



兆聯實業股份有限公司  
MEGA UNION TECHNOLOGY INCORPORATED

## 2025 Annual General Shareholders' Meeting Minutes (Translation)

Date: Thursday, June 26, 2025 at 09:30 AM

Venue: Hotel Chuto, No. 398 Taoying Road, Taoyuan District, Taoyuan City, Taiwan

Meeting Type: Physical Meeting

Members Present: The total number of shares represented by attending shareholders was 46,759,541 shares (including 19,911,525 shares voted electronically), accounting for 67.68% of the Company's total issued shares of 69,088,312 shares.

Present Directors: Lin Kuo-Ching 、 Easy Win International Investment Ltd.( Representative: Tsao, I-Chang) 、 Chou Chih-Ming 、 Tang Min-Tse 、 Shiue Jih-Jonq. Five directors were in attendance, constituting a majority of the total eight board seats.

Others: CPA- Chen Ching-Chang, Lawyer- Ai-Chia Pan, CFO- Pao-Hua Chin

Chairperson: Chairman Kuo-Ching Lin

Secretary: Lan-Zhi Peng

- Call the meeting to order
- Chairman's Remarks
- Reporting Items

### Motion 1: 2024 Business Report

Explanation:

- a. Please refer to Appendix 1.

### Motion 2: 2024 Audit Committee Review Report

Explanation:

- a. Please refer to Appendix 2.

### Motion 3: Report on Distribution of Employee and Director Compensation for 2024

Explanation:

- a. In accordance with Article 235-1 of the Company Act and Article 19 of the Articles of Incorporation, the Company shall allocate 1% to 20% of annual profits as employee compensation. Upon Board resolution, no more than 2% of annual profits may also be allocated as compensation to directors.
- b. For fiscal year 2024, it is proposed that 19% (NT\$455,471,306) of the profits be distributed to employees, and 1% (NT\$23,972,172) to directors, both fully in cash. The Chairman is authorized to handle all related matters.

- Acknowledgment Items

### **Motion 1: Adoption of the 2024 Business Report and Financial Statements**

Explanation:

- The 2024 Financial Statements, including the Balance Sheet, Statement of Comprehensive Income, Statement of Changes in Equity, and Statement of Cash Flows, have been audited by CPAs Chen Chin-Chang and Liao Fu-Ming of PwC Taiwan.
- Please refer to Appendix 3.
- Submitted for discussion.

Resolution: That the 2024 Business Report and Financial Statements were hereby accepted as submitted

Voting Results:

Shares represented at the time of voting	Votes in favor	Votes against	Votes invalid	Votes abstained
46,759,541 votes	45,906,431 votes (19,254,234 votes)	8,028 votes (8,028 votes)	0 votes	845,082 votes (649,263 votes)
	98.18%	0.01%		1.81%

\* including votes casted electronically (numbers in brackets)

### **Motion 2: Adoption of the 2024 Earnings Distribution Proposal**

Explanation:

- The net income after tax for 2024 is NT\$1,512,087,763, and distributable earnings amount to NT\$2,394,700,147. It is proposed to distribute NT\$967,236,368 as cash dividends to shareholders (NT\$14 per share).
- Cash dividends will be rounded down to the nearest dollar. Residual amounts will be accounted as other income. The Board is authorized to determine the dividend record and distribution dates. In the event of changes to total outstanding shares, the Board is authorized to adjust accordingly.
- Submitted for discussion.

Shareholder Comment (Account No. 320):

The Company plans to distribute a cash dividend of NT\$14 per share. However, due to the issuance of new shares through the IPO, the dividend yield will be reduced. Will the Company still maintain the NT\$14 per share distribution?

Chairman's Response Summary:

Thank you for the question. To safeguard the rights of new shareholders, the Chairman proposed to the shareholders' meeting that the Company maintain the cash dividend at NT\$14 per share. Accordingly, the total cash dividend amount will be raised to NT\$1,068,316,368 (76,308,312 shares after capital increase  $\times$  NT\$14), in line with shareholders' expectations. After evaluation, the CFO confirmed that the Company's financial position remains sound and capital expenditures this year are relatively stable, ensuring sufficient cash flow to cover the increased dividend distribution. Based on shareholder feedback, the Chairman proposed to amend the original proposal and submit the revised 2024 earnings distribution plan for approval. Please refer to Appendix 4.

Summary of the Amended Proposal:

- a. The net income after tax for 2024 is NT\$1,512,087,763, and distributable earnings amount to NT\$2,394,700,147. It is proposed to distribute NT\$1,068,316,368 as cash dividends to shareholders (76,308,312 shares after capital increase, NT\$14 per share). Please refer to Appendix 4.
- b. Cash dividends will be rounded down to the nearest dollar. Residual amounts will be accounted as other income. The Board is authorized to determine the dividend record and distribution dates. In the event of changes to total outstanding shares, the Board is authorized to adjust accordingly.
- c. Submitted for discussion.

Resolution: That the above proposal was hereby approved as proposed

Voting Results:

Shares represented at the time of voting	Votes in favor	Votes against	Votes invalid	Votes abstained
46,759,541 votes	26,652,197 votes	votes	votes	20,107,344 votes
	57.00%	0%	0%	43.00%

- Discussion Items

### **Motion 1: Amendment of Articles of Incorporation**

Explanation:

- In accordance with the FSC Order No. 1130385442 dated November 8, 2024, and Article 14-6 of the Securities and Exchange Act, companies listed on the TWSE or traded on the OTC market must stipulate in their Articles of Incorporation a percentage of annual earnings allocated for salary adjustment or compensation for base-level employees.
- The proposed amendments to the Articles of Incorporation are detailed in Appendix 5.
- Submitted for discussion.

Resolution: That the above proposal was hereby approved as proposed

Voting Results:

Shares represented at the time of voting	Votes in favor	Votes against	Votes invalid	Votes abstained
46,759,541 votes	45,900,262 votes (19,248,065 votes)	10,957 votes (10,957 votes)	0 votes	848,322 votes (652,503 votes)
	98.16%	0.03%	0%	1.81%

\* including votes casted electronically (numbers in brackets)

### **Motion 2: Amendment of Endorsement and Guarantee Procedure**

Explanation:

- In accordance with Article 5 of the Company's "Endorsement and Guarantee Procedure" regarding endorsement and guarantee limits, the current total limit for external endorsements and guarantees by the Company and its subsidiaries is insufficient due to operational needs. It is proposed to amend the total amount of endorsements provided by the Company for others, as well as the amount for a single enterprise. Please refer to Appendix 6 of this Handbook for the comparison of the original and amended provisions.
- The proposed increase in the total limit is primarily due to the continuous expansion in the operational scale and funding needs of the Company's investee enterprises. In order to secure stable sources of capital and reduce borrowing costs, the Company needs to provide endorsements and guarantees to those investee companies with funding requirements. This adjustment in endorsement limits is a strategic move to achieve maximum investment benefit. The Company will continue to exercise rigorous financial risk control to safeguard shareholders' best interests.
- This proposal has been approved by the Audit Committee and is submitted to the Board of Directors for resolution before being presented to the shareholders' meeting for discussion in accordance with the law.
- Submitted for discussion.

Resolution: That the above proposal was hereby approved as proposed

Voting Results:

Shares represented at the time of voting	Votes in favor	Votes against	Votes invalid	Votes abstained
46,759,541 votes	45,732,041 votes (19,079,844 votes)	182,768 votes (182,768 votes)	0 votes	844,732 votes (648,913 votes)
	97.80%	0.39%	0%	1.81%

\* including votes casted electronically (numbers in brackets)

**IV. Extraordinary Motions :** There being no extraordinary motions, the Chairman declared this Meeting closed.

**V. Adjournment :** (Meeting ended at 10:00 am)

(Minutes of the shareholders' general meeting only include the essentials of the results of the discussions and their results. The content, procedures, and speeches of shareholders are still subject to the audio-visual records of the meeting.)

### **III. Appendices**

#### **Appendix 1: 2024 Business Report**

Dear Shareholders,

We sincerely thank all shareholders for your support and encouragement over the past year. In 2024, as inventory adjustments in the high-tech sector approached completion, driven by strong demand for AI, HBM, and CoWos advanced packaging, capital expenditures by semiconductor companies began to return to normal levels.

Thanks to the dedicated efforts of our employees and the continued support of shareholders, the company maintained operational stability and profitability. We sustained a leading market position in green environmental solutions including wastewater treatment, recycling, and water treatment chemicals. Furthermore, we actively expanded into seawater desalination in Penghu and reclaimed water projects on the main island, continuing to play an important role in Taiwan's water resource recovery sector, and improving shareholder returns.

##### **1. 2024 Operational Results:**

In fiscal year 2024, the Company recorded consolidated net operating revenue of approximately NT\$10,300,194 thousand, representing a year-over-year increase of 14.28% compared to NT\$9,012,888 thousand in 2023. Consolidated gross profit amounted to NT\$2,348,517 thousand, reflecting a growth of 28.97% from NT\$1,821,028 thousand in the prior year.

Despite facing challenges such as rising raw material costs and on-site labor shortages, the Company proactively implemented risk management strategies for long-term orders. By promptly adjusting to fluctuations in material costs and increasing safety inventory levels, the Company effectively maintained its competitive edge while ensuring robust risk control.

Consolidated operating profit for the year reached approximately NT\$1,926,080 thousand, up 35.49% from NT\$1,421,571 thousand in 2023. Net income after tax totaled NT\$1,512,088 thousand, representing a substantial increase from NT\$1,069,898 thousand in the previous year. Earnings per share (EPS) rose to NT\$22.33, surpassing the EPS of NT\$15.97 reported in 2023.

##### **2. Budget Execution Status**

For detailed financial information of the Company for fiscal year 2024, please refer to the Market Observation Post System (MOPS) at <https://mops.twse.com.tw> (Stock Code: 6944).

### 3. Analysis of Financial Performance and Profitability

Unit: NT\$ thousand

Category	Item	FY2024
<b>Financial Performance</b>	Operating Revenue	10,300,194
	Gross Profit	2,348,517
	Operating Profit	1,926,080
	Net Income	1,512,088
<b>Profitability</b>	Return on Assets (ROA) (%)	17.18%
	Return on Equity (ROE) (%)	38.49%
	Earnings Per Share (EPS) (NT\$)	22.33

### 4. R&D Development Status

Unit: NT\$ thousand

Item	FY2024
R&D Expenses	62,029
Total Capital at Year-End	690,883
R&D Expenses as a Percentage of Year-End Capital (%)	8.98%

### 5. Overview of 2025 Business Plan and Future Development Strategies

The Company positions itself as a comprehensive water resource solutions provider, offering services including ultrapure water systems, wastewater treatment, wastewater recycling systems, system operation and maintenance, resource recovery and reuse, as well as the supply of related chemicals. In recent years, we have placed a strong focus on the development of green and sustainable water solutions, with continuous investment in technologies addressing the environmental requirements arising from advanced semiconductor manufacturing processes, aiming to grow in tandem with our clients.

In parallel, the Company has actively promoted internal audit and internal control mechanisms to enhance corporate governance. We officially became a public company on January 9, 2023, and were listed on the Emerging Stock Board on April 27 of the same year.

Future development strategies are as follows:

1. Continue focusing on the water resource industry by integrating upstream and downstream supply chains and optimizing engineering cost control, thereby enhancing competitiveness alongside our clients.
2. Leverage comprehensive technological capabilities to deliver complete and optimal water solutions, creating a win-win-win outcome for the environment, our clients, and the Company.
3. Continuously strengthen employee professional skills and project management capabilities through ongoing training to enhance customer satisfaction.
4. In response to future market growth, the Company has acquired land in the Hukou and Taichung Industrial Parks to expand regeneration plant capacity. Additionally, land has been purchased in Chiayi, Kaohsiung, and Miaoli for the establishment of localized service sites to enhance overall service capacity.
5. In view of geopolitical risks, we have reallocated resources within our overseas subsidiaries, integrating operations in China and Singapore under our International Business Division to support our clients' global expansion, deepen service offerings, mitigate market risks, and enhance shareholder value.

## **6. Impact of External Competitive, Regulatory, and Macroeconomic Environments**

The high-tech industry continues to raise standards for the precision and stability of water systems, including ultrapure water, wastewater treatment, and recycling. With the ongoing advancement of semiconductor manufacturing processes, the Company has invested in the development of related cutting-edge technologies and obtained multiple patents, establishing a considerable competitive barrier. Furthermore, semiconductor clients tend to prioritize reputable and experienced suppliers, giving the Company a competitive edge over its peers.

As economic development and extreme weather events intensify, water scarcity and instability will likely become more pronounced. This trend is favorable for the water resource industry in which the Company operates, affirming that we are positioned in a long-term growth sector. Environmental standards are also rising in response to increasing societal demands for improved quality of life. Stricter regulations will create new opportunities. The Company is well-positioned to seize these opportunities with its comprehensive R&D, design, and engineering capabilities. Overall, regulatory changes are not expected to pose a significant adverse impact on the Company. On the contrary, stricter environmental regulations may stimulate demand for new environmental solutions, and we will continue to enhance our technical capabilities to capture emerging business opportunities.

## **7. Outlook**

Looking ahead to 2025, the overall macroeconomic environment remains highly uncertain due to factors such as U.S.-China trade tensions, global inflation, geopolitical developments, and tariff increases imposed by the United States. In the domestic semiconductor industry, following the wave of rapid capital investment in recent years, whether the momentum for new fab expansions will persist remains to be seen. However, driven by growth in resource recovery, specialty chemicals, and the overseas business division, service-related operations are expected to maintain steady growth momentum, with relatively favorable gross margins. Over the past two years, the Company has focused on engineering cost control and vertical integration with upstream and downstream suppliers. With the performance growth of service-oriented operations, profitability has shown tangible improvement. Provided that the current plans continue as scheduled, the Company anticipates stable revenue growth in the second half of the year, supported by new fab construction projects.

Sincerely,

President: Tsao Yi-Chang (2025.06.26)

Chairman: Lin Kuo-Ching (2025.06.26)



## **Appendix 2: 2024 Audit Committee Review Report**

### **Audit Committee Review Report**

The Board of Directors of the Company has prepared the 2024 Business Report and Financial Statements.

The Financial Statements have been audited by PricewaterhouseCoopers Taiwan, with certified public accountants Mr. Chen Chin-Chang and Mr. Liao Fu-Ming issuing an audit report.

The Audit Committee has reviewed the above-mentioned Business Report and Financial Statements and found no discrepancies. This review is in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. The report is hereby submitted for approval.

To:

MEGA UNION TECHNOLOGY INC.

2025 Annual General Shareholders' Meeting

Audit Committee Convener: Tang Min-Tse

Date: March 13, 2025

## **Appendix 3: Summary of 2024 Financial Report**

### **MEGA UNION TECHNOLOGY INCORPORATED AND SUBSIDIARIES CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT DECEMBER 31, 2024 AND 2023**

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For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

## INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of MEGA UNION TECHNOLOGY INCORPORATED

### ***Opinion***

We have audited the accompanying consolidated balance sheets of MEGA UNION TECHNOLOGY INCORPORATED and subsidiaries (the “Group”) as at December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

### ***Basis for opinion***

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

### ***Key audit matters***

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matter for the Group's 2024 consolidated financial statements is stated as follows:

**Recognition of construction revenue - valuation of work completed**

Description

Refer to Notes 4(27), 5(2) and 6(17) for the accounting policies, accounting estimates and details related to the recognition of construction revenue.

The Group is primarily engaged in the planning, design and installation of ultrapure water and waste water recycling systems. The construction revenue is recognised by reference to the stage of completion of each contract. The stage of completion is estimated based on the actual accumulated construction costs relative to the total estimated costs. Given that the aforementioned total estimated costs involve accounting estimates resulting in uncertainties and the total estimated costs will affect the stage of completion and the recognition of construction revenue, we considered the assessment of the stage of completion applied on the recognition of construction revenue as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the internal controls over the assessment of the total estimated costs, sampled and verified the total estimated costs of significant constructions and assessed the consistency between the assessment process and the designed internal control.
2. Sampled and verified the approved total estimated costs for the new significant constructions and the constructions with significant changes in the total estimated costs during the year, including the supporting documents of the modified construction costs during the year.
3. Obtained the details of construction costs during the year, performed relevant substantive procedures, including sampling and verifying the construction costs incurred for the year with relevant evidence, and confirmed whether the costs incurred for the year had been accounted for appropriately, recalculated the stage of completion which is calculated based on the actual accumulated construction costs relative to the total estimated costs and ascertained whether revenue was recognised appropriately based on the stage of completion.

***Other matter - Parent company only financial reports***

We have audited and expressed an unmodified opinion on the parent company only financial statements of MEGA UNION TECHNOLOGY INCORPORATED as at and for the years ended December 31, 2024 and 2023.

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

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

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

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

***Auditors' responsibilities for the audit of the consolidated financial statements***

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

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

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

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

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

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

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Chen, Ching Chang

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Liao, Fu-Ming

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 13, 2025

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The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report 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, PricewaterhouseCoopers 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.

**MEGA UNION TECHNOLOGY INCORPORATED AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 3,058,714	32	\$ 1,663,035	21
1136	Financial assets at amortised cost - current	6(3) and 8	690	-	653,667	8
1140	Contract assets - current	6(17)	1,943,161	20	1,588,896	20
1150	Notes receivable, net	6(4)	3,235	-	1,106	-
1170	Accounts receivable, net	6(4)	1,837,923	19	1,661,790	21
1200	Other receivables		2,663	-	7,929	-
130X	Inventories	6(5)	815,902	8	818,462	11
1410	Prepayments	6(6)	187,695	2	82,681	1
1470	Other current assets		24,050	-	14,640	-
11XX	Total current assets		7,874,033	81	6,492,206	82
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current	6(2)	50,000	1	-	-
1600	Property, plant and equipment	6(7) and 8	1,692,810	17	1,370,847	17
1755	Right-of-use assets	6(8)	68,751	1	21,121	-
1780	Intangible assets		16,090	-	7,844	-
1840	Deferred tax assets	6(21)	41,398	-	48,298	1
1990	Other non-current assets		10,720	-	17,933	-
15XX	Total non-current assets		1,879,769	19	1,466,043	18
1XXX	Total assets		\$ 9,753,802	100	\$ 7,958,249	100

(Continued)



**MEGA UNION TECHNOLOGY INCORPORATED AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2024		December 31, 2023			
			Notes	AMOUNT	%	AMOUNT	%	
Current liabilities								
2130	Contract liabilities - current	6(17)	\$	1,494,611	15	\$	1,250,147	16
2170	Accounts payable			1,551,998	16		1,347,411	17
2200	Other payables	6(9)		1,035,911	11		785,433	10
2230	Current income tax liabilities			262,284	3		268,708	3
2250	Provisions - current	6(10)		339,303	4		325,526	4
2280	Lease liabilities - current	7		23,786	-		13,935	-
2320	Long-term borrowings, current portion	6(11) and 8		26,380	-		104,008	1
2399	Other current liabilities			12,350	-		6,145	-
21XX	Total current liabilities			4,746,623	49		4,101,313	51
Non-current liabilities								
2540	Long-term borrowings	6(11) and 8		394,608	4		420,797	5
2570	Deferred tax liabilities	6(21)		91,439	1		38,226	1
2580	Lease liabilities - non-current	7		46,870	-		7,211	-
2640	Net defined benefit liability - non-current	6(12)		4,106	-		3,199	-
25XX	Total non-current liabilities			537,023	5		469,433	6
2XXX	Total liabilities			5,283,646	54		4,570,746	57
Equity								
	Share capital	6(14)						
3110	Common share			690,883	7		615,441	8
	Capital surplus	6(15)						
3200	Capital surplus			971,110	10		933,908	12
	Retained earnings	6(16)						
3310	Legal reserve			252,010	3		141,788	2
3320	Special reserve			2,977	-		-	-
3350	Unappropriated retained earnings			2,542,888	26		1,698,335	21
	Other equity interest							
3400	Other equity interest			10,288	-	(	1,969)	-
3XXX	Total equity			4,470,156	46		3,387,503	43
	Significant contingent liabilities and unrecognised contract commitments	9						
	Significant events after the balance sheet date	11						
3X2X	Total liabilities and equity		\$	9,753,802	100	\$	7,958,249	100

The accompanying notes are an integral part of these consolidated financial statements.

**MEGA UNION TECHNOLOGY INCORPORATED AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

			Year ended December 31			
			2024		2023	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(17)		\$ 10,300,194	100	\$ 9,012,888	100
5000 Operating costs	6(5)(20)		( 7,951,677)	( 77)	( 7,191,860)	( 80)
5900 Gross profit			<u>2,348,517</u>	<u>23</u>	<u>1,821,028</u>	<u>20</u>
Operating expenses	6(20)					
6200 General and administrative expenses			( 365,162)	( 3)	( 328,055)	( 3)
6300 Research and development expenses			( 62,029)	( 1)	( 57,251)	( 1)
6450 Expected credit impairment gain (loss)	6(4)(17)		<u>4,754</u>	<u>-</u>	<u>( 14,151)</u>	<u>-</u>
6000 Total operating expenses			<u>( 422,437)</u>	<u>( 4)</u>	<u>( 399,457)</u>	<u>( 4)</u>
6900 Net operating profit			<u>1,926,080</u>	<u>19</u>	<u>1,421,571</u>	<u>16</u>
Non-operating income and expenses						
7100 Interest income	6(3)		28,907	-	19,392	-
7010 Other income			9,214	-	7,068	-
7020 Other gains and losses	6(18)		16,740	-	20,107	-
7050 Finance costs	6(19) and 7		( 11,178)	-	( 25,905)	-
7000 Total non-operating income and expenses			<u>43,683</u>	<u>-</u>	<u>20,662</u>	<u>-</u>
7900 Profit before income tax			1,969,763	19	1,442,233	16
7950 Income tax expense	6(21)		( 457,675)	( 4)	( 372,335)	( 4)
8200 Profit for the year			<u>\$ 1,512,088</u>	<u>15</u>	<u>\$ 1,069,898</u>	<u>12</u>
Other comprehensive income						
Components of other comprehensive income that will not be reclassified to profit or loss						
8311 Losses on remeasurements of defined benefit plans	6(12)		( \$ 548)	-	( \$ 3,281)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(21)		<u>109</u>	<u>-</u>	<u>656</u>	<u>-</u>
8310 Other comprehensive loss that will not be reclassified to profit or loss			<u>( 439)</u>	<u>-</u>	<u>( 2,625)</u>	<u>-</u>
Components of other comprehensive income that will be reclassified to profit or loss						
8361 Financial statements translation differences of foreign operations			<u>12,257</u>	<u>-</u>	<u>( 3,300)</u>	<u>-</u>
8360 Other comprehensive income (loss) that will be reclassified to profit or loss			<u>12,257</u>	<u>-</u>	<u>( 3,300)</u>	<u>-</u>
8300 Other comprehensive income (loss)			<u>\$ 11,818</u>	<u>-</u>	<u>( \$ 5,925)</u>	<u>-</u>
8500 Total comprehensive income			<u>\$ 1,523,906</u>	<u>15</u>	<u>\$ 1,063,973</u>	<u>12</u>
Total comprehensive income attributable to:						
8710 Shareholders of the parent			<u>\$ 1,523,906</u>	<u>15</u>	<u>\$ 1,063,973</u>	<u>12</u>
Basic earnings per share (in dollars)						
9750 Profit for the year	6(22)		<u>\$ 22.33</u>		<u>\$ 15.97</u>	
Diluted earnings per share (in dollars)						
9850 Profit for the year	6(22)		<u>\$ 21.46</u>		<u>\$ 14.76</u>	

The accompanying notes are an integral part of these consolidated financial statements.

MEGA UNION TECHNOLOGY INCORPORATED AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2024 AND 2023  
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent							
		Capital Surplus			Retained Earnings			Other Equity Interest	
							Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Total equity
Notes		Common share	Additional paid-in capital	Employee share options	Legal reserve	Special reserve			
<u>Year ended December 31, 2023</u>									
		\$ 608,803	\$ 915,023	\$ 3,948	\$ 102,162	\$ -	\$ 792,449	\$ 1,331	\$ 2,423,716
		-	-	-	-	-	1,069,898	-	1,069,898
		-	-	-	-	-	( 2,625 )	( 3,300 )	( 5,925 )
		-	-	-	-	-	1,067,273	( 3,300 )	1,063,973
Appropriations of 2022 earnings	6(16)								
		-	-	-	39,626	-	( 39,626 )	-	-
		-	-	-	-	-	( 121,761 )	-	( 121,761 )
Compensation costs recognised for employee share options	6(13)	-	-	4,980	-	-	-	-	4,980
Exercise of employee share options	6(14)	6,638	9,957	-	-	-	-	-	16,595
Balance at December 31, 2023		\$ 615,441	\$ 924,980	\$ 8,928	\$ 141,788	\$ -	\$ 1,698,335	( \$ 1,969 )	\$ 3,387,503
<u>Year ended December 31, 2024</u>									
		\$ 615,441	\$ 924,980	\$ 8,928	\$ 141,788	\$ -	\$ 1,698,335	( \$ 1,969 )	\$ 3,387,503
		-	-	-	-	-	1,512,088	-	1,512,088
		-	-	-	-	-	( 439 )	12,257	11,818
		-	-	-	-	-	1,511,649	12,257	1,523,906
Appropriations of 2022 earnings	6(16)								
		-	-	-	110,222	-	( 110,222 )	-	-
		-	-	-	-	2,977	( 2,977 )	-	-
		-	-	-	-	-	( 492,353 )	-	( 492,353 )
		61,544	-	-	-	-	( 61,544 )	-	-
Compensation costs recognised for employee share options	6(13)	-	-	4,550	-	-	-	-	4,550
Exercise of employee share options	6(14)	13,898	32,652	-	-	-	-	-	46,550
Balance at December 31, 2023		\$ 690,883	\$ 957,632	\$ 13,478	\$ 252,010	\$ 2,977	\$ 2,542,888	\$ 10,288	\$ 4,470,156

The accompanying notes are an integral part of these consolidated financial statements.

MEGA UNION TECHNOLOGY INCORPORATED AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2024 AND 2023  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 1,969,763	\$ 1,442,233
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(20)	65,265	70,742
Amortization	6(20)	11,171	8,012
Interest expense	6(19)	11,178	25,905
Expected credit impairment (gain) loss	6(4)(17)	( 4,754 )	14,151
Gain on disposal of property, plant and equipment	6(18)	( 467 )	( 5,622 )
Property, plant and equipment transferred to expenses		27	-
Gain on lease modification	6(8)(18)	( 166 )	( 47 )
Compensation costs of employee share options	6(13)	4,550	4,980
Interest income		( 28,907 )	( 19,392 )
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets - current		( 361,038 )	( 314,954 )
Notes receivable		( 2,129 )	( 994 )
Accounts receivable		( 164,682 )	40,546
Other receivables		5,665	( 1,099 )
Inventories		( 4,063 )	357,793
Prepayments		( 105,014 )	376,393
Net defined benefit asset		-	7
Other current assets		( 9,410 )	34,319
Changes in operating liabilities			
Contract liabilities - current		244,464	( 182,810 )
Accounts payable		204,587	2,180
Other payables		250,478	292,021
Provisions - current		13,777	117,164
Other current liabilities		6,205	193
Net defined benefit liability		359	-
Cash inflow generated from operations		2,106,859	2,261,721
Interest paid		( 9,951 )	( 25,177 )
Interest received		28,508	19,392
Income tax paid		( 403,877 )	( 184,789 )
Net cash flows from operating activities		1,721,539	2,071,147

(Continued)

**MEGA UNION TECHNOLOGY INCORPORATED AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Decrease (increase) in current financial assets at amortised cost - current		\$ 652,977	(\$ 441,200 )
Decrease in non-current financial assets at amortised cost - non-current		-	45,001
Acquisition of financial assets at fair value through other comprehensive income		( 50,000 )	-
Acquisition of property, plant and equipment	6(23)	( 358,432 )	( 130,270 )
Proceeds from disposal of property, plant and equipment		600	6,855
Acquisition of intangible assets		( 19,390 )	( 6,217 )
Decrease in refundable deposits		8,975	5,489
Capitalised interest paid	6(7)	( 1,730 )	( 3,731 )
Net cash flows from (used in) investing activities		<u>233,000</u>	<u>( 524,073 )</u>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
Repayment of short-term borrowings	6(24)	-	( 1,151,408 )
Repayment of long-term borrowings	6(24)	( 103,817 )	( 828,788 )
Repayment of lease principal	6(24)	( 21,474 )	( 23,481 )
Dividends paid	6(16)	( 492,353 )	( 121,761 )
Employee share options exercised	6(14)	46,550	16,595
Net cash flows used in financing activities		<u>( 571,094 )</u>	<u>( 2,108,843 )</u>
Effects of exchange rate changes		12,234	( 3,457 )
Net increase (decrease) in cash and cash equivalents		1,395,679	( 565,226 )
Cash and cash equivalents at beginning of year		<u>1,663,035</u>	<u>2,228,261</u>
Cash and cash equivalents at end of year		<u>\$ 3,058,714</u>	<u>\$ 1,663,035</u>

The accompanying notes are an integral part of these consolidated financial statements.

**MEGA UNION TECHNOLOGY  
INCORPORATED  
PARENT COMPANY ONLY FINANCIAL  
STATEMENTS AND INDEPENDENT AUDITORS’  
REPORT  
DECEMBER 31, 2024 AND 2023**

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For the convenience of readers and for information purpose only, the auditors’ report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors’ report and financial statements shall prevail.

## INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of MEGA UNION TECHNOLOGY INCORPORATED

### ***Opinion***

We have audited the accompanying parent company only balance sheets of MEGA UNION TECHNOLOGY INCORPORATED (the “Company”) as at December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

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

### ***Basis for opinion***

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

### ***Key audit matters***

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2024 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, we do not provide a separate opinion on these matters.

Key audit matter for the Company's 2024 parent company only financial statements is stated as follows:

#### **Recognition of construction revenue – valuation of work completed**

##### Description

Refer to Notes 4(27), 5(2) and 6(18) for the accounting policies, accounting estimates and details related to the recognition of construction revenue.

The Company is primarily engaged in the planning, design and installation of ultrapure water and waste water recycling systems. The construction revenue is recognised by reference to the stage of completion of each contract. The stage of completion is estimated based on the actual accumulated construction costs relative to the total estimated costs. Given that the aforementioned total estimated costs involve accounting estimates resulting in uncertainties and the total estimated costs will affect the stage of completion and the recognition of construction revenue, we considered the assessment of the stage of completion applied on the recognition of construction revenue as a key audit matter.

##### How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the internal controls over the assessment of the total estimated costs, sampled and verified the total estimated costs of significant constructions and assessed the consistency between the assessment process and the designed internal control.
2. Sampled and verified the approved total estimated costs for the new significant constructions and the constructions with significant changes in the total estimated costs during the year, including the supporting documents of the modified construction costs during the year.



3. Obtained the details of construction costs during the year, performed relevant substantive procedures, including sampling and verifying the construction costs incurred during the year with relevant evidence, and confirmed whether the costs incurred for the year had been accounted for appropriately, recalculated the stage of completion which is calculated based on the actual accumulated construction costs relative to the total estimated costs and ascertained whether revenue was recognised appropriately based on the stage of completion.

***Responsibilities of management and those charged with governance for the parent company only financial statements***

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

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

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

***Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 professional skepticism throughout the audit. We also:

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

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

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

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

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Chen, Ching Chang

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Liao, Fu-Ming

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 13, 2025

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The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report 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, PricewaterhouseCoopers 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.

**MEGA UNION TECHNOLOGY INCORPORATED**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,960,592	22	\$ 1,230,505	16
1136	Financial assets at amortised cost - current	6(3) and 8	690	-	653,667	9
1140	Contract assets - current	6(18)	1,866,464	21	1,518,238	20
1150	Notes receivable, net	6(4)	22	-	460	-
1170	Accounts receivable, net	6(4)	1,749,208	19	1,462,850	19
1180	Accounts receivable - related parties	7	8,350	-	27,060	1
1200	Other receivables		409	-	7,069	-
1210	Other receivables - related parties	7	-	-	1	-
130X	Inventories	6(5)	801,012	9	817,565	11
1410	Prepayments	6(6)	186,819	2	81,128	1
1470	Other current assets		21,062	-	13,903	-
11XX	Total current assets		6,594,628	73	5,812,446	77
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current	6(2)	50,000	1	-	-
1550	Investments accounted for using equity method	6(7)	592,941	7	309,724	4
1600	Property, plant and equipment	6(8) and 8	1,690,376	19	1,367,274	18
1755	Right-of-use assets	6(9)	19,716	-	11,069	-
1780	Intangible assets		16,090	-	7,844	-
1840	Deferred tax assets	6(22)	41,398	-	48,298	1
1990	Other non-current assets		7,214	-	14,581	-
15XX	Total non-current assets		2,417,735	27	1,758,790	23
1XXX	Total assets		\$ 9,012,363	100	\$ 7,571,236	100

(Continued)

**MEGA UNION TECHNOLOGY INCORPORATED**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2024		December 31, 2023			
			Notes	AMOUNT	%	AMOUNT	%	
Current liabilities								
2130	Contract liabilities - current	6(18)	\$	992,047	11	\$	1,048,991	14
2170	Accounts payable			1,515,937	17		1,274,386	17
2180	Accounts payable - related parties	7		23,952	-		18,867	-
2200	Other payables	6(10)		951,205	11		737,000	10
2230	Current income tax liabilities			196,539	2		242,537	3
2250	Provisions - current	6(11)		321,223	4		280,289	4
2280	Lease liabilities - current			10,736	-		9,072	-
2320	Long-term borrowings, current portion	6(12) and 8		26,380	-		104,008	1
2399	Other current liabilities			4,701	-		4,433	-
21XX	Total current liabilities			4,042,720	45		3,719,583	49
Non-current liabilities								
2540	Long-term borrowings	6(12) and 8		394,608	4		420,797	6
2570	Deferred tax liabilities	6(22)		91,439	1		38,226	-
2580	Lease liabilities - non-current			9,334	-		1,928	-
2640	Net defined benefit liability - non-current	6(13)		4,106	-		3,199	-
25XX	Total non-current liabilities			499,487	5		464,150	6
2XXX	Total liabilities			4,542,207	50		4,183,733	55
Equity								
	Share capital	6(15)						
3110	Common share			690,883	8		615,441	8
	Capital surplus	6(16)						
3200	Capital surplus			971,110	11		933,908	12
	Retained earnings	6(17)						
3310	Legal reserve			252,010	3		141,788	2
3320	Special reserve			2,977	-		-	-
3350	Unappropriated retained earnings			2,542,888	28		1,698,335	23
	Other equity interest							
3400	Other equity interest			10,288	-	(	1,969)	-
3XXX	Total equity			4,470,156	50		3,387,503	45
	Significant contingent liabilities and unrecognised contract commitments	9						
	Significant events after the balance sheet date	11						
3X2X	Total liabilities and equity		\$	9,012,363	100	\$	7,571,236	100

The accompanying notes are an integral part of these parent company only financial statements.

**MEGA UNION TECHNOLOGY INCORPORATED**  
**PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

			For the years ended December 31,			
			2024		2023	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(18) and 7		\$ 9,500,874	100	\$ 8,417,390	100
5000 Operating costs	6(5)(21) and 7		( 7,536,547)	( 79)	( 6,809,169)	( 81)
5900 Gross profit			1,964,327	21	1,608,221	19
5910 Unrealised profit from sales			( 1,651)	-	( 3,368)	-
5920 Realised profit from sales			48	-	64	-
5950 Gross profit from operations			1,962,724	21	1,604,917	19
Operating expenses	6(21)					
6200 General and administrative expenses			( 283,681)	( 3)	( 265,347)	( 3)
6300 Research and development expenses			( 62,029)	( 1)	( 57,251)	( 1)
6450 Expected credit impairment gain (loss)	6(4)(18)		4,369	-	( 11,497)	-
6000 Total operating expenses			( 341,341)	( 4)	( 334,095)	( 4)
6900 Net operating profit			1,621,383	17	1,270,822	15
Non-operating income and expenses						
7100 Interest income	6(3) and 7		19,611	-	14,348	-
7010 Other income	7		17,065	-	3,378	-
7020 Other gains and losses	6(19)		22,748	-	21,857	-
7050 Finance costs	6(20)		( 10,260)	-	( 25,241)	-
7070 Share of profit of associates and joint ventures accounted for using equity method	6(7)		247,285	3	128,967	2
7000 Total non-operating income and expenses			296,449	3	143,309	2
7900 <b>Profit before income tax</b>			1,917,832	20	1,414,131	17
7950 Tax expense	6(22)		( 405,744)	( 4)	( 344,233)	( 4)
8200 <b>Profit for the year</b>			\$ 1,512,088	16	\$ 1,069,898	13
<b>Other comprehensive income</b>						
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>						
8311 Losses on remeasurements of defined benefit plan	6(13)		( \$ 548)	-	( \$ 3,281)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(22)		109	-	656	-
8310 Other comprehensive loss that will not be reclassified to profit or loss			( 439)	-	( 2,625)	-
<b>Components of other comprehensive income that will be reclassified to profit or loss</b>						
8361 Financial statements translation differences of foreign operations	6(7)		12,257	-	( 3,300)	-
8360 Other comprehensive income (loss) that will be reclassified to profit or loss			12,257	-	( 3,300)	-
8300 <b>Other comprehensive income (loss)</b>			\$ 11,818	-	( \$ 5,925)	-
8500 <b>Total comprehensive income</b>			\$ 1,523,906	16	\$ 1,063,973	13
Basic earnings per share (in dollars)						
9750 Profit for the year	6(23)		\$ 22.33		\$ 15.97	
Diluted earnings per share (in dollars)						
9850 Profit for the year	6(23)		\$ 21.46		\$ 14.76	

The accompanying notes are an integral part of these parent company only financial statements.

MEGA UNION TECHNOLOGY INCORPORATED  
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2024 AND 2023  
(Expressed in thousands of New Taiwan dollars)

		Capital Surplus			Retained Earnings			Other Equity Interest	
								Exchange differences on translation of foreign financial statements	
	Notes	Common share	Additional paid-in capital	Employee share options	Legal reserve	Special reserve	Unappropriated retained earnings		Total equity
<u>For the year ended December 31, 2023</u>									
Balance at January 1, 2023		\$ 608,803	\$ 915,023	\$ 3,948	\$ 102,162	\$ -	\$ 792,449	\$ 1,331	\$ 2,423,716
Profit for the year		-	-	-	-	-	1,069,898	-	1,069,898
Other comprehensive loss		-	-	-	-	-	( 2,625 )	( 3,300 )	( 5,925 )
Total comprehensive income (loss)		-	-	-	-	-	1,067,273	( 3,300 )	1,063,973
Appropriations of 2022 earnings	6(17)								
Legal reserve		-	-	-	39,626	-	( 39,626 )	-	-
Cash dividends		-	-	-	-	-	( 121,761 )	-	( 121,761 )
Compensation costs recognised for employee share options	6(14)	-	-	4,980	-	-	-	-	4,980
Exercise of employee share options	6(15)	6,638	9,957	-	-	-	-	-	16,595
Balance at December 31, 2023		<u>\$ 615,441</u>	<u>\$ 924,980</u>	<u>\$ 8,928</u>	<u>\$ 141,788</u>	<u>\$ -</u>	<u>\$ 1,698,335</u>	<u>( \$ 1,969 )</u>	<u>\$ 3,387,503</u>
<u>For the year ended December 31, 2024</u>									
Balance at January 1, 2024		<u>\$ 615,441</u>	<u>\$ 924,980</u>	<u>\$ 8,928</u>	<u>\$ 141,788</u>	<u>\$ -</u>	<u>\$ 1,698,335</u>	<u>( \$ 1,969 )</u>	<u>\$ 3,387,503</u>
Profit for the year		-	-	-	-	-	1,512,088	-	1,512,088
Other comprehensive income (loss)		-	-	-	-	-	( 439 )	12,257	11,818
Total comprehensive income		-	-	-	-	-	1,511,649	12,257	1,523,906
Appropriations of 2023 earnings	6(17)								
Legal reserve		-	-	-	110,222	-	( 110,222 )	-	-
Special reserve		-	-	-	-	2,977	( 2,977 )	-	-
Cash dividends		-	-	-	-	-	( 492,353 )	-	( 492,353 )
Stock dividends		61,544	-	-	-	-	( 61,544 )	-	-
Compensation costs recognised for employee share options	6(14)	-	-	4,550	-	-	-	-	4,550
Exercise of employee share options	6(15)	13,898	32,652	-	-	-	-	-	46,550
Balance at December 31, 2024		<u>\$ 690,883</u>	<u>\$ 957,632</u>	<u>\$ 13,478</u>	<u>\$ 252,010</u>	<u>\$ 2,977</u>	<u>\$ 2,542,888</u>	<u>\$ 10,288</u>	<u>\$ 4,470,156</u>

The accompanying notes are an integral part of these parent company only financial statements.

**MEGA UNION TECHNOLOGY INCORPORATED**  
**PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		\$ 1,917,832	\$ 1,414,131
Adjustments			
Adjustments to reconcile profit (loss)			
Unrealised profit from sales		1,603	3,304
Depreciation	6(21)	55,708	63,235
Amortisation	6(21)	11,171	8,012
Expected credit impairment (gain) loss	6(4)(18)	( 4,369 )	11,497
Share of profit of subsidiaries, associates and joint ventures accounted for under equity method	6(7)	( 247,285 )	( 128,967 )
Gain on disposal of property, plant and equipment	6(19)	( 467 )	( 5,622 )
Amount of Property, plant and equipment transferred to expenses		27	-
Gain on lease modification	6(19)	( 183 )	( 47 )
Compensation costs of employee share options	6(14)	4,550	4,980
Interest income		( 19,611 )	( 14,348 )
Interest expense	6(20)	10,260	25,241
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets - current		( 354,997 )	( 340,016 )
Notes receivable		438	( 348 )
Accounts receivable		( 275,218 )	50,780
Accounts receivable - related parties		18,710	( 24,510 )
Inventories		9,930	357,267
Other receivables		7,059	( 4,150 )
Other receivables - related parties		1	1,027
Prepayments		( 105,691 )	373,966
Other current assets		( 7,159 )	17,881
Net defined benefit asset		-	7
Changes in operating liabilities			
Contract liabilities - current		( 56,944 )	( 61,316 )
Accounts payable		241,551	63,878
Accounts payable - related parties		5,085	358
Other payables		214,205	281,935
Provisions - current		40,934	109,879
Other current liabilities		268	449
Net defined benefit liabilities		359	-
Cash inflow generated from operations		1,467,767	2,208,503
Interest received		19,212	17,519
Interest paid		( 9,951 )	( 24,880 )
Dividends received		13,470	12,918
Income tax paid		( 391,520 )	( 180,710 )
Net cash flows from operating activities		1,098,978	2,033,350

(Continued)



**MEGA UNION TECHNOLOGY INCORPORATED**  
**PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Decrease (increase) in financial assets at amortised cost - current		\$ 652,977	(\$ 441,200 )
Acquisition of financial assets at fair value through other comprehensive income		( 50,000 )	-
Acquisition of property, plant and equipment	6(24)	( 358,054 )	( 127,030 )
Proceeds from disposal of property, plant and equipment		600	6,855
Acquisition of intangible assets		( 19,390 )	( 6,217 )
Decrease in other receivables - related parties		-	73,490
Acquisition of investments accounted for using equity method		( 38,748 )	-
Decrease (increase) in refundable deposits		8,751	( 995 )
Capitalised interest paid	6(8)	( 1,730 )	( 3,731 )
Net cash flows from (used in) investing activities		<u>194,406</u>	<u>( 498,828 )</u>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
Repayment of short-term borrowings	6(25)	-	( 1,138,229 )
Repayment of long-term borrowings	6(25)	( 103,817 )	( 828,788 )
Repayment of lease principal	6(25)	( 13,677 )	( 17,022 )
Dividends paid	6(17)	( 492,353 )	( 121,761 )
Employee share options exercised	6(15)	<u>46,550</u>	<u>16,595</u>
Net cash flows used in financing activities		<u>( 563,297 )</u>	<u>( 2,089,205 )</u>
Net increase (decrease) in cash and cash equivalents		730,087	( 554,683 )
Cash and cash equivalents at beginning of year		<u>1,230,505</u>	<u>1,785,188</u>
Cash and cash equivalents at end of year		<u>\$ 1,960,592</u>	<u>\$ 1,230,505</u>

The accompanying notes are an integral part of these parent company only financial statements.



# 兆聯實業股份有限公司

MEGA UNION TECHNOLOGY INCORPORATED

## Appendix 4: 2024 Earnings Distribution Proposal(amendment)

### Earnings Distribution Table for FY2024 (amendment)

(Unit: NT\$)

Item	Amount
Beginning Unappropriated Earnings	988,285,428
Adjustment to Retained Earnings 2023	42,953,719
Add: 2024 Net Income	1,512,087,763
Less: Remeasurement of Defined Benefits	(438,779)
Less: Legal Reserve	(151,164,898)
Add: Special Reserve	2,976,914
Earnings Available for Distribution	2,394,700,147
Less: Cash Dividends (NT\$14/share)	(1,068,316,368)
Ending Unappropriated Earnings	1,326,383,779

Note: As of May 31, 2025, the number of issued shares was 76,308,312.

## Appendix 5: Comparison of Amendments to the Articles of Incorporation

### Comparison of Amendments to the Articles of Incorporation

Amended Article	Amended Text	Original Article	Original Text	Reason
Article 19	The Company shall allocate no less than 1% and no more than 20% of its annual profits as employee compensation. However, if the Company has accumulated losses, such profits shall first be reserved to offset the losses.. <u>Employee compensation may be distributed to employees of affiliated companies who meet specific criteria.</u>	Article 19	The Company shall allocate no less than 1% and no more than 20% of its annual profits as employee compensation. However, if the Company has accumulated losses, such profits shall first be reserved to offset the losses.	Amended in accordance with Article 14, Paragraph 6 of the Securities and Exchange Act.
Article 22	The Articles of Incorporation were established on Dec. 21, 1983, and amended on: 1st: May 14, 1993 2nd: Aug. 24, 1993 3rd: Sep. 28, 1994 4th: Jan. 20, 1995 5th: Sep. 13, 1997 6th: Jun. 5, 1999 7th: Jun. 15, 2001 8th: Jun. 6, 2014 9th: Jun. 12, 2015 10th: Jun. 30, 2016 11th: Jun. 30, 2017 12th: Jun. 28, 2018 13th amendment: Nov. 8, 2016 14th amendment: Jun. 18, 2019 15th amendment: Jun. 25, 2020 16th amendment: Jul. 3, 2021 17th amendment: Jun. 30, 2022 18th amendment: Jun. 20, 2023	Article 22	The Articles of Incorporation were established on Dec. 21, 1983, and amended on: 1st: May 14, 1993 2nd: Aug. 24, 1993 3rd: Sep. 28, 1994 4th: Jan. 20, 1995 5th: Sep. 13, 1997 6th: Sep. 4, 1999 7th: Jun. 15, 2001 8th: Jun. 6, 2014 9th: Jun. 12, 2015 10th: Jun. 30, 2016 11th: Jun. 30, 2017 12th: Jun. 28, 2018 13th amendment: Nov. 8, 2016 14th amendment: Jun. 18, 2019 15th amendment: Jun. 25, 2020 16th amendment: Jul. 3, 2021 17th amendment: Jun. 30, 2022 18th amendment: Jun. 20, 2023	Addition of amendment date.

	19th amendment: Jun. 17, 2024 20th amendment: Jun. <u>26, 2025</u>		19th amendment: Jun. 17, 2024	
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## Appendix 6: Comparison of Amendments to the “Endorsement and Guarantee Procedure”

Amended Article	Amended Text	Original Article	Original Text	Reason
Article 5	<p>Standards and Limits for Endorsements and Guarantees</p> <p><b>5.1</b> For endorsements/guarantees made due to business transactions with the Company, except for the limit specified in 5.2 below, each endorsement/guarantee shall not exceed the business volume between both parties within the past year, defined as the greater of purchase or sales amount.</p> <p><b>5.2</b> Standards for external endorsement/guarantee limits are as follows:</p> <p><b>5.2.1</b> The total amount of endorsements/guarantees provided by the Company for others shall not exceed <u>70%</u> of the Company’s net worth as shown in the most recent CPA-audited or reviewed financial statements.</p> <p><b>5.2.2</b> The amount of endorsements/guarantees for any single enterprise shall not exceed <u>50%</u> of the Company’s net worth as shown in the most recent CPA-audited or reviewed financial statements.</p> <p>The aggregate amount of endorsements/guarantees provided by the Company and its subsidiaries, as well as for any single enterprise, shall be subject to the limits in 5.2.1, 5.2.2,</p>	Article 5	<p>Standards and Limits for Endorsements and Guarantees</p> <p><b>5.1</b> For endorsements/guarantees made due to business transactions with the Company, except for the limit specified in 5.2 below, each endorsement/guarantee shall not exceed the business volume between both parties within the past year, defined as the greater of purchase or sales amount.</p> <p><b>5.2</b> Standards for external endorsement/guarantee limits are as follows:</p> <p><b>5.2.1</b> The total amount of endorsements/guarantees provided by the Company for others shall not exceed 45% of the Company’s net worth as shown in the most recent CPA-audited or reviewed financial statements.</p> <p><b>5.2.2</b> The amount of endorsements/guarantees for any single enterprise shall not exceed 20% of the Company’s net worth as shown in the most recent CPA-audited or reviewed financial statements.</p> <p>The aggregate amount of endorsements/guarantees provided by the Company and its subsidiaries, as well as for any single enterprise, shall be subject to the limits in 5.2.1, 5.2.2,</p>	To align with the Company’s actual operational needs.

	<p>and 4.1.4.</p> <p><b>5.2.3</b> If the aggregate endorsement/guarantee limit set by the Company and its subsidiaries exceeds 50% of the Company's net worth, it shall be explained at the most recent annual general shareholders' meeting regarding its necessity and reasonableness.</p>		<p>and 4.1.4.</p> <p><b>5.2.3</b> If the aggregate endorsement/guarantee limit set by the Company and its subsidiaries exceeds 50% of the Company's net worth, it shall be explained at the most recent annual general shareholders' meeting regarding its necessity and reasonableness.</p>	
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## **IV. Annexes**

### **Annex 1: Articles of Incorporation (Before Amendments)**

#### **Articles of Incorporation of MEGA UNION TECHNOLOGY INC.**

##### **Chapter I – General Provisions**

##### **Article 1**

The Company is incorporated in accordance with the Company Act of the Republic of China and is named in Chinese “兆聯實業股份有限公司”, with its English name as MEGA UNION TECHNOLOGY INCORPORATED.

##### **Article 2**

The business scope of the Company is as follows:

1. E599010 Plumbing Engineering
2. E604010 Machinery Installation
3. E603050 Automatic Control Equipment Engineering
4. EZ05010 Instrumentation Installation Engineering
5. E502010 Fuel Pipeline Installation Engineering
6. F113010 Machinery Wholesale
7. F113030 Precision Instrument Wholesale
8. F106010 Hardware Wholesale
9. F401010 International Trade
10. E103101 Environmental Protection Engineering
11. CB01010 Machinery and Equipment Manufacturing
12. CB01030 Pollution Control Equipment Manufacturing
13. F113100 Pollution Control Equipment Wholesale
14. J101060 Wastewater Treatment
15. C801100 Synthetic Resin and Plastics Manufacturing
16. C801120 Man-made Fiber Manufacturing
17. C801990 Other Chemical Material Manufacturing
18. C802080 Environmental Chemical Manufacturing
19. C802120 Industrial Additives Manufacturing
20. C802990 Other Chemical Products Manufacturing
21. J101990 Other Environmental Sanitation and Pollution Control Services
22. ZZ99999 All other businesses not prohibited or restricted by laws and regulations, except those requiring special approvals.

##### **Article 3**

The Company is headquartered in Taoyuan City and may, upon resolution of the Board of Directors, establish branch offices domestically or abroad as necessary.

##### **Article 4**

Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

The Company may make endorsements and guarantees for external parties in accordance with its internal endorsement and guarantee procedures as business needs arise.

The total amount of the Company's investments is not subject to the 40% limit of paid-in capital and shall be approved by the Board of Directors.

## **Chapter II – Shares**

### **Article 5**

The total capital of the Company shall be NT\$1 billion, divided into 100 million shares, at a par value of NT\$10 per share. The unissued shares may be issued in installments upon authorization by the Board of Directors. Within the total capital, NT\$120 million (12 million shares) shall be reserved for the issuance of employee stock warrants and restricted stock for employees, and may also be issued in installments upon Board approval.

If the Company plans to issue employee stock warrants at a price lower than the net asset value or market value per share based on the most recent CPA-audited financial report, the approval of shareholders representing more than 50% of the total issued shares is required, with at least two-thirds of those present voting in favor. The issuance must be filed within one year from the resolution date.

#### **Article 5-1**

The repurchased treasury shares of the Company may be transferred to employees of subsidiaries or affiliates that meet specific conditions.

Recipients of employee stock warrants may include employees of subsidiaries or affiliates meeting specified criteria.

In accordance with the Company Act, 10% to 15% of newly issued shares reserved for employees may be subscribed by employees of subsidiaries or affiliates that meet specific criteria.

Restricted stock for employees may also be allocated to eligible employees of subsidiaries or affiliates.

### **Article 6**

Deleted.

### **Article 7**

All shares issued by the Company shall be registered and signed or sealed by the representative director and issued after legal certification.

#### **Article 7-1**

The Company may issue shares without printing physical share certificates; however, such shares must be registered with a centralized securities depository. The same applies to other securities issued by the Company.

### **Article 8**



Changes to shareholder registration shall not be processed within 60 days before an annual general meeting, 30 days before a special shareholders' meeting, or 5 days before the record date for dividend or other distributions.

Stock affairs shall be handled in accordance with the Company Act, the 'Regulations Governing the Administration of Shareholder Services of Public Companies', and other applicable regulations.

### **Chapter III – Shareholders' Meetings**

#### **Article 9**

Shareholders' meetings are categorized into regular meetings and special meetings. Regular meetings shall be held at least once a year within six months after the end of each fiscal year and shall be convened by the Board of Directors. Special meetings shall be convened as necessary according to law.

Notices for regular meetings shall be given at least 30 days in advance, and 15 days in advance for special meetings. For shareholders holding fewer than 1,000 shares, notification may be made via public announcement.

Shareholders' meetings may be conducted via video conferencing or other means announced by the competent authority. The conditions, procedures, and compliance requirements for video conferencing shall follow applicable regulations.

#### **Article 10**

A shareholder who is unable to attend a shareholders' meeting may appoint a proxy using the Company's designated proxy form, specifying the scope of authorization.

The method for appointing a proxy shall comply with the Company Act and the 'Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies'.

#### **Article 11**

Each share entitles the shareholder to one vote, unless otherwise provided by law.

The Company shall allow electronic voting for all shareholders' meetings, and the method of exercising such rights shall be specified in the meeting notice. Shareholders who vote electronically or in writing shall be deemed to have attended in person, and all related matters shall be handled in accordance with applicable laws.

#### **Article 12**

Unless otherwise specified by the Company Act, resolutions at shareholders' meetings shall require the attendance of shareholders representing more than half of the total issued shares and approval by a majority of those present.

Resolutions shall be recorded in minutes signed or sealed by the chairperson and distributed to shareholders within 20 days after the meeting. The distribution may be made in accordance with the Company Act.

### **Chapter IV – Board of Directors**

#### **Article 13**

The Company shall have 7 to 9 directors with a term of three years. Directors shall be elected from a list of candidates at the shareholders' meeting and may be re-elected.

Among the directors, the number of independent directors shall not be fewer than three and shall not be less than one-fifth of the total number of directors. The election of all directors shall follow the candidate nomination system as prescribed by the Company Act and relevant securities regulations.

#### **Article 13-1**

The Company shall establish an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee shall consist of all independent directors and shall have no fewer than three members, one of whom shall serve as the convener and at least one shall possess accounting or financial expertise.

The responsibilities, organizational rules, and authority of the Audit Committee shall comply with applicable laws and the Company's internal regulations.

The Company shall establish a Remuneration Committee. Its number of members, term, responsibilities, meeting rules, and the resources provided by the Company to assist in exercising its powers shall be defined in accordance with the relevant regulations.

The Board of Directors may establish other functional committees as needed. Each committee shall establish its charter for exercising authority, which shall become effective upon Board approval.

#### **Article 14**

The Board of Directors shall be composed of all directors. The Chairperson of the Board shall be elected with the attendance of at least two-thirds of all directors and with the approval of a majority of those present. The Chairperson shall represent the Company externally and act as the chair of both shareholders' meetings and Board meetings.

#### **Article 15**

If the Chairperson is on leave or otherwise unable to perform duties, a proxy shall act in accordance with Article 208 of the Company Act. If a director is unable to attend a Board meeting, they may appoint a proxy in accordance with Article 205 of the Company Act.

#### **Article 16**

Director compensation shall be reviewed by the Remuneration Committee based on the level of involvement in operations, contributions to the Company, and by reference to domestic and international standards. The final amount shall be resolved by the Board of Directors.

#### **Article 16-1**

Except as otherwise provided by the Company Act, Board meetings shall be convened by the Chairperson. The reason for calling the meeting shall be specified and notice shall be given to all directors at least seven days in advance. In case of emergency, a meeting may be called at any time. Notice may be given in writing, by fax, email, or other electronic means.

#### **Article 16-2**

The Company shall obtain liability insurance for directors during their term of office to cover legal liabilities arising from their execution of duties.

## **Chapter V – Managerial Personnel**

### **Article 17**

The Company may appoint managerial officers. Their appointment, dismissal, and compensation shall be handled in accordance with Article 29 of the Company Act.

## **Chapter VI – Accounting**

### **Article 18**

The fiscal year of the Company shall begin on January 1 and end on December 31 of each year. At the end of each fiscal year, the Board of Directors shall prepare: (1) Business Report, (2) Financial Statements, and (3) Proposal for Profit Distribution or Loss Compensation, and submit them to the regular shareholders' meeting for approval in accordance with the law.

### **Article 19**

The Company shall allocate 1% to 20% of its annual profit as employee compensation. If there are accumulated losses, they shall be offset first.

Employee compensation shall be distributed in stock or cash as resolved by the Board of Directors. Eligible recipients may include employees of affiliated companies meeting certain criteria, as determined by the Board. A maximum of 2% of the profit may be allocated to directors as remuneration, to be paid in cash only. Employee and director compensation plans shall be reported to the shareholders' meeting.

The term 'annual profit' refers to the pre-tax profit before deducting employee and director compensation.

### **Article 20**

If there is a surplus in the final accounts of the Company, it shall first be used to pay taxes and offset prior years' losses. Ten percent of the balance shall be allocated to legal reserve unless the legal reserve has reached the paid-in capital. Special reserve shall be allocated or reversed as required by regulations or operational needs. Any remaining surplus, plus undistributed earnings from previous years, shall be proposed for distribution by the Board of Directors and resolved at the shareholders' meeting.

Given the Company is in a growth phase, retained earnings are needed for future development and investment. Therefore, a balanced dividend policy will be adopted, with dividends distributed partly in stock and partly in cash. The total amount of dividends distributed each year shall not be less than 2% of the distributable earnings, and cash dividends shall not be less than 10% of the total dividends distributed annually.

## **Chapter VII – Supplementary Provisions**

### **Article 21**

Matters not specified in these Articles shall be governed by the Company Act and other applicable regulations.

## **Article 22**

These Articles were established on December 21, 2004, and have been amended on:

- 1st: May 24, 2005
- 2nd: August 12, 2005
- 3rd: September 8, 2005
- 4th: November 1, 2005
- 5th: August 22, 2007
- 6th: September 15, 2007
- 7th: February 5, 2009
- 8th: September 15, 2009
- 9th: June 30, 2010
- 10th: June 30, 2011
- 11th: June 7, 2013
- 12th: June 20, 2016
- 13th: November 18, 2016
- 14th: June 28, 2019
- 15th: June 30, 2020
- 16th: July 2, 2021
- 17th: June 24, 2022
- 18th: March 8, 2023
- 19th: June 28, 2023
- 20th: June 27, 2024

MEGA UNION TECHNOLOGY INCORPORATED  
Chairman: Lin, Kuo-Ching

## **Annex 2: Rules of Procedure for Shareholders' Meetings**

### **Rules of Procedure for Shareholders' Meetings**

#### **Article 1**

These Rules are adopted pursuant to Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies to establish a sound governance system for the Company's shareholders' meetings, to strengthen supervisory functions, and to improve managerial functions, for compliance.

#### **Article 2**

Unless otherwise provided by laws or the Articles of Incorporation, the rules of procedure for the Company's shareholders' meetings shall be conducted in accordance with these Rules.

#### **Article 3**

Unless otherwise provided by laws, shareholders' meetings of the Company shall be convened by the Board of Directors. Where a shareholders' meeting is to be held virtually, unless otherwise prescribed in the Regulations Governing the Administration of Shareholder Services of Public Companies, it shall be specified in the Articles of Incorporation, approved by resolution of the Board of Directors, and such virtual meeting shall be resolved by at least two-thirds of the directors present at a meeting attended by a majority of all directors.

Any change in the method of convening shareholders' meetings of the Company shall be resolved by the Board of Directors and made no later than the date on which the notice of the shareholders' meeting is sent.

The Company shall, no later than 30 days prior to a regular shareholders' meeting or 15 days prior to a special shareholders' meeting, transmit the electronic files of the shareholders' meeting notice, proxy form, and explanatory materials relating to proposals for ratification, discussion, election or dismissal of directors and supervisors, and other relevant proposals to the Market Observation Post System (MOPS). Furthermore, no later than 21 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting, the Company shall upload the electronic files of the shareholders' meeting agenda handbook and supplementary meeting materials to the MOPS. However, if the Company has paid-in capital of NT\$10 billion or more as of the end of the most recent fiscal year, or if the aggregate shareholding ratio of foreign and PRC investors as recorded in the shareholders' register for the most recent regular shareholders' meeting reaches 30% or more, the Company shall complete the transmission of the aforementioned electronic files to the MOPS no later than 30 days prior to the regular shareholders' meeting.

At least 15 days prior to the shareholders' meeting, the Company shall prepare the current shareholders' meeting agenda handbook and supplementary materials for shareholders to access at any time, and make them available at the Company and its appointed professional stock affairs agent.

The agenda handbook and supplementary materials mentioned in the preceding paragraph shall be provided to shareholders on the day of the shareholders' meeting as follows:

1. In the case of a physical shareholders' meeting, such materials shall be distributed at the meeting venue.
2. In the case of a hybrid shareholders' meeting, such materials shall be distributed at the meeting venue and transmitted electronically to the virtual meeting platform.
3. In the case of a virtual-only shareholders' meeting, such materials shall be transmitted electronically to the virtual meeting platform.

The notice and public announcement shall specify the purpose(s) of the meeting. If the recipient has consented, the notice may be given electronically.

The matters relating to the election or dismissal of directors or supervisors, amendments to the Articles of Incorporation, capital reduction, application for termination of public offering, permission for directors to engage in competing businesses, capitalization of earnings or capital reserves, dissolution, merger, spin-off, matters under Article 185, Paragraph 1 of the Company Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Issuers shall be listed in the notice of meeting with the main contents explained and shall not be raised by extempore motions.

If the shareholders' meeting notice indicates a full re-election of directors and supervisors and states the date of assumption of office, then after such re-election is completed at the same shareholders' meeting, the date of assumption of office shall not be changed again through extempore motions or any other means.

A shareholder holding 1% or more of the total issued shares may propose one motion for inclusion in the agenda of a regular shareholders' meeting. If more than one motion is submitted, none will be included in the agenda. If any proposal falls within any of the circumstances specified under Article 172-1, Paragraph 4 of the Company Act, the Board of Directors may exclude it from the agenda. Shareholders may submit proposals as recommendations for the Company to promote the public interest or fulfill its social responsibility; such proposals shall also be limited to one and handled in accordance with Article 172-1 of the Company Act. If more than one proposal is submitted, none will be included in the agenda.

Prior to the book closure date for the regular shareholders' meeting, the Company shall announce the acceptance of shareholder proposals, the method of acceptance (written or electronic), the place of acceptance, and the period during which proposals will be accepted. The acceptance period shall not be less than 10 days. Proposals shall be limited to 300 characters; any proposal exceeding this limit shall not be included in the agenda. The proposing shareholder shall attend the shareholders' meeting in person or by proxy and participate in the discussion of the proposal. The Company shall notify the proposing shareholder of the result before issuing the meeting notice and shall include proposals that comply with this Article in the meeting notice. For

shareholder proposals not included in the agenda, the Board of Directors shall explain the reasons for exclusion at the shareholders' meeting.

#### **Article 4**

A shareholder may appoint a proxy to attend a shareholders' meeting by providing the Company with a proxy form issued by the Company and stating the scope of authorization. Each shareholder may issue only one proxy and appoint only one proxy agent, and the proxy form must be delivered to the Company no later than five days prior to the shareholders' meeting. In case of duplicate proxies, the one received first shall prevail unless a declaration of revocation is made.

#### **Article 5**

The shareholders' meeting shall be held at the premises of the Company or at a location convenient for shareholders to attend and suitable for holding a shareholders' meeting. The meeting shall not begin earlier than 9 a.m. or later than 3 p.m. The venue and time shall take into account the opinions of independent directors.

#### **Article 6**

The Company shall specify in the shareholders' meeting notice the time and place for shareholder check-in, as well as other matters requiring attention. "Shareholders" hereinafter refers to shareholders, solicitors, and proxy agents.

The check-in time for shareholders as mentioned in the preceding paragraph shall commence no later than 30 minutes prior to the meeting. The check-in location shall be clearly marked and staffed with an adequate number of competent personnel. For virtual shareholders' meetings, shareholders shall check in via the virtual meeting platform no later than 30 minutes prior to the meeting commencement. Shareholders who complete check-in shall be deemed to have attended the shareholders' meeting in person.

Shareholders shall attend the shareholders' meeting with an attendance card, sign-in card, or other identification documents for attendance. The Company shall not arbitrarily require additional supporting documents beyond those mentioned. Solicitors presenting solicited proxies shall also bring identification documents for verification purposes.

The Company shall prepare a sign-in book for attending shareholders to sign, or accept sign-in cards submitted by shareholders as a substitute for signing in.

The Company shall distribute the agenda handbook, annual report, attendance card, speech slips, ballots, and other meeting materials to the shareholders present at the meeting. Where the election of directors and supervisors is included, election ballots shall also be provided.

If a government agency or legal entity is a shareholder, its representative attending the meeting shall not be limited to one person. If a legal entity is appointed as proxy to attend the meeting, it may designate only one representative to attend.

For shareholders' meetings held virtually, shareholders intending to attend via video conferencing shall register with the Company no later than two days prior to the meeting.

For shareholders' meetings held virtually, the Company shall upload the agenda handbook, annual report, and other relevant materials to the virtual meeting platform at least 30 minutes prior to the start of the meeting and shall continue to make such materials available until the conclusion of the meeting.

#### **Article 6.1**

When the Company convenes a shareholders' meeting by means of video conferencing, the shareholders' meeting notice shall specify the following matters:

1. The method by which shareholders may participate in the virtual meeting and exercise their rights.
2. Contingency measures in the event of natural disasters, incidents, or other force majeure events that cause disruption to the virtual meeting platform or to shareholders participating via video, which shall include at least the following:
  - (1) The time at which the disruption, if not resolved, will result in the postponement or continuation of the meeting, and the date for such postponed or continued meeting.
  - (2) Shareholders who did not register to attend the original shareholders' meeting via video shall not be allowed to participate in the postponed or continued meeting.
  - (3) In the case of a hybrid shareholders' meeting, if the virtual meeting cannot continue and the number of shares represented at the meeting, excluding those attending via video, still meets the legal quorum requirement, the meeting shall proceed. The number of shares held by shareholders attending via video shall be counted toward the total number of shares represented, but such shareholders shall be deemed to have waived their rights to vote on all proposals of that meeting.
  - (4) The handling method in cases where all proposals have already been resolved and no extempore motions are pending.
3. For shareholders' meetings held solely via video conferencing, appropriate alternative measures shall be specified for shareholders who encounter difficulties in attending via video. Except under the circumstances prescribed in Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall at least provide connection devices and necessary assistance to such shareholders, specify the period during which shareholders may apply for such assistance, and indicate other relevant matters requiring attention.

#### **Article 7**

Where a shareholders' meeting is convened by the Board of Directors, the chairperson of the meeting shall be the Chairperson of the Board. If the Chairperson is on leave or unable to exercise their authority for any reason, the Vice Chairperson shall act as proxy. If there is no Vice Chairperson or the Vice Chairperson is also on leave or unable to exercise their authority, the



Chairperson shall designate an Executive Director to act as proxy. If no Executive Directors have been appointed, the Chairperson shall designate a Director to act as proxy. If the Chairperson does not designate a proxy, the Executive Directors or Directors shall elect one from among themselves to act as the chairperson of the meeting.

Where the chairperson is an Executive Director or Director acting as proxy as mentioned in the preceding paragraph, such person must have held office for at least six months and be familiar with the Company's financial and operational status. The same shall apply where the chairperson is a representative of a corporate director.

For a shareholders' meeting convened by the Board of Directors, the Chairperson is advised to personally preside over the meeting. A majority of the Directors shall attend in person, and at least one Supervisor and at least one member from each functional committee shall attend as representatives. The attendance of these individuals shall be recorded in the minutes of the shareholders' meeting.

Where the shareholders' meeting is convened by a person other than the Board of Directors who has the right to convene such meeting, that person shall act as the chairperson. Where there is more than one such person, one shall be elected from among them to act as the chairperson.

The Company may designate its appointed attorneys, accountants, or relevant personnel to attend the shareholders' meeting.

## **Article 8**

From the commencement of shareholder check-in, the Company shall continuously and without interruption record audio and video of the entire process, including shareholder check-in, meeting proceedings, and the voting and vote counting process.

The audio and video recordings mentioned in the preceding paragraph shall be retained for at least one year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recordings shall be retained until the conclusion of the litigation.

If the shareholders' meeting is held by means of video conferencing, the Company shall record and retain information regarding shareholder registration, check-in, attendance, questions, voting, and the results of the vote counting. The entire video conferencing process shall also be continuously recorded in both audio and video formats.

The data and recordings mentioned in the preceding paragraph shall be properly retained during the required storage period and provided to the party entrusted with handling video conferencing matters for further safekeeping.

If the shareholders' meeting is held by means of video conferencing, it is advisable for the Company to record the audio and video of the back-end operation interface of the virtual meeting platform.

## **Article 9**

Attendance at the shareholders' meeting shall be calculated based on the number of shares held. The number of shares represented shall be determined by the signatures on the sign-in book, the sign-in cards submitted, and the number of shares checked in via the virtual meeting platform, combined with the number of shares for which voting rights have been exercised in writing or electronically.

Once the scheduled meeting time has arrived, the Chairperson shall declare the meeting open and simultaneously announce relevant information such as the number of non-voting shares and the total number of shares represented at the meeting. However, if shareholders representing less than a majority of the total issued shares are present, the Chairperson may announce a postponement of the meeting. The meeting may be postponed up to two times, and the total time for postponement shall not exceed one hour. If, after two postponements, shareholders representing at least one-third of the total issued shares are still not present, the Chairperson shall declare the meeting adjourned. For shareholders' meetings held via video conferencing, the Company shall additionally announce the adjournment on the virtual meeting platform.

If, after two postponements as mentioned in the preceding paragraph, shareholders representing at least one-third of the total issued shares are present, a tentative resolution may be adopted in accordance with Article 175, Paragraph 1 of the Company Act. All shareholders shall be notified of the tentative resolution, and the shareholders' meeting shall be reconvened within one month. For a virtual shareholders' meeting, shareholders intending to attend via video shall re-register with the Company in accordance with Article 6.

If, before the conclusion of the meeting, the shares represented by attending shareholders reach a majority of the total issued shares, the Chairperson may resubmit the tentative resolution for a vote by the shareholders' meeting in accordance with Article 174 of the Company Act.

## **Article 10**

Where a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be determined by the Board of Directors. All proposals, including extempore motions and amendments to original proposals, shall be voted on item by item. The meeting shall proceed in accordance with the scheduled agenda, and no changes may be made without a resolution of the shareholders' meeting. However, the submission of extempore motions shall be within the scope permitted by law, raised wi...

Where a shareholders' meeting is convened by a person other than the Board of Directors who is authorized to convene the meeting, the preceding paragraph shall apply *mutatis mutandis*.

Before the scheduled agenda (including extempore motions) is concluded, the Chairperson shall not adjourn the meeting without a resolution. If the Chairperson violates the rules of procedure and arbitrarily declares the meeting adjourned, the other members of the Board shall promptly assist the attending shareholders in selecting a new Chairperson by a majority of the voting rights of those present, in accordance with legal procedures, so that the meeting may continue.

The Chairperson shall provide adequate explanation and time for discussion on each proposal, any amendments thereto, and extempore motions proposed by shareholders. When the

Chairperson deems that the discussion has reached a level sufficient for voting, they may declare the discussion closed, submit the proposal for resolution, and arrange a sufficient voting period.

## **Article 11**

Before speaking at the shareholders' meeting, a shareholder shall complete a speech slip indicating the key points of the speech, shareholder account number (or attendance card number), and account name. The Chairperson shall determine the order of speeches based on the submitted slips.

Shareholders who submit a speech slip but do not speak shall be deemed to have not spoken. If the content of the speech differs from what is written on the slip, the actual spoken content shall prevail.

For the same proposal, each shareholder may speak no more than twice, and each time shall not exceed five minutes unless otherwise permitted by the Chairperson. If a shareholder speaks in violation of the rules or goes beyond the scope of the topic, the Chairperson may stop the speech.

When a shareholder is speaking, other shareholders may not interrupt unless they have obtained the consent of both the Chairperson and the speaking shareholder. The Chairperson shall stop any interruptions that violate this rule.

Where a legal entity shareholder designates more than one representative to attend the shareholders' meeting, only one representative may be designated to speak on the same proposal.

After a shareholder has spoken, the Chairperson may respond in person or designate relevant personnel to respond.

For shareholders' meetings held by video conferencing, shareholders attending virtually may submit written questions through the virtual meeting platform from the time the Chairperson announces the opening of the meeting until the announcement of adjournment. Each shareholder may submit no more than two questions per proposal, and each question shall be limited to 200 characters. The provisions of Paragraphs 1 to 5 shall not apply.

Questions submitted in accordance with the preceding paragraph that do not violate regulations or go beyond the scope of the proposals should be disclosed on the virtual meeting platform for the information of all shareholders.

## **Article 12**

Voting at the shareholders' meeting shall be based on the number of shares held.

In resolutions of the shareholders' meeting, the shares held by shareholders without voting rights shall not be included in the total number of issued shares.

Where a shareholder has a personal interest in a matter under discussion that may be detrimental to the interests of the Company, such shareholder shall not participate in voting on that matter, nor may they vote on behalf of other shareholders.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be counted among the voting rights of the shareholders present.

Except for trust enterprises or stock affairs agents approved by the competent securities authority, where one person is concurrently appointed as proxy by more than two shareholders, the total number of voting rights represented by such proxy shall not exceed 3% of the total voting rights represented by the total issued shares. Any portion in excess shall not be counted.

### **Article 13**

Each shareholder shall have one voting right per share, except for shares subject to restrictions or those without voting rights under Article 179, Paragraph 2 of the Company Act.

When the Company's shares are listed on the Emerging Stock Board, shareholders' meetings shall allow shareholders to exercise their voting rights electronically and may also allow voting in writing. The methods for exercising voting rights in writing or electronically shall be specified in the shareholders' meeting notice. Shareholders who vote in writing or electronically shall be deemed to have attended the shareholders' meeting in person. However, such shareholders shall be deemed to have waived their rights with respect to any extempore motions and amendments to the original proposals presented at that meeting. Therefore, the Company is advised to avoid submitting extempore motions or amendments to original proposals.

Shareholders exercising their voting rights in writing or electronically must deliver their declarations of intent to the Company no later than two days prior to the meeting. In the event of duplicate submissions, the one received first shall prevail, unless a statement is made to revoke the earlier submission.

If a shareholder has exercised their voting rights in writing or electronically and later wishes to attend the shareholders' meeting in person or via video, they must revoke their previous declaration of intent using the same method at least two days prior to the meeting. If the revocation is made after the deadline, the vote cast in writing or electronically shall prevail. If a shareholder exercises their voting rights in writing or electronically and also appoints a proxy to attend the meeting, the vote cast by the proxy shall prevail.

Unless otherwise provided by the Company Act or the Company's Articles of Incorporation, resolutions shall be adopted by a majority of the voting rights of shareholders present. At the time of voting, the Chairperson or a designated person shall announce the total number of voting rights represented by the shareholders present, and the shareholders shall vote on each proposal accordingly. On the same day of the shareholders' meeting, the results of votes in favor, against, and abstentions shall be entered into the Market Observation Post System (MOPS).

If there are amendment or substitute proposals to the same motion, the Chairperson shall determine the voting order of the original and alternative proposals. If one of the proposals is approved, the others shall be deemed rejected and no further voting is required.

Scrutineers and ballot counters for the proposals shall be appointed by the Chairperson, provided that scrutineers must be shareholders.

The counting of votes for proposals and elections shall be conducted publicly at the meeting venue, and the results, including the weighted voting statistics, shall be announced immediately after counting and recorded accordingly.

For virtual shareholders' meetings, shareholders attending via video shall cast their votes on each proposal and election item through the virtual meeting platform after the Chairperson announces the commencement of the meeting and before the Chairperson announces the close of voting. Late submissions shall be deemed abstentions.

For virtual shareholders' meetings, vote counting shall be conducted once after the Chairperson announces the close of voting, and the results of resolutions and elections shall be announced.

In the case of hybrid shareholders' meetings, shareholders who have registered to attend virtually pursuant to Article 6 and later wish to attend the physical meeting in person must revoke their registration using the same method at least two days prior to the meeting. If revocation is not made by the deadline, such shareholders may attend the meeting only virtually.

Shareholders who vote in writing or electronically and do not revoke their declarations of intent and also attend the meeting virtually shall not be allowed to vote again on original proposals, submit amendments, or vote on amendments, except for extempore motions.

#### **Article 14**

When the shareholders' meeting involves the election of directors and supervisors, such election shall be conducted in accordance with the relevant election procedures established by the Company, and the election results shall be announced on the spot. The announcement shall include the names of elected directors and supervisors, the number of votes they received, as well as the names and vote counts of non-elected candidates.

The ballots for the election mentioned in the preceding paragraph shall be sealed and signed by the scrutineers after counting and shall be properly preserved for at least one year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be preserved until the conclusion of the litigation.

#### **Article 15**

Resolutions of the shareholders' meeting shall be recorded in the meeting minutes, which shall be signed or sealed by the Chairperson. The minutes shall be distributed to all shareholders within 20 days after the meeting. The preparation and distribution of the minutes may be done electronically.

The distribution of the minutes mentioned in the preceding paragraph may be done by publishing the content on the Market Observation Post System (MOPS).

The minutes shall accurately record the year, month, and day of the meeting, its venue, the name of the Chairperson, the method of resolution, the essential proceedings of the meeting, and the results of the resolutions, including voting statistics. Where directors or supervisors are elected,

the number of votes received by each candidate shall be disclosed. The minutes shall be permanently preserved for the duration of the Company's existence.

Where the shareholders' meeting is held by means of video conferencing, in addition to the matters required to be recorded under the preceding paragraph, the minutes shall also state the starting and ending time of the meeting, the method of convening, the names of the Chairperson and the minute taker, and the handling measures and status in case of any disruptions to the video conferencing platform or shareholder participation due to natural disasters, incidents, or other force majeure events.

In addition to the above, for virtual-only shareholders' meetings, the Company shall also include in the minutes any alternative measures provided to shareholders who experienced difficulties in participating via video conferencing.

#### **Article 16**

On the day of the shareholders' meeting, the Company shall, in accordance with the prescribed format, compile a statistical table showing the number of shares solicited by solicitors, the number of shares represented by proxy agents, and the number of shares represented by shareholders attending in writing or electronically. This table shall be clearly displayed at the meeting venue. For shareholders' meetings held via video conferencing, the Company shall upload the aforementioned ...

When convening a shareholders' meeting by means of video conferencing, the Company shall disclose the total number of shares represented by attending shareholders on the virtual meeting platform at the time of announcing the commencement of the meeting. Any updated statistics on the number of shares represented or voting rights during the meeting shall be disclosed in the same manner.

If any resolution of the shareholders' meeting constitutes material information as defined by law or by the regulations of the Taiwan Stock Exchange Corporation or the Taipei Exchange (TPEX), the Company shall upload the relevant content to the Market Observation Post System (MOPS) within the required timeframe.

#### **Article 17**

Meeting personnel handling the affairs of the shareholders' meeting shall wear identification badges or armbands.

The Chairperson may direct inspectors or security personnel to assist in maintaining order at the meeting venue. Inspectors or security personnel assisting in maintaining order shall wear armbands or identification badges clearly marked with the word "Inspector."

Where sound amplification equipment is available at the venue, shareholders shall not speak using devices not provided by the Company. The Chairperson may stop such behavior.

If a shareholder violates the rules of procedure and does not comply with the Chairperson's correction, thereby obstructing the progress of the meeting, and refuses to cease after being

warned, the Chairperson may instruct inspectors or security personnel to escort the shareholder out of the venue.

#### **Article 18**

During the meeting, the Chairperson may, at their discretion, announce a recess. In the event of force majeure, the Chairperson may declare a temporary suspension of the meeting and announce a time for the meeting to resume based on the circumstances.

If the scheduled agenda of the shareholders' meeting (including extempore motions) has not been completed and the meeting venue becomes unavailable, the shareholders' meeting may, by resolution, determine to relocate and continue the meeting at another venue.

The shareholders' meeting may also resolve, in accordance with Article 182 of the Company Act, to postpone or reconvene the meeting within five days.

#### **Article 19**

For shareholders' meetings held via video conferencing, the Company shall disclose the voting results for each proposal and the results of elections in real time on the virtual meeting platform after the conclusion of voting. The results shall continue to be disclosed for at least fifteen minutes after the Chairperson announces the adjournment of the meeting.

#### **Article 20**

When the Company convenes a virtual shareholders' meeting, the Chairperson and the recording personnel shall be located at the same place within the territory of the Republic of China (Taiwan). The Chairperson shall announce the address of such location at the commencement of the meeting.

#### **Article 21**

For shareholders' meetings held via video conferencing, the Company may provide shareholders with a simple connection test before the meeting and offer real-time support before and during the meeting to assist in resolving technical communication issues.

When a shareholders' meeting is held via video conferencing, the Chairperson shall, at the time of announcing the commencement of the meeting, also announce that, unless the circumstances fall under those exempted from postponement or continuation under Paragraph 4 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if disruptions to the virtual meeting platform or shareholder participation via video caused by natural disasters, incidents, or other force majeure events persist for 30 minutes or more before the meeting is adjourned, the meeting shall be postponed or continued within five days. The provisions of Article 182 of the Company Act shall not apply.

In the event of such postponement or continuation, shareholders who did not register to attend the original meeting via video shall not be permitted to participate in the postponed or continued meeting.

For a meeting postponed or continued under the preceding paragraph, shareholders who registered and completed check-in for the original meeting but do not participate in the postponed or continued meeting shall still have their attendance, voting rights, and election rights from the original meeting counted in the postponed or continued meeting.

When a meeting is postponed or continued as described above, any proposals for which voting and vote counting have already been completed and results announced, including the election of directors or supervisors, do not need to be discussed or resolved again.

For hybrid shareholders' meetings, if the video conference cannot continue due to the aforementioned reasons, but the number of shares represented by shareholders attending in person still meets the legal quorum for the meeting, the meeting shall continue without postponement or continuation as stated in Paragraph 2.

In such cases, the shares held by shareholders attending via video shall still be counted toward the total number of shares represented, but these shareholders shall be deemed to have abstained from voting on all proposals of that meeting.

Where a meeting is postponed or continued pursuant to Paragraph 2, the Company shall follow the pre-meeting procedures in accordance with the original meeting date and the provisions set forth in Paragraph 7 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

The timeframes specified in the latter part of Article 12 and Paragraph 3 of Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies, as well as Paragraph 2 of Article 44-5, Article 44-15, and Paragraph 1 of Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, shall be based on the date of the postponed or continued meeting as determined in accordance with Paragraph 2 of this Article.

## **Article 22**

When the Company convenes a virtual shareholders' meeting, it shall provide appropriate alternative measures for shareholders who have difficulty attending via video conferencing. Except in the circumstances prescribed in Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall at least provide connection devices and necessary assistance to such shareholders, and specify the application period and other relevant matters requiring attention.

## **Article 23**

The Company may establish an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. From the date of its establishment, the Audit Committee shall replace the Supervisors, and the provisions of these Rules regarding Supervisors shall cease to apply.

## **Article 24**



Matters not provided for in these Rules shall be handled in accordance with the Company Act and other relevant laws and regulations.

These Rules and any amendments thereto shall be approved by the shareholders' meeting and shall become effective upon the Company's shares being approved for public issuance by the competent authority.

These Rules were approved by the shareholders' meeting on June 28, 2023, and have been implemented since.

### Annex 3: Directors' Shareholding Status

#### Directors' Shareholding Status

1. As of the record date on April 28, 2025, the paid-in capital of the Company was NT\$690,883,120, representing 69,088,312 common shares issued.
2. Minimum required shareholding by all directors: 5,527,065 shares (8% of total issued shares)
3. Until the book closure date for the 2024 shareholders' meeting, the status of shareholdings of individual and all directors and supervisors are shown below:

Title	Name	Shares Held	Shareholding (%)
Chairman	Lin Kuo-Ching	2,381,541	3.45
Director	Easy Win International Investment Ltd.	1,320,000	1.91
Director	Chou Chih-Ming	488,669	0.71
Director	Chen Yi-Hui	1,844,159	2.67
Indep. Director	Tang Min-Tse	0	0
Indep. Director	Lee Tung-Tsan	0	0
Indep. Director	Chang Tsung-Liang	0	0
Indep. Director	Shiue Jih-Jonq	0	0
Total Director Shareholding		6,034,369	8.74

Notes:

- a. Data is based on the shareholder register on April 28, 2025.
  - b. The Company has established an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act, replacing the position of supervisor. The Company's Audit Committee was established on March 8, 2023.
4. Total director shareholding complies with legal minimum requirements.