article 26: At the close of each fiscal year, the Company shall prepare and present the following statements and records to the shareholders' meeting for approval upon the resolution of the Board of Directors:

1. Business Report. 2. Financial Statements. 3. Surplus Earning Distribution or Loss Off-Setting Proposals.

Article 27: If the Company has made profit in the year, appropriate no less than 1% as employees' compensation, and no more than 5% as remuneration to the Directors and Supervisors. The Company shall appropriate for covering carryforward loss, where applicable.

The profit for the year referred to in the preceding paragraph shall refer to the profit before tax for the year before the distribution of employees' compensation and remuneration to directors.

The Company shall, by a resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation and remuneration to directors in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Remuneration to the employees may be distributed in cash or stock. Qualification requirements of employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, entitled to receive shares or cash.

Article 27-1: When allocating its surplus profits after having paid all taxes and dues, the company's accumulated losses shall have been covered and the Company shall set aside ten percent of said profits as legal reserve. In addition, special reserves shall be set aside or reversed in accordance with the law. The remaining balance, together with the undistributed earnings at the beginning of the period, shall be formulated into a profit distribution proposal by the board of directors, and submitted to the shareholders' meeting for resolution on the distribution of dividends to shareholders.

The total amount of dividends distributed annually shall not be less than 10% of the distributable earnings for the year. However, if the accumulated distributable earnings are less than ten percent of the paid-in capital, dividends may be withheld. Additionally, the proportion of cash dividends distributed shall not be less than ten percent of the total shareholder dividends.

Article 27-2: The Company may, upon the approval of at least two-thirds of the voting rights represented at a shareholders meeting attended by shareholders representing a majority of the total issued shares, transfer the shares bought back to its employees at a price lower than the actual repurchase price or issue employee stock warrants at a price lower than the market price. However, this shall be done in compliance with relevant laws and regulations and with the approval of the shareholders' meeting.

Chapter 6 Supplementary Provisions

Article 28: In regard to all matters not provided for in these Articles of Incorporation, the Company Act shall govern.

Article 29: The Articles of Incorporation was established on 4 June 1983. The first amendment was made on 31 August 1985. The second amendment was made on 3 October 1987. The third amendment was made on 2 June 1989. The fourth amendment was made on 28 August 1989. The fifth amendment was made on 28 September 1989. The sixth amendment was made on 21 December 1993. The seventh amendment was made on 22 March 1997. The eighth amendment was made on 10 November 1997. The ninth amendment was made on 9 September 1998. The tenth amendment was made on 11 June 1999. The eleventh amendment was made on 8 June 2000. The twelfth amendment was made on 25 August 2000. The thirteenth amendment was made on 10 May 2001. The fourteenth amendment was made on 31 May 2002. The fifteenth amendment was made on 10 June 2003. The sixteenth amendment was made on 13 June 2005. The seventeenth amendment was made on 13 June 2008. The eighteenth amendment was made on 10 June 2009. The nineteenth amendment was made on 9 June 2010. The twentieth amendment was made on 6 June 2012. The twenty-first amendment was made on 8 June 2016. The twenty-second amendment was made on 17 June 2019. The twenty-third amendment was made on 16 June 2020. The twenty-fourth amendment was made on 15 June 2022. The twenty-fifth amendment was made on 16 June 2023.

Appendix 2

E-LEAD ELECTRONIC CO., LTD. Rules of Procedure for Shareholder Meetings

1. Purpose:
 - 1.1 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/GTSM Listed Companies.
2. Scope:
 - 2.1 The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
3. Nominal definition: (omitted)
4. Authority and responsibility:
 - 4.1. The designated unit responsible for the rules shall be the board of directors.
5. Flowchart: (omitted)
6. Management principles:
 - 6.1 Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.
 - 6.1.1 Changes to how the Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice. 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 or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. If, however, the Company has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before 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 distributed on-site at the meeting.

- 6.1.1.1 The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph 6.1.1 available to shareholders for review in the following manner on the date of the shareholders meeting:
 - 6.1.1.1.1 For physical shareholders meetings, to be distributed on-site at the meeting.
 - 6.1.1.1.2 For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
 - 6.1.1.1.3 For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.
- 6.1.2 The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.
- 6.1.3 Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.
- 6.1.4 Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.
- 6.1.5 A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

- 6.1.6 Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.
- 6.1.7 Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.
- 6.1.8 Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.
- 6.2 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.
- 6.2.1 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 before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.
- 6.2.2 After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.
- 6.2.3 If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.
- 6.3 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.
- 6.3.1 The 6.3 restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.

6.4 The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively “shareholders”) will be accepted, the place to register for attendance, and other matters for attention.

6.4.1 The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph 6.4, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

6.4.2 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.

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

6.4.4 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.

6.4.5 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.

6.4.6 In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.

6.4.7 In the event of a virtual shareholders meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

6.4.7.1 To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice:

6.4.7.1.1 How shareholders attend the virtual meeting and exercise their rights.

6.4.7.1.2 Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:

- 6.4.7.1.2.1 To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - 6.4.7.1.2.2 Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
 - 6.4.7.1.2.3 In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
 - 6.4.7.1.2.4 Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
 - 6.4.7.1.3 To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.
- 6.5 If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.
- 6.5.1 When a director serves as chair, the 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.

- 6.5.2 It is advisable that shareholders meetings convened by the board of directors be chaired by the chairman of the board in person and attended by a majority of the directors, at least one independent director in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.
- 6.5.3 If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.
- 6.5.4 The Company may appoint its attorneys, CPAs, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.
- 6.6 The recorded materials shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.
- 6.6.1 Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.
- 6.6.2 The information and audio and video recording in the preceding paragraph 6.6.1 shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.
- 6.6.3 In case of a virtual shareholders meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.
- 6.7 Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.
- 6.7.1 The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

- 6.7.2 If the quorum is not met after two postponements as referred to in the preceding paragraph 6.7.1, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.4.6.
- 6.7.3 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.
- 6.8 If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.
- 6.8.1 The provisions of 6.8 apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.
- 6.8.2 The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding paragraphs 6.8 and 6.8.1 (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.
- 6.8.3 The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.
- 6.9 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.
- 6.9.1 A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.
- 6.9.2 Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

- 6.9.3 When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.
- 6.9.4 When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.
- 6.9.5 After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- 6.9.6 Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in Articles 6.9 to 6.9.4 do not apply.
- 6.9.7 As long as questions so raised in accordance with the preceding paragraph 6.9.6 are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.
- 6.10 Voting at a shareholders meeting shall be calculated based the number of shares.
- 6.10.1 With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.
- 6.10.2 When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.
- 6.10.3 The number of shares for which voting rights may not be exercised under the preceding paragraph 6.10.2 shall not be calculated as part of the voting rights represented by attending shareholders.
- 6.10.4 With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.
- 6.11 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

- 6.11.1 When the Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.
- 6.11.2 A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph 6.11.1 shall deliver a written declaration of intent to the Company before 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.
- 6.11.3 After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under Article 6.11.2 shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means 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.
- 6.11.4 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. After the conclusion of the meeting, on the same day it is held, 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.
- 6.11.5 When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- 6.11.6 Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

- 6.11.7 Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.
- 6.11.8 When the Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.
- 6.11.9 In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.
- 6.11.10 When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6.4.6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.
- 6.11.11 When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.
- 6.12 The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received.
- 6.12.1 The ballots for the election referred to in the preceding paragraph 6.12 shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
- 6.13 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.
- 6.13.1 The Company may distribute the meeting minutes of the preceding paragraph 6.13 by means of a public announcement made through the MOPS.

- 6.13.2 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 or supervisors. The minutes shall be retained for the duration of the existence of the Company.
- 6.13.3 Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in Article 6.13.2, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.
- 6.13.4 When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online
- 6.14 On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.
- 6.14.1 During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.
- 6.14.2 If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.
- 6.15 Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.
- 6.15.1 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 a CNY and bearing the word "Proctor".

- 6.15.2 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.
- 6.15.3 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.
- 6.16 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.
- 6.16.1 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.
- 6.16.2 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.
- 6.17 In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.
- 6.18 When the Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.
- 6.19 In the event of a virtual shareholders meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.
- 6.19.1 In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.
- 6.19.2 For a meeting to be postponed or resumed as described in the preceding paragraph 6.19.1, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

- 6.19.3 For a meeting to be postponed or resumed under Article 6.19.1, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.
- 6.19.4 During a postponed or resumed session of a shareholders meeting held under Article 6.19.1, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.
- 6.19.5 When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in Article 6.19.1, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under Article 6.19.1 is required.
- 6.19.6 Under the circumstances where a meeting should continue as in the preceding paragraph 6.19.5, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
- 6.19.7 When postponing or resuming a meeting according to Article 6.19.1, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.
- 6.19.8 For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company's shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under Article 6.19.1.
- 6.20 When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.
- 6.21 These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

Appendix 3

E-LEAD ELECTRONIC CO., LTD.

Shareholding of Directors

Date for suspension of share transfer : 14 April 2024

Title	Name	Shareholding
Chairman	Hsi-Hsun Chen	9,868,149
Deputy Chairman	Hsi-Tsang Chen	10,578,041
Director	Teng-Kuei Chen	1,049,904
Director	Yu-Tzu Fu	791,372
Director	Han-Nian Lin	2,677
Director	Ming-Shou Lin	-
Independent Director	Chi-Chung Tsai	-
Independent Director	Cheng-Chun Chang	-
Independent Director	Shein-Tung Wu	-
Independent Director	Rong-Lin Jiang	-
Total		22,290,143

Note:

- (1) The total number of shares issued by the Company as at the date of 14 April 2024, for the suspension of share transfer is 122,798,463 shares.
- (2) The statutory minimum shareholding requirement for all directors: 8,000,000 shares.
- (3) The Company has established an audit committee; hence, the statutory minimum shareholding requirement for supervisors does not apply.