



# **Handbook for 2025 Shareholders Meeting of Test Research, Inc.**

**(Translation)**

May 28<sup>th</sup>, 2025

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# **2025 Shareholders Meeting Agenda of Test Research, Inc.**

**I. Time:** 9:00 a.m. on May 28 (Wednesday), 2025

**II. Venue:** 3F, No. 36-1, Huangxi Street, Shilin District, Taipei City.

(2025 Annual Shareholders' Meeting held by means of physical shareholders meeting.)

## **III. Meeting Agenda**

1. Call meeting to order
2. Chairman gives the opening address
3. Reporting items:
  - (1) 2024 Annual Business Report.
  - (2) Audit Committee's Review Report on 2024 Financial Statements.
  - (3) 2024 Employees' and Directors' Remuneration Proposal.
4. Approval items:
  - (1) Adoption of 2024 Financial Statements.
  - (2) Adoption of 2024 Earning Distribution Plan.
5. Discussion items:
  - (1) Amendments to the Company's Articles of Association.
  - (2) Amendments to the Company's Director Election Rules.
6. Incidental motions
7. Adjournment

## Reporting Items

Proposal 1: 2024 Annual Business Report.

Explanatory Notes: Please refer to Appendix 1 of this Handbook.

Proposal 2: Audit Committee's Review Report on 2024 Financial Statements.

Explanatory Notes: Please refer to Appendix 2 of this Handbook.

Proposal 3: 2024 Employees' and Directors' Remuneration Proposal.

Explanatory Notes:

- (1) 2024 employees' remuneration and directors' remuneration resolved is NT\$ 36,282,318 and NT\$ 18,690,894 respectively, and the above amount will be paid in cash.
- (2) The resolution amount doesn't have any difference from the amount of expense recognized for 2024.

## Approval Items

Proposal 1: Adoption of 2024 Financial Statements.

Proposal 1: (Proposed by the Board of Directors)

Explanatory Notes:

- (1) 2024 Business Report and Financial Statements (including the consolidated financial statements) are passed upon the resolution of the Board. The Financial Statements (including the consolidated financial statements) are audited by the CPA. The above reports are reviewed by the Audit Committee.
- (2) Please refer to the Appendix 1 and Appendix 3 of the Handbook.

Resolution:

Proposal 2: Adoption of 2024 Earning Distribution Plan.

Proposal 2: (Proposed by the Board of Directors)

Explanatory Notes:

- (1) This earning distribution plan firstly considers the earning of 2024. The common shares are distributed with cash dividend of NT\$5 per share.
- (2) For 2024 Earning Distribution Table, please refer to Appendix 4 of the Handbook.
- (3) As for the cash dividend distribution, the Board is authorized to settle the related affairs after it is passed in the Shareholders Meeting.
- (4) The Chairman is authorized to contact specific person to adjust the sum of fractional amount of the cash dividend less than NT\$1.
- (5) In the event that, the transfer, exchange and cancellation of shares or buyback of shares of the Company affects the amount of outstanding shares and the payout ratio for shareholders, it is proposed that the Board of Directors be authorized to change the related affairs.

Resolution:

## Discussion Items

Proposal 1: Proposal of Amendments to the Company's Articles of Association.

Proposal 1: Please proceed to discuss. (Proposed by the Board of Directors)

Explanatory Notes:

- (1) According to Paragraph 6 of Article 14 of the Securities and Exchange Act, listed and OTC companies shall specify in its articles of incorporation that a certain percentage of its annual earnings shall be allocated for salary adjustments or compensation distributions for its non-executive employees.
- (2) In order to be in accordance with “ Securities and Exchange Act”, it is proposed to amend some articles of the Company's Articles of association. For the Amendments Table, please refer to the Appendix 5 of the Handbook.

Resolution:

Proposal 2: Proposal of Amendments to the Company's Director Election Rules.

Please proceed to discuss. (Proposed by the Board of Directors)

Explanatory Notes: In order to be in accordance with “Procedures for Election of Directors” and the needs of practical operations, it is proposed to amend some articles of the Company's Director Election Rules. For the Amendments Table, please refer to the Appendix 6 of the Handbook.

Resolution:

## Incidental Motions

## Adjournment

## Appendix 1

# Business Report to Shareholders

Dear Shareholders:

In 2024, the Company reported consolidated revenue of NT\$6.356 billion and after-tax net profit of NT\$1.837 billion. This represents a substantial year-over-year increase of 43% in revenue, compared with NT\$4.435 billion in 2023; and the after-tax net profit was a huge increase of 83%, compared with NT\$1.001 billion in the previous year.

As shown in the consolidated financial statements, the Company's gross profit margin was 60%, operating net profit margin was 32%, after-tax net profit margin was 29%, return on equity was 24%, and return on assets was 20% in 2024. Thus, its overall financial status remains stable and sound.

The main reasons behind the Company's substantial growth in revenue and profits in 2024: (1) The annual revenue of the X-RAY inspection and the board testing ICT product lines achieved record-high annual revenues. (2) The annual revenue of the Taiwan Headquarters and the IBD (International Business Department) set new records last year. (3) Revenues from the server industry and network communications industry have also shown substantial growth. (4) The revenue of the semiconductor industry has grown significantly. (5) High-speed, high-precision AOI and SPI revenue maintains growth. (6) New products are commercialized one after another and the competitiveness continues to improve. (7) Close ties with customers and major international manufacturers have ensured substantial growth in revenue and profits throughout the year.

- Future business policy, production and sales policy, development strategy and expected sales volume:

The Company's operating strategy focuses on improving the competitiveness of automatic inspection equipments (AOI, SPI, X-RAY) and board testing ICT. In addition to the continued growth of SMT process testing equipment, semiconductor process testing equipment also plays an important strategic role. The proportion of revenue from semiconductor testing equipment to its overall revenue is expected to increase year by year. Opportunities for future growth lie in (1) X-RAY inspection and board testing ICT are essential testing equipment in the manufacturing process of automotive electronics and servers. In this regard, the Company will continue to improve the competitiveness and increase shipments of these equipment. (2) High-precision AOI, SPI, and X-RAY are necessary testing equipment in advanced semiconductor packaging processes. The Company will continue to commercialize competitive new products, and the shipment of semiconductor process inspection equipment is expected to continue to grow. (3) In response to the demand for production process automation, the Company continues to improve the functions of In-Line ICT, and shipments are also expected to grow. (4) The Company continues to deepen the application of AI technology on optical inspection machines to reduce programming time, while improving the detection rate and reducing the misjudgment rate. (5) To enhance the development of the global market: As new products continue to be commercialized and their competitiveness improves, it is expected that there will be double-digit growth opportunities in shipments this year.

- Influence of external competitive environment, regulatory environment and overall business environment on the Company:

The Company continues to improve its quality in product competition and operations management. Core values of the Company: "Team, Speed, Innovation, Integrity, and Service." Meanwhile, the Company will continue to improve its overall competitiveness in terms of "technology leadership", "stable and reliable quality", "global market development", "control of new product development schedule" and "internal talent cultivation". I firmly believe that the Company will have opportunities for continued growth in the future.

We would like to express our deep gratitude to all shareholders for their support, which gives the Company the opportunity to continue to grow.

We wish you all good health and happiness.

Chairman: Chieh-Yuan, Chen

Manager: Chieh-Yuan, Chen

Accounting Chief: Kaun-Yuan, Chen

## Appendix 2

### Audit Committee's Review Report

The Board of Directors prepares the 2024 Business Report, Financial Statements (including consolidated financial statements) and Earning Distribution Plan. PwC Taiwan audits the Financial Statements and presents the report. The above Business Report, Financial Statements and Earning Distribution Plan are reviewed by the Audit Committee, and no incompliance is found. The above report is presented as required by Article 14-4 of Securities and Exchange Act, Article 219 of the Company Act, for further inspection.

Convener of TRI Audit Committee: Chi-Jui, Huang  
Feb. 27, 2025



## Appendix 3

### INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Test Research, Inc.

#### ***Opinion***

We have audited the accompanying parent company only balance sheets of Test Research, Inc. (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 matters for the Company's 2024 parent company only financial statements are stated as follows:

#### **Valuation of inventories**

##### Description

Refer to Note 4(10) for accounting policies adopted for the valuation of inventories, Note 5 for critical accounting estimates and assumptions related to the valuation of inventories, and Note 6(3) for details of inventories. As of December 31, 2024, inventory and allowance for valuation losses are NT\$1,552,096 thousand and NT\$182,390 thousand, respectively.

The Company is primarily engaged in the design, manufacture, sales, repairs and maintenance of automated inspection and testing equipment, and inventories are stated at the lower of cost and net realisable value. Management considers the rapidly changing technology and the short life cycle of electronic products in evaluating inventories. For inventories that are over a certain aging and individually identified obsolete or slow-moving items, the net realisable value is determined based on inventory aging and the market demand of such items in the future for a specific period, which are based on sales, obsolescence and the inventory quality. As the amount of inventory is

significant, involves numerous items, and the valuation of inventory requires critical judgement and a high degree of uncertainty in estimation, we considered the valuation of inventory a key audit matter.

#### How our audit addressed the matter

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

1. Understanding the industry and operations of the Company, and assessing the reasonableness of accounting policies applied in determining the adequacy of inventory provision.
2. Understanding the inventory management processes, examining the annual physical count plan, and performing physical inventory observation to assess the effectiveness of judgement and control over obsolete or slow-moving inventory.
3. Obtaining inventory aging report and testing movements to confirm whether they are assigned to the correct aging category and are in accordance with the Company's accounting policy. We also recalculated to check the adequacy of the allowance for valuation losses.
4. Analysing and comparing the difference of inventory valuation losses between the latest two years and examining supporting evidences in relation to allowance for slow-moving inventory valuation losses, which were individually identified by the management based on the inventory clearance condition, to assess the propriety of inventory valuation losses.

#### **Cutoff of export revenue recognition**

##### Description

For accounting policies adopted for revenue recognition, refer to Note 4(23).

The Company recognises export revenue in accordance with the terms of the transaction with the customer. Export revenue constitutes approximately 80% of parent company only operating revenue and the period of revenue recognition is based on transaction terms of different customers. As the timing of revenue recognition is subject to management's judgement based on past experience, revenue may not be recorded in the proper period. Thus, we considered the cutoff of export revenue recognition a key audit matter.

#### How our audit addressed the matter

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

1. Understanding and assessing the effectiveness of export revenue recognition control processes.
2. Obtaining a detailed listing of export sales within a certain period before and after period end, selecting samples and assessing the completeness by agreeing the sale to supporting documentation (such as export bill of lading and proof of delivery) to ascertain whether the sale was recorded in the proper period.

#### ***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.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

3. 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.
4. 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.
5. 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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Huang, Pei-Chuan

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Yen, Yu-Fang

For and on behalf of PricewaterhouseCoopers, Taiwan  
February 26, 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.

**TEST RESEARCH, INC.**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**

(Expressed in thousands of New Taiwan dollars)

			December 31, 2024		December 31, 2023	
Assets		Notes	AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 635,881	6	\$ 638,882	7
1140	Current contract assets	6(2)	1,208,983	12	1,009,951	12
1150	Notes receivable, net	6(2)	2,626	-	2,633	-
1170	Accounts receivable, net	6(2)	1,262,405	13	819,822	9
1180	Accounts receivable due from related parties, net	7	219,579	2	128,923	2
1200	Other receivables		9,570	-	14,110	-
1210	Other receivables due from related parties	7	31,717	-	-	-
130X	Inventory	6(3)	1,369,706	14	1,235,742	14
1470	Other current assets		37,285	-	30,718	-
11XX	Total current assets		4,777,752	47	3,880,781	44
Non-current assets						
1550	Investments accounted for using equity method	6(4)	1,358,518	14	1,219,503	14
1600	Property, plant and equipment	6(5) and 8	3,803,746	38	3,569,979	41
1780	Intangible assets		26,683	-	27,512	-
1840	Deferred income tax assets	6(15)	95,919	1	94,446	1
1920	Guarantee deposits paid		1,584	-	760	-
15XX	Total non-current assets		5,286,450	53	4,912,200	56
1XXX	Total assets		\$ 10,064,202	100	\$ 8,792,981	100

(Continued)

**TEST RESEARCH, INC.**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**

(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2130	Contract liabilities - current	6(11)	\$ 50,804	-	\$ 47,956	1
2150	Notes payable		17,006	-	18,056	-
2170	Accounts payable		654,165	7	493,266	6
2180	Accounts payable to related parties	7	257	-	143	-
2200	Other payables	6(6)	427,670	4	392,432	4
2220	Other payables to related parties	7	69,713	1	24,350	-
2230	Current income tax liabilities		299,376	3	377,358	4
2300	Other current liabilities		9,790	-	9,932	-
21XX	Total current liabilities		1,528,781	15	1,363,493	15
Non-current liabilities						
2550	Provisions for liabilities - non-current		16,953	-	13,051	-
2570	Deferred income tax liabilities	6(15)	219,152	3	198,398	2
2600	Other non-current liabilities	6(7)	18,310	-	32,459	1
25XX	Total non-current liabilities		254,415	3	243,908	3
2XXX	Total liabilities		1,783,196	18	1,607,401	18
Equity						
	Share capital	6(8)				
3110	Common stock		2,362,160	23	2,362,160	27
	Capital surplus	6(9)				
3200	Capital surplus		53,290	-	53,290	1
	Retained earnings	6(10)				
3310	Legal reserve		1,826,883	18	1,726,831	20
3320	Special reserve		67,549	1	48,704	-
3350	Unappropriated retained earnings		4,004,888	40	3,062,144	35
	Other equity interest					
3400	Other equity interest		( 33,764 )	-	( 67,549 )	( 1 )
3XXX	Total equity		8,281,006	82	7,185,580	82
	Significant events after the balance sheet date	11				
3X2X	Total liabilities and equity		\$ 10,064,202	100	\$ 8,792,981	100

Chairman: Chieh-Yuan, Chen

Manager: Chieh-Yuan, Chen

Accounting Chief: Kaun-Yuan, Chen

**TEST RESEARCH, INC.**  
**PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

			Year ended December 31			
			2024		2023	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(11) and 7		\$ 6,078,739	100	\$ 4,113,221	100
5000 Operating costs	6(13)(14)		( 2,564,547 )	( 42 )	( 1,775,375 )	( 43 )
5900 Gross profit from operations			3,514,192	58	2,337,846	57
5910 Unrealised profit from sales	6(4)		( 89,184 )	( 2 )	( 62,459 )	( 2 )
5920 Realised profit from sales	6(4)		62,459	1	85,016	2
5950 Gross margin			3,487,467	57	2,360,403	57
Operating expenses	6(13)(14) and 7					
6100 Selling expenses			( 800,340 )	( 13 )	( 557,313 )	( 14 )
6200 General and administrative expenses			( 147,615 )	( 3 )	( 129,786 )	( 3 )
6300 Research and development expenses			( 572,995 )	( 9 )	( 428,174 )	( 10 )
6450 Expected credit impairment loss	12(2)		( 3,747 )	-	( 295 )	-
6000 Total operating expenses			( 1,524,697 )	( 25 )	( 1,115,568 )	( 27 )
6900 Operating profit			1,962,770	32	1,244,835	30
Non-operating income and expenses						
7100 Interest income			7,298	-	6,305	-
7010 Other income			4,293	-	4,993	-
7020 Other gains and losses	6(12)		136,506	2	22,776	1
7050 Finance costs			-	-	( 16 )	-
7070 Share of profit (loss) of associates and joint ventures accounted for using equity method	6(4)		50,284	1	( 37,353 )	( 1 )
7000 Total non-operating income and expenses			198,381	3	( 3,295 )	-
7900 Profit before income tax			2,161,151	35	1,241,540	30
7950 Income tax expense	6(15)		( 324,523 )	( 5 )	( 240,286 )	( 6 )
8200 Profit for the year			\$ 1,836,628	30	\$ 1,001,254	24
Other comprehensive income						
Components of other comprehensive income that will not be reclassified to profit or loss						
8311 Actuarial gain (loss) on defined benefit plan	6(7)		\$ 4,526	-	( \$ 734 )	-
Components of other comprehensive income that will be reclassified to profit or loss						
8361 Financial statements translation differences of foreign operations			42,231	1	( 23,556 )	-
8399 Income tax relating to the components of other comprehensive (loss) income that will be reclassified to profit or loss	6(15)		( 8,446 )	-	4,711	-
8360 Other comprehensive income (loss) that will be reclassified to profit or loss			33,785	1	( 18,845 )	-
8300 Total other comprehensive income (loss) for the year			\$ 38,311	1	( \$ 19,579 )	-
8500 Total comprehensive income for the year			\$ 1,874,939	31	\$ 981,675	24
Earnings per share (in dollars)	6(16)					
9750 Basic earnings per share			\$ 7.78		\$ 4.24	
9850 Diluted earnings per share			\$ 7.76		\$ 4.23	

Chairman: Chieh-Yuan, Chen

Manager: Chieh-Yuan, Chen

Accounting Chief: Kaun-Yuan, Chen

**TEST RESEARCH, INC.**  
**PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

(Expressed in thousands of New Taiwan dollars)

	Notes	Ordinary share	Capital Reserves		Retained Earnings			Exchange differences on translation of foreign financial statements	Total equity
			Capital surplus, additional paid-in capital	Capital surplus, changes in equity of associates and joint ventures accounted for using equity method	Legal reserve	Special reserve	Unappropriated retained earnings		
<u>2023</u>									
Balance at January 1, 2023		\$2,362,160	\$ 51,874	\$ 1,416	\$1,533,787	\$ 68,362	\$ 3,297,982	(\$ 48,704)	\$ 7,266,877
Profit for the year		-	-	-	-	-	1,001,254	-	1,001,254
Other comprehensive loss for the year		-	-	-	-	-	( 734 )	( 18,845 )	( 19,579 )
Total comprehensive income (loss) for the year		-	-	-	-	-	1,000,520	( 18,845 )	981,675
Appropriations and distribution of 2022 retained earnings	6(10)								
Legal reserve		-	-	-	193,044	-	( 193,044 )	-	-
Special reserve		-	-	-	-	( 19,658 )	19,658	-	-
Cash dividends		-	-	-	-	-	( 1,062,972 )	-	( 1,062,972 )
Balance at December 31, 2023		<u>\$2,362,160</u>	<u>\$ 51,874</u>	<u>\$ 1,416</u>	<u>\$1,726,831</u>	<u>\$ 48,704</u>	<u>\$ 3,062,144</u>	<u>(\$ 67,549)</u>	<u>\$ 7,185,580</u>
<u>2024</u>									
Balance at January 1, 2024		\$2,362,160	\$ 51,874	\$ 1,416	\$1,726,831	\$ 48,704	\$ 3,062,144	(\$ 67,549)	\$ 7,185,580
Profit for the year		-	-	-	-	-	1,836,628	-	1,836,628
Other comprehensive income for the year		-	-	-	-	-	4,526	33,785	38,311
Total comprehensive income for the year		-	-	-	-	-	1,841,154	33,785	1,874,939
Appropriations and distribution of 2023 retained earnings	6(10)								
Legal reserve		-	-	-	100,052	-	( 100,052 )	-	-
Special reserve		-	-	-	-	18,845	( 18,845 )	-	-
Cash dividends		-	-	-	-	-	( 779,513 )	-	( 779,513 )
Balance at December 31, 2024		<u>\$2,362,160</u>	<u>\$ 51,874</u>	<u>\$ 1,416</u>	<u>\$1,826,883</u>	<u>\$ 67,549</u>	<u>\$ 4,004,888</u>	<u>(\$ 33,764)</u>	<u>\$ 8,281,006</u>

Chairman: Chieh-Yuan, Chen

Manager: Chieh-Yuan, Chen

Accounting Chief: Kaun-Yuan, Chen



**TEST RESEARCH, INC.**  
**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><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Profit before tax		\$ 2,161,151	\$ 1,241,540
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(13)	108,136	65,581
Amortisation	6(13)	18,686	16,260
Expected credit impairment loss	12(2)	3,747	295
Interest income	(	7,298 )	( 6,305 )
Interest expense		-	16
Share of profit or loss of subsidiaries accounted for using the equity method	6(4)	( 50,284 )	37,353
Unrealised (profit) loss from sales, net	6(4)	26,725	( 22,557 )
Gain on disposal of property, plant and equipment	6(12)	( 5,836 )	( 10,059 )
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets	(	199,180 )	232,131
Accounts receivable	(	446,182 )	214,227
Notes receivable		7	( 653 )
Accounts receivable due from related parties	(	90,656 )	44,249
Other receivables		4,608	( 1,608 )
Other receivables due from related parties	(	31,717 )	1,427
Inventory	(	192,087 )	173,888
Other current assets	(	11,567 )	1,715
Changes in operating liabilities			
Contract liabilities - current		2,848	10,819
Notes payable	(	1,050 )	884
Accounts payable		160,899	31,188
Accounts payable to related parties		114	143
Other payables		115,111	( 116,050 )
Other payables to related parties		45,363	( 8,201 )
Other current liabilities	(	142 )	2,196
Provisions for liabilities - non-current		3,902	( 906 )
Other non-current liabilities	(	9,623 )	( 7,855 )
Cash inflow generated from operations		1,605,675	1,899,718
Interest received		7,230	6,522
Interest paid		-	( 16 )
Income taxes paid	(	391,670 )	( 217,533 )
Net cash flows from operating activities		<u>1,221,235</u>	<u>1,688,691</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Acquisition of investments accounted for using the equity method	6(17)	( 68,225 )	-
Acquisition of property, plant and equipment	6(17)	( 365,649 )	( 850,673 )
Proceeds from disposal of property, plant and equipment		7,832	10,866
Acquisition of intangible assets	(	17,857 )	( 20,451 )
(Increase) decrease in guarantee deposits paid	(	824 )	369
Net cash flows used in investing activities	(	444,723 )	( 859,889 )
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
Payment of cash dividends	6(10)	( 779,513 )	( 1,062,972 )
Net cash flows used in financing activities	(	779,513 )	( 1,062,972 )
Net decrease in cash and cash equivalents	(	3,001 )	( 234,170 )
Cash and cash equivalents at beginning of year		<u>638,882</u>	<u>873,052</u>
Cash and cash equivalents at end of year		<u>\$ 635,881</u>	<u>\$ 638,882</u>

Chairman: Chieh-Yuan, Chen

Manager: Chieh-Yuan, Chen

Accounting Chief: Kaun-Yuan, Chen

## INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Test Research, Inc.

### ***Opinion***

We have audited the accompanying consolidated balance sheets of Test Research, Inc. (the "Company") 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 matters for the Group's 2024 consolidated financial statements are stated as follows:

### **Valuation of inventories**

#### Description

Refer to Note 4(12) for accounting policies adopted for the valuation of inventories, Note 5 for critical accounting estimates and assumptions related to the valuation of inventories, and Note 6(4) for details of inventories. As of December 31, 2024, inventory and allowance for valuation losses are NT\$1,597,741 thousand and NT\$190,523 thousand, respectively.

The Group is primarily engaged in the design, manufacture, sales, repairs and maintenance of automated inspection and testing equipment, and inventories are stated at the lower of cost and net realisable value. Management considers the rapidly changing technology and the short life cycle of electronic products in evaluating inventories. For inventories that are over a certain aging and individually identified obsolete or slow-moving items, the net realisable value is determined based on inventory aging and the market demand of such items in the future for a specific period, which are based on sales, obsolescence and the inventory quality. As the amount of inventory is

significant, involves numerous items, and the valuation of inventory requires critical judgement and a high degree of uncertainty in estimation, we considered the valuation of inventory a key audit matter.

#### How our audit addressed the matter

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

1. Understanding the industry and operations of the Group, and assessing the reasonableness of accounting policies applied in determining the adequacy of inventory provision.
2. Understanding the inventory management processes, examining the annual physical count plan, and performing physical inventory observation to assess the effectiveness of judgement and control over obsolete or slow-moving inventory.
3. Obtaining inventory aging report and testing movements to confirm whether they are assigned to the correct aging category and are in accordance with the Group's accounting policy. We also recalculated to check the adequacy of the allowance for valuation losses.
4. Analysing and comparing the difference of inventory valuation losses between the latest two years and examining supporting evidences in relation to allowance for slow-moving inventory valuation losses, which were individually identified by the management based on the inventory clearance condition, to assess the propriety of inventory valuation losses.

#### **Cutoff of export revenue recognition of the Company**

##### Description

For accounting policies adopted for revenue recognition, refer to Note 4(24).

The Group recognises export revenue in accordance with the terms of the transaction with the customer. Export revenue constitutes approximately 80% of consolidated operating revenue and the period of revenue recognition is based on transaction terms of different customers. As the timing of revenue recognition is subject to management judgement based on past experience, revenue may not be recorded in the proper period. Thus, we considered the cutoff of export revenue recognition a key audit matter.

#### How our audit addressed the matter

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

1. Understanding and assessing the effectiveness of export revenue recognition control processes.
2. Obtaining a detailed listing of export sales of the Company within a certain period before and after period end, selecting samples and assessing the completeness by agreeing the sale to supporting documentation (such as export bill of lading and proof of delivery) to ascertain whether the sale was recorded in the proper period.

#### ***Other matter – Parent company only financial reports***

We have audited and expressed an unmodified opinion on the parent company only financial statements of Test Research, Inc. 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:

6. 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.
7. 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.
8. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
9. 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.
10. 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.
11. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or

business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 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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Huang, Pei-Chuan

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Yen, Yu-Fang

For and on behalf of PricewaterhouseCoopers, Taiwan  
February 26, 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.

**TEST RESEARCH, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

			December 31, 2024		December 31, 2023	
Assets		Notes	AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 873,590	9	\$ 859,919	10
1136	Current financial assets at amortised cost	6(2)	444,138	4	490,278	6
1140	Current contract assets	6(3)	1,460,939	15	1,216,696	14
1150	Notes receivable, net	6(3)	35,884	-	43,500	-
1170	Accounts receivable, net	6(3)	1,649,079	16	1,045,410	12
1200	Other receivables		30,507	-	34,975	-
130X	Inventory	6(4)	1,407,218	14	1,261,632	14
1470	Other current assets		40,270	1	33,482	-
11XX	Total current assets		5,941,625	59	4,985,892	56
Non-current assets						
1550	Investments accounted for using the equity method	6(5)	41,957	1	-	-
1600	Property, plant and equipment	6(6) and 8	3,987,038	39	3,732,472	42
1755	Right-of-use assets	6(7)	30,064	-	48,727	1
1780	Intangible assets		27,255	-	28,235	-
1840	Deferred income tax assets	6(18)	103,516	1	99,384	1
1920	Guarantee deposits paid		11,397	-	11,179	-
15XX	Total non-current assets		4,201,227	41	3,919,997	44
1XXX	Total assets		\$ 10,142,852	100	\$ 8,905,889	100

(Continued)

**TEST RESEARCH, INC. 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	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2130	Contract liabilities - current	6(13)	\$ 76,014	1	\$ 60,858	1
2150	Notes payable		17,006	-	18,056	-
2170	Accounts payable		676,012	6	508,965	6
2200	Other payables	6(8)	487,245	5	443,954	5
2230	Current income tax liabilities		302,957	3	375,980	4
2280	Current lease liabilities		16,234	-	27,859	-
2300	Other current liabilities		12,675	-	11,930	-
21XX	Total current liabilities		1,588,143	15	1,447,602	16
Non-current liabilities						
2550	Provisions for liabilities - non-current		18,175	-	13,528	-
2570	Deferred income tax liabilities	6(18)	223,747	3	205,949	2
2580	Non-current lease liabilities		13,471	-	20,771	-
2600	Other non-current liabilities	6(9)	18,310	-	32,459	1
25XX	Total non-current liabilities		273,703	3	272,707	3
2XXX	Total liabilities		1,861,846	18	1,720,309	19
Equity attributable to owners of the parent						
Share capital						
3110	Common stock	6(10)	2,362,160	23	2,362,160	27
Capital surplus						
3200	Capital surplus	6(11)	53,290	1	53,290	1
Retained earnings						
3310	Legal reserve	6(12)	1,826,883	18	1,726,831	19
3320	Special reserve		67,549	1	48,704	1
3350	Unappropriated retained earnings		4,004,888	39	3,062,144	34
Other equity interest						
3400	Other equity interest		( 33,764)	-	( 67,549)	( 1)
3XXX	Total equity		8,281,006	82	7,185,580	81
Significant events after the balance sheet date						
3X2X	Total liabilities and equity		\$ 10,142,852	100	\$ 8,905,889	100

Chairman: Chieh-Yuan, Chen

Manager: Chieh-Yuan, Chen

Accounting Chief: Kaun-Yuan, Chen

**TEST RESEARCH, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

Items		Notes	Year ended December 31			
			2024		2023	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(13)	\$ 6,355,808	100	\$ 4,435,101	100
5000	Operating costs	6(4)(16)(17)	( 2,571,758 )	( 40 )	( 1,804,486 )	( 40 )
5950	Gross margin		<u>3,784,050</u>	<u>60</u>	<u>2,630,615</u>	<u>60</u>
	Operating expenses	6(16)(17)				
6100	Selling expenses		( 984,856 )	( 16 )	( 831,136 )	( 19 )
6200	General and administrative expenses		( 190,281 )	( 3 )	( 169,312 )	( 4 )
6300	Research and development expenses		( 572,995 )	( 9 )	( 428,174 )	( 9 )
6450	Expected credit impairment (loss) gain	12(2)	( 6,497 )	-	6,353	-
6000	Total operating expenses		( 1,754,629 )	( 28 )	( 1,422,269 )	( 32 )
6900	Operating profit		<u>2,029,421</u>	<u>32</u>	<u>1,208,346</u>	<u>28</u>
	Non-operating income and expenses					
7100	Interest income		15,663	-	14,280	-
7010	Other income	6(14)	14,250	-	9,142	-
7020	Other gains and losses	6(15)	134,316	2	26,215	1
7050	Finance costs		( 2,831 )	-	( 2,747 )	-
7060	Share of loss of associates and joint ventures accounted for using the equity method	6(5)	( 13,043 )	-	-	-
7000	Total non-operating income and expenses		<u>148,355</u>	<u>2</u>	<u>46,890</u>	<u>1</u>
7900	<b>Profit before income tax</b>		<u>2,177,776</u>	<u>34</u>	<u>1,255,236</u>	<u>29</u>
7950	Income tax expense	6(18)	( 341,148 )	( 5 )	( 253,982 )	( 6 )
8200	<b>Profit for the year</b>		<u>\$ 1,836,628</u>	<u>29</u>	<u>\$ 1,001,254</u>	<u>23</u>
	<b>Other comprehensive income</b>					
	<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>					
8311	Gains (losses) on remeasurements of defined benefit plans	6(9)	\$ 4,526	-	\$ 734	-
	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>					
8361	Financial statements translation differences of foreign operations		42,231	1	( 23,556 )	( 1 )
8399	Income tax relating to the components of other comprehensive income that will be reclassified to profit or loss	6(18)	( 8,446 )	-	4,711	-
8360	Other comprehensive income (loss) that will be reclassified to profit or loss		<u>33,785</u>	<u>1</u>	<u>( 18,845 )</u>	<u>( 1 )</u>
8300	<b>Other comprehensive income (loss) for the year</b>		<u>\$ 38,311</u>	<u>1</u>	<u>( \$ 19,579 )</u>	<u>( 1 )</u>
8500	<b>Total comprehensive income for the year</b>		<u>\$ 1,874,939</u>	<u>30</u>	<u>\$ 981,675</u>	<u>22</u>
	Profit attributable to:					
8610	Owners of the parent		<u>\$ 1,836,628</u>	<u>29</u>	<u>\$ 1,001,254</u>	<u>23</u>
	Comprehensive income attributable to:					
8710	Owners of the parent		<u>\$ 1,874,939</u>	<u>30</u>	<u>\$ 981,675</u>	<u>22</u>
	Earnings per share (in dollars)	6(19)				
9750	Basic earnings per share		<u>\$ 7.78</u>		<u>\$ 4.24</u>	
9850	Diluted earnings per share		<u>\$ 7.76</u>		<u>\$ 4.23</u>	

Chairman: Chieh-Yuan,Chen

Manager: Chieh-Yuan,Chen

Accounting Chief: Kaun-Yuan, Chen



**TEST RESEARCH, INC. 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 Reserves			Retained Earnings		Financial statements translation differences of foreign operations	Total equity
	Notes	Share capital - common stock	Capital surplus, additional paid-in capital	Donated assets received	Legal reserve	Special reserve	Unappropriated retained earnings	
<b>2023</b>								
Balance at January 1, 2023		\$ 2,362,160	\$ 51,874	\$ 1,416	\$1,533,787	\$ 68,362	\$ 3,297,982	( \$ 48,704 ) \$ 7,266,877
Profit for the year		-	-	-	-	-	1,001,254	- 1,001,254
Other comprehensive loss for the year		-	-	-	-	-	( 734 )	( 18,845 ) ( 19,579 )
Total comprehensive income (loss) for the year		-	-	-	-	-	1,000,520	( 18,845 ) 981,675
Appropriations and distribution of 2022 retained earnings	6(12)							
Legal reserve		-	-	-	193,044	-	( 193,044 )	- -
Reversal of special reserve		-	-	-	-	( 19,658 )	19,658	- -
Cash dividends		-	-	-	-	-	( 1,062,972 )	- ( 1,062,972 )
Balance at December 31, 2023		\$ 2,362,160	\$ 51,874	\$ 1,416	\$1,726,831	\$ 48,704	\$ 3,062,144	( \$ 67,549 ) \$ 7,185,580
<b>2024</b>								
Balance at January 1, 2024		\$ 2,362,160	\$ 51,874	\$ 1,416	\$1,726,831	\$ 48,704	\$ 3,062,144	( \$ 67,549 ) \$ 7,185,580
Profit for the year		-	-	-	-	-	1,836,628	- 1,836,628
Other comprehensive income for the year		-	-	-	-	-	4,526	33,785 38,311
Total comprehensive income for the year		-	-	-	-	-	1,841,154	33,785 1,874,939
Appropriations and distribution of 2023 retained earnings	6(12)							
Legal reserve		-	-	-	100,052	-	( 100,052 )	- -
Special reserve		-	-	-	-	18,845	( 18,845 )	- -
Cash dividends		-	-	-	-	-	( 779,513 )	- ( 779,513 )
Balance at December 31, 2024		\$ 2,362,160	\$ 51,874	\$ 1,416	\$1,826,883	\$ 67,549	\$ 4,004,888	( \$ 33,764 ) \$ 8,281,006

Chairman: Chieh-Yuan, Chen

Manager: Chieh-Yuan, Chen

Accounting Chief: Kaun-Yuan, Chen

**TEST RESEARCH, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

(Expressed in thousands of New Taiwan dollars)

	Notes	<u>Year ended December 31</u>	
		<u>2024</u>	<u>2023</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Profit before tax		\$ 2,177,776	\$ 1,255,236
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(16)	169,024	127,037
Amortisation	6(16)	18,878	16,447
Expected credit impairment loss (gain)	12(2)	6,497	( 6,353 )
Interest income		( 15,663 )	( 14,280 )
Interest expense		2,831	2,747
Share of loss of associates accounted for using the equity method	6(5)	13,043	-
Gain on disposal of property, plant and equipment	6(15)	( 15,563 )	( 13,684 )
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets		( 244,405 )	232,485
Notes payable		7,616	26,248
Accounts receivable		( 610,032 )	469,379
Other receivables		8,188	7,197
Inventory		( 246,449 )	153,841
Other current assets		( 11,788 )	136
Changes in operating liabilities			
Contract liabilities		15,156	5,291
Notes payable		( 1,050 )	884
Accounts payable		167,047	25,984
Other payables		123,164	( 140,854 )
Other current liabilities		745	2,223
Provisions for liabilities		4,647	( 2,215 )
Other non-current liabilities		( 9,623 )	( 7,855 )
Cash inflow generated from operations		1,560,039	2,139,894
Interest received		11,943	9,980
Interest paid		( 2,831 )	( 2,747 )
Income taxes paid		( 409,543 )	( 269,294 )
Net cash flows from operating activities		<u>1,159,608</u>	<u>1,877,833</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Disposal (acquisition) of financial assets at amortised cost		46,140	( 205,188 )
Acquisition of property, plant and equipment	6(20)	( 371,098 )	( 856,097 )
Proceeds from disposal of property, plant and equipment		23,121	22,203
Acquisition of intangible assets		( 17,874 )	( 20,699 )
Acquisition of investments accounted for using the equity method	6(20)	( 50,000 )	-
(Increase) decrease in guarantee deposits paid		( 218 )	1,496
Net cash flows used in investing activities		<u>( 369,929 )</u>	<u>( 1,058,285 )</u>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
Lease principal repayment	6(21)	( 34,132 )	( 34,925 )
Cash dividends paid	6(12)	( 779,513 )	( 1,062,972 )
Net cash flows used in financing activities		<u>( 813,645 )</u>	<u>( 1,097,897 )</u>
Effect due to changes in exchange rate		37,637	( 10,387 )
Net increase (decrease) in cash and cash equivalents		13,671	( 288,736 )
Cash and cash equivalents at beginning of year		859,919	1,148,655
Cash and cash equivalents at end of year		<u>\$ 873,590</u>	<u>\$ 859,919</u>

Chairman: Chieh-Yuan, Chen

Manager: Chieh-Yuan, Chen

Accounting Chief: Kaun-Yuan, Chen

## Appendix 4

### TRI 2024 Earnings Distribution Table

Unit: NT\$

Undistributed earnings in the beginning of 2023	2,163,732,839
Add: Net after-tax profit for the year	1,836,628,968
Add: 2024 retained earnings adjustment	4,525,976
Add: Special reserve	33,784,587
Less: 10% legal reserve	(184,115,494)
Earnings available for distribution by the end of the fiscal year	3,854,556,876
Distributable item: Dividend to shareholders(NT\$5 per share)	(1,181,080,000)
Undistributed earnings at the end of 2024	2,673,476,876

Chairman: Chieh-Yuan,Chen    Manager: Chieh-Yuan,Chen    Accounting Chief: Kaun-Yuan, Chen

## Appendix 5

### TRI Articles of Association Amendments Table

Article	Original Article	Amended Article	Amendment Reason
Article 29-1	<p>If the Company gains some profits in the year, it shall make up the loss based on the pre-tax profit before deducting the remuneration of the employees. If there are still some profits remaining, it shall appropriate no less than 1% as the remuneration of the employees, and no more than 2% as the remuneration of the directors.</p> <p>The subjects distributed with the above remuneration shall include the employees of the subsidiaries.</p>	<p>If the Company gains some profits in the year, it shall make up the loss based on the pre-tax profit before deducting the remuneration of the employees. If there are still some profits remaining, it shall appropriate no less than 1% as the remuneration of the employees, and no more than 2% as the remuneration of the directors.</p> <p><u>The amount of employee remuneration mentioned in the preceding paragraph, no less than 35% should be allocated to distribute remuneration to its non-executive employees.</u></p> <p>The subjects distributed with the above remuneration shall include the employees of the subsidiaries.</p>	Comply with regulations
Article 31	<p>The Company's Articles of Association was drafted on March 31, 1989</p> <p>The 1st amendment was on June 1, 1989</p> <p>..... (omitted)</p> <p>The 23rd amendment was on May 26, 2017</p> <p>The 24th amendment was on May 29, 2019</p>	<p>The Company's Articles of Association was drafted on March 31, 1989</p> <p>The 1st amendment was on June 1, 1989</p> <p>..... (omitted)</p> <p>The 23rd amendment was on May 26, 2017</p> <p>The 24th amendment was on May 29, 2019</p> <p><u>The 25th amendment was on May 28, 2025</u></p>	Adding the date of the new amendment.

# **TRI Articles of Association**

## **Chapter 1 General Principles**

Article 1: The Company is organized under the provisions of Company Act, with the name of Test Research, Inc.

Article 2: The businesses of the Company include:

1. CB01010 machinery and equipment manufacturing.
2. CE01010 precision instruments manufacturing.
3. CE01030 photographic and optical equipment manufacturing.
4. E604010 machinery installation construction.
5. EZ05010 apparatus installation construction.
6. F113030 wholesale of precision instruments.
7. F119010 wholesale of electronic materials.
8. F213030 retail sale of computing and business machinery equipment.
9. F213040 retail sale of precision instruments.
10. F219010 retail sale of electronic materials.
11. F401010 international trade.
12. I301010 information software service.
13. I501010 product design.
14. ZZ99999 all business items that are not prohibited or restricted by laws, except those that are subject to special approval.

Article 3: The Company may act as guarantor externally based on business demands.

Article 4: The re-investment amount of the Company is free from the restriction of no more than 40% in the paid-in capital.

Article 5: The Company is headquartered in Taipei County, and may set up and cancel branch or office home and abroad upon the resolution of the Board of Directors.

Article 6: Removed.

## **Chapter 2 Shares**

Article 7: The capital amount of the Company is NT\$2.5 billion composed of 250,000,000 shares with NTD10 per share. Wherein, the Board of Directors is authorized to issue the unissued shares by installments.

NT\$50,000,000 in the above capital amount equivalent to 5,000,000 shares of NT\$10 per share are retained for staff subscription right, which shall be issued by installments based on the resolution of the Board of Directors.

Article 8: The shares of the Company are registered, which are issued with the signature or seal of more than 3 directors based on the legal certification. The Company may issue the shares in scriptless form after issuing the shares publically. Moreover, it shall consult the Central Securities Depository for register.

Article 9: Regarding the change of shareholders list, it shall be stopped 60 days before the general Shareholders meeting, 30 days before the interim Shareholders meeting or 5 days before the baseline date when company decides to distribute dividend, bonuses or other profits.

Article 10: The shareholder affairs of the Company shall be subject to the regulations prescribed by the related laws and the competent authority.

## **Chapter 3 Shareholders Meeting**

Article 11: It is divided into the general and interim meetings. The general meeting is held annually by the Board of Directors of Directors within 6 months after each fiscal year in accordance with laws, while the interim meeting is convened in accordance with laws if necessary.

Article 12: The Chairman shall preside over the meetings convened by the Board of Directors. In case the Chairman is absent, s/he shall designate a person to act in lieu of him. If no one is designated, the directors shall elect one from themselves to act in lieu of the Chairman. As for the meetings convened by any other person having the convening right rather other the Board of Directors, the convener shall act as the Chairman. If there are two or more persons having the convening right, the Chairman of the meeting shall be elected among themselves.

Article 13: If any shareholder can't attend the shareholder meeting for some reason, the Letter of Attorney printed by the Company shall be printed that specifies the authorization scope of the proxy to attend the meeting. The proxy appointment shall be subject to Article 177 of the Company Act and "Regulations Governing the Use of Proxies for Attendance at Shareholders Meetings of Public Listed Companies".

Article 14: The shareholders of the Company shall have one vote for each share unless the voting right is restricted or prohibited by the Company Act.

Article 15: Unless otherwise provided by the Company Act, the resolution of the shareholders meeting requires the presence of shareholders representing more than half of the issued shares, and the approval of more than half of votes of the shareholders attending the meeting. The resolutions of the shareholders meeting shall be recorded in the meeting minutes.

The resolutions passed in the shareholders meeting shall be recorded in memo, which shall be signed or sealed by the Chairman, and distributed to the shareholders within 20 days after the meeting. After the Company issues the shares publically, the memo shall be distributed by making announcements. The memo can be generated and distributed in an electronic way.

#### **Chapter 4 Directors and Audit Committee**

Article 16: The Company sets up 5~9 directors. The Board Meeting is authorized to determine the number of directors, which shall include at least 3 independent directors. The election of directors adopts the nomination system as required by the Company Act. The independent directors and non-independent directors shall be elected in the same election, but the respective votes shall be separately calculated to determine the elected persons. The directors shall be elected and appointed based on the cumulative counts as stipulated in Article 198 of the Company Act, with a three-year term, who may be re-elected and re-appointed for one additional term. The representative of entity shareholder may be elected as director. Where there are several representatives of any entity shareholder, they may be elected as directors or supervisors, and the entity shareholder shall appoint a replacement representative based on the position until the expiration of the original term.

As for the professional qualifications, shareholdings, restrictions on concurrent positions held, nomination and other compliances with respect to independent directors, it is subject to the related regulations under the competent authority of the securities.

The Company sets up Audit Committee as required by Securities and Exchange Act, which is composed of all independent directors.

Article 16-1: One of the following relationships may not exist among more than half of the directors.

1. A spousal relationship.
2. A familial relationship within the second degree of kinship.

Article 17: The Board of Director shall exercise the legal duties in the Board. A Chairman shall be elected from themselves with the presence of more than 2/3 directors, and the approval of more than half of the directors attending the meeting. The Chairman represents the company externally, and may appoint several consultants upon the resolution of the board meeting if necessary.

Article 18: The first board meeting of each new term after an election shall be convened by the director who receives the ballot representing the highest number of votes within 15 days. The other board meetings shall be convened by the Chairman, which shall specify the reason and inform the directors within written notice 7 days in advance. However, in case of emergency, the Company's board meeting can be convened via E-mail or fax instead of written notice.

Article 19: Unless otherwise provided by the Company Act and the Articles of Association, the resolutions shall be attended by more than 2/3 directors and approved by more than half number of the attending directors.

Article 20: When the Chairman is on leave or can't exercise the duties for some reason, the proxy shall be subject to Article 208 of the Company Act.

Article 21: The director may authorize another director in written form to attend the board meeting in lieu of him. However, each director can only serve as the proxy of only one director.

Article 22: The board organizes the board meeting, with the rights as listed below:

1. Make and revising business plan.
2. Make earning distribution or loss recovery plan.
3. Make capital increase/decrease plan.
4. Amend the Articles of Association.
5. Review the important contracts.
6. Appoint managers.
7. Set up and cancel the branches and offices.
8. Budgeting and final accounts.
9. Decide the transaction of real properties and investment into other businesses.
10. Other rights granted based on the Company Act or the resolution of shareholders meeting.

Article 23: Removed.

Article 24: The duties and related affairs of the Audit Committee and its members are subject to the related regulations under the competent authority of the securities.

Article 25: The directors shall be distributed with remuneration as stipulated by Article 29, who shall also receive some reward of a fixed amount every month. The board is authorized to determine the reward based on the competitors and the level of listed companies.

### **Chapter 5 Managers**

Article 26: The Company shall set up General Manager, whose appointment, dismiss and remuneration shall be subject to Article 29 of the Company Act.

Article 27: The General Manager shall deal with all businesses of the Company as instructed by the Board.

### **Chapter 6 Accounting**

Article 28: The fiscal year of the Company is from Jan. 1 to Dec. 31. At the end of each fiscal year, it shall close the final accounts. After the final accounts every year, the Board will prepare various reports as required by laws, which shall be submitted to the shareholders meeting for approval.

Article 29: After the final accounts of the Company, if there are earnings, the Company shall first pay the tax, make up the losses for the preceding years and then set aside a legal reserve of 10% of the net profit. However, it is an exception when the legal reserve of profit reaches the capital sum. After an additional special reserve shall be set aside or reversed in compliance with laws, it shall be the distributable profit of the year. Together with the undistributed profit at the end of the period, it will be the cumulative distributable profit of the shareholders. The Board shall work out the earning distribution plan, and submit it to the shareholders meeting for resolution on distribution. The Company is engaged in the industries related to high-tech automatic inspection devices. It is in the growth period of the corporate life cycle. To cope with the overall environment and characteristics of industrial growth, achieve business sustainability, and pursue the long-term profit of the company and stabilize operating performance goals, the dividend policy of the Company shall be based on the capital expenditure budget and the capital demands in the future. The dividend for shareholder shall be appropriated from the cumulative distributable profit, which shall be no less than 60% of the distributable profit of the current year. The cash dividend shall be no less than 50% of the amount distributed in the current year.

Article 29-1: If the Company gains some profits in the year, it shall make up the loss based on the pre-tax profit before deducting the remuneration of the employees. If there are still some profits remaining, it shall appropriate no less than 1% as the remuneration of the employees, and no more than 2% as the remuneration of the directors.

The amount of employee remuneration mentioned in the preceding paragraph, no less than 35% should be allocated to distribute remuneration to its non-executive employees.

The subjects distributed with the above remuneration shall include the employees of the subsidiaries.

## **Chapter 7 Supplementary Provisions**

Article 30: The affairs not mentioned herein this document shall be subject to the Company Act and other laws.

Article 31: The document was drafted on March 31, 1989

The 1st amendment was on June 1, 1989

The 2nd amendment was on April 6, 1990

The 3rd amendment was on February 25, 1995

The 4th amendment was on November 20, 1995

The 5th amendment was on July 18, 1996

The 6th amendment was on May 27, 1997

The 7th amendment was on June 8, 1997

The 8th amendment was on June 18, 1998

The 9th amendment was on March 27, 1999

The 10th amendment was on June 3, 2000

The 11th amendment was on April 28, 2001

The 12th amendment was on May 4, 2002

The 13th amendment was on June 23, 2003

The 14th amendment was on June 15, 2004

The 15th amendment was on June 14, 2005

The 16th amendment was on June 9, 2006

The 17th amendment was on June 15, 2007

The 18th amendment was on June 13, 2008

The 19th amendment was on June 19, 2009

The 20th amendment was on June 18, 2010

The 21st amendment was on June 6, 2011

The 22nd amendment was on June 3, 2016

The 23rd amendment was on May 26, 2017

The 24th amendment was on May 28, 2025



## Appendix 6

### TRI Director Election Rules

Original Article	Amended Article	Amendment Reason
<p>Article 4:</p> <p>The election of the directors in the Company shall be subject to the candidate nomination system prescribed in the Company Act, together with the registered cumulative voting. The candidates are registered based on <u>the shareholder account number or the identity card number</u> printed on the ballot. The number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or split for election of multiple candidates. The independent directors and non-independent directors shall be elected in the same election, but the respective votes shall be separately calculated.</p>	<p>Article 4:</p> <p>The election of the directors in the Company shall be subject to the candidate nomination system prescribed in the Company Act, together with the registered cumulative voting. The candidates are registered based on <u>the attendance card numbers</u> printed on the ballot. The number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or split for election of multiple candidates. The independent directors and non-independent directors shall be elected in the same election, but the respective votes shall be separately calculated.</p>	Comply with regulations and meet the practical demands
<p>Article 6:</p> <p>The Board shall prepare the ballots. <u>With the Company seal, the ballots shall specify the shareholder account number or the identity card number, and fill in the number of votes.</u></p>	<p>Article 6:</p> <p>The board of directors <u>or a person with the right to convene</u> shall prepare separate ballots for directors in <u>numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting.</u></p>	Comply with regulations and meet the practical demands
<p>Article 7:</p> <p>The Chairman shall appoint <u>several persons</u> each to check, count and record the ballots prior to the casting of ballot.</p>	<p>Article 7:</p> <p>Before the election begins, the chair shall appoint <u>a number of persons with shareholder status</u> to perform the respective duties of vote monitoring and counting personnel.</p>	Text corrections and Comply with regulations

Original Article	Amended Article	Amendment Reason
Article 8: The Board shall set up a ballot <u>box</u> to be inspected by the ballot examiner prior to the casting of ballots.	Article 8: The ballot <u>boxes</u> shall be prepared by the board of directors and publicly checked by the vote monitoring personnel <u>before</u> voting commences.	Text corrections and Comply with regulations
Article 9: <u>The person casting the vote shall specify the shareholder account name or the identity card number, and the name shareholder number on each ballot in the column entitled “Candidate”. If the candidate is a government entity or a juristic person, the person casting the vote shall specify the name of the government entity or juristic person and may in addition specify the name of the representative.</u>	(Deleted)	Comply with regulations
Article 10: The ballot shall be null and invalid upon occurrence of one of the following. 1. <u>Ballots which are not in compliance with the Rules.</u> 2. Blank ballots which are cast into the ballot box. 3. Scribbled and unidentifiable writing. 4. <u>The account name, name, account number or identity card number, and the entitled votes of the elected candidate are altered.</u> 5. For a candidate who is also a shareholder, the account name and the account number are inconsistent with the information recorded in the Register of shareholders. For a candidate who is not a shareholder, the name and the identity card number provided are inconsistent upon further verification.	Article 9: A ballot is invalid under any of the following circumstances: 1. The ballot was not prepared by <u>the board of directors of a person with the right to convene.</u> 2. A blank ballot is placed in the ballot box. 3. The writing is unclear and indecipherable or <u>has been altered.</u> 4. (Deleted.) 4. <u>The candidate whose name is entered in the ballot does not conform to the director candidate list.</u> 5. <u>Other words or marks are entered in addition to the number of voting rights allotted.</u> (New)	1. Comply with regulations and meet the practical demands. 2. Article revision

Original Article	Amended Article	Amendment Reason
<p>6. <u>The account name (name) of the candidate is the same with other shareholder, but no shareholder number (or identity card number) is provided for identification.</u></p> <p>7. <u>Writing other words and symbols than the account name( or name) of the candidate or shareholder account number ( or identity card number) and the number of votes entitled.</u></p> <p>8. <u>The number of voted candidates exceeds the number of directors to be elected.</u></p> <p>9. <u>The number of votes cast by the voter exceeds the sum of votes held by him.</u></p> <p>10. <u>Ballots which are not put into the ballot box.</u></p>	<p>6. (Deleted.)</p> <p>7. (Deleted.)</p> <p>8. (Deleted.)</p> <p>9. (Deleted.)</p> <p>10. (Deleted.)</p>	
<p>Article 11: <u>When the number of entitled votes is less than the number of votes held by the voter, the difference of votes shall be deemed as waiver.</u></p>	(Deleted.)	Comply with regulations
<p>Article 12: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation shall be announced by the chair on the site.</p>	<p>Article 10: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation shall be announced by the chair on the site.</p>	Article revision.
<p>Article 13: The Company shall issue notifications to the persons elected as directors.</p>	<p>Article 11: The Company shall issue notifications to the persons elected as directors.</p>	Article revision.
<p>Article 14: The affairs not mentioned herein this document shall be subject to the Company Act and the Articles of Association.</p>	<p>Article 12: The affairs not mentioned herein this document shall be subject to the Company Act and the Articles of Association.</p>	Article revision.
<p>Article 15: These rules and any amendments hereto, shall be implemented after approval by a shareholders meeting.</p>	<p>Article 13: These rules and any amendments hereto, shall be implemented after approval by a shareholders meeting.</p>	Article revision.

## **TRI Director Election Rules**

Amended

- Article 1: Unless otherwise provided by the Company Act and the Articles, the election of the directors in the Company shall be subject to this regulation.
- Article 2: The election of the directors in the Company shall be conducted in the shareholders meeting.
- Article 3: Anyone with legal ability can be elected as director of the Company based on the regulations of the Rules.
- Article 3-1: One of the following relationships may not exist among more than half of the directors.
- 1.A spousal relationship.
  - 2.A familial relationship within the second degree of kinship.
- Article 4: The election of the directors in the Company shall be subject to the candidate nomination system prescribed in the Company Act, together with the registered cumulative voting. The candidates are registered based on the attendance card numbers printed on the ballot. The number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or split for election of multiple candidates. The independent directors and non-independent directors shall be elected in the same election, but the respective votes shall be separately calculated.
- Article 5: The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- Article 6: The board of directors or a person with the right to convene shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting.
- Article 7: Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel.
- Article 8: The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

- Article 9: The ballot shall be null and invalid upon occurrence of one of the following.  
Ballots which are not in compliance with the Rules.
1. The ballot was not prepared by the board of directors of a person with the right to convene.
  2. A blank ballot is placed in the ballot box.
  3. The writing is unclear and indecipherable or has been altered.
  4. The candidate whose name is entered in the ballot does not conform to the director candidate list.
  5. Other words or marks are entered in addition to the number of voting rights allotted.
- Article 10: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.
- Article 11: The Company shall issue notifications to the persons elected as directors.
- Article 12: The affairs not mentioned herein this document shall be subject to the Company Act and the Articles of Association.
- Article 13: These rules and any amendments hereto, shall be implemented after approval by a shareholders meeting.

## Appendix 7

### TRI Rules Governing the Shareholders Meeting

1. The general shareholders meeting of the Company is subject to the Rules.
2. The shareholders attending the meeting (or the proxies) shall present the attendance card and submit the sign-in card for checking in, based on which the attending votes shall be calculated.
3. Unless otherwise provided by the Company Act, the Chairman shall call the general meeting to order at the time schedules and when the attending shareholders hold more than half of the issued shares. If the scheduled time is due and the number of shares represented by the attending shareholders is less than the quorum, the Chairman may announce to postpone the time for the meeting. If the number of shares represented by the attending shareholders is less than the quorum after two postponements, but more than 1/3 of the issued shares, it shall be subject to “the tentative resolution passed by more than half of the votes represented by the attending shareholders” pursuant to Article 175 of the Company Act.

If the number of shares represented by the attending shareholders reaches the above quorum before the tentative resolution is passed, the Chairman shall call the meeting to order and submit the said tentative resolution for ratification in the meeting.

4. The meeting agenda is determined by the Board, based on which the general meeting shall be held.
5. When making a speech, the attending shareholder shall fill out a speech note with the number of attendance card and name. The sequence of speeches shall be determined by the Chairman.
6. When the attending shareholder makes a speech, each speech time shall not exceed five minutes, which can be extended for three minutes upon the approval of the Chairman.
7. Any shareholder may not speak more than twice concerning the same proposal item.
8. During the discussion of proposals, the Chairman may announce the conclusion of discussion at the appropriate time, and also announce the termination of discussion when necessary.
9. The shareholders of the Company shall have one vote for each share unless the voting right is restricted or prohibited by the Company Act.
10. As for voting for proposals, unless otherwise provided by the Company Act, it shall be passed upon the consent of more than half of the voting rights represented by the attending shareholders. When voting, the Chairman may consult the number of objecting shareholders. If the voting rights of the objecting shareholders are less than a half, or no objection is consulted by the Chairman, the proposal shall be deemed as being passed, which has the same effect as voting.
11. During the general meeting, the Chairman may, at his or her discretion, set for intermission.
12. The affairs not mentioned herein this document shall be subject to the Company Act and the Articles of Association of the Company.  
The Rules shall be implemented upon the approval of the Board, and it is the same for the amendments.

## Appendix 8 Current Shareholdings of All Directors:

1. The paid-in capital of the Company is NT\$2,362,160,000, with a total of 236,216,000 shares issued.
2. According to Article 26 of Securities and Exchange Act, the minimum number of shares held by all directors is 12,000,000.

Until the book closure date of this general meeting, the shareholding of all directors recorded under the shareholder book is as listed below:

March 30, 2025

Title	Account Name	Number of shares held	Shareholding percent
Chairman	Chieh-Yuan,Chen	37,889,235	16.04%
Director	Kuang-Chao,Fan	151,211	0.06%
Director	Chin-Lung,Chen	415,857	0.18%
Director	Chiang-Huai,Lin	2,357,864	1.00%
Director	Ming-Chuan,Tsai	1,006,000	0.43%
Independent Director	Mei-Jing,Chen	0	0.00%
Independent Director	Yow-Shiuan, Fu	0	0.00%
Independent Director	Liang-Jia,Chen	0	0.00%
Independent Director	Chi-Jui,Huang	0	0.00%
Total shareholdings of all directors		41,820,167	17.71%

## Appendix 9 Any other matters that need to be specified:

The notes for proposals handled in this shareholders meeting:

- Notes: 1. According to Article 172-1 of the Company Act, the shareholder representing more than 1% of the issued shares shall submit proposal in written forms for the shareholders meeting, which is limited to one proposal within 300 words.
2. The period for receiving the shareholder's proposal for this shareholders meeting is March 17, 2025~March 26, 2025, which is already disclosed on MOPS.
3. No proposal from shareholders is received by the Company.