

Stock Code: 8103



瀚荃股份有限公司
CviLux Corporation

2024 Shareholders' Meeting Meeting Handbook

(Physical Shareholders' Meeting)

Date of Meeting: June 20, 2024

Location of Meeting: No. 29, Ln. 3, Sec. 1, Zhongzheng E. Rd., Tamsui Dist.,
New Taipei City, Taiwan

(Brand Hall of CviLux Group)

CviLux Corporation
Meeting Handbook of 2024 General Shareholders’
Meeting
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CviLux Corporation

Procedure for 2024 General Shareholders' Meeting

- I. Report the attending shares
- II. Calling the meeting to order
- III. Chairman's speech
- IV. Reports
- V. Ratifications
- VI. Election
- VII. Discussions
- VIII. Extempore Motions
- IX. Adjournment

CviLux Corporation

Agenda of 2024 General Shareholders' Meeting

- I. Time: 9:00 a.m., June 20, 2024 (Thursday)
- II. Venue: No. 29, Ln. 3, Sec. 1, Zhongzheng E. Rd., Tamsui Dist., New Taipei City, Taiwan
(Brand Hall of CviLux Group)
- III. Calling the meeting to order
- IV. Reports
 - (I) 2023 Business Report.
 - (II) The Audit Committee's review of the 2023 final settlement report and the communication with the internal audit officer.
 - (III) Report on 2023 remuneration distribution for employees and directors.
 - (IV) Report on the Company's indirect investment in Mainland China in 2023.
 - (V) The Company's external endorsement and guarantee status in 2023.
 - (VI) The Company's loans to others in 2023.
 - (VII) Report of 2023 directors' remuneration.
 - (VIII) Report on the distribution of cash dividend from earnings in 2023.
 - (IX) The report on the pending private placement of common shares approved by the 2023 shareholders' meeting.
 - (X) Issuance of the fourth domestic unsecured convertible corporate bonds by the Company.
 - (XI) Amendments to the "Rules of Procedure for Board of Directors Meetings."

V. Ratifications

- (I) Ratification of the 2023 business report and final settlement report.
- (II) Ratification of the 2023 earnings distribution.

VI. Election:

- (I) Election of the 13th Board of Directors (three directors and four independent directors).

VII. Discussions

- (I) Release the new directors of the Company from the non-compete restrictions.

VIII. Extempore Motions

IX. Adjournment

Reports

I. 2023 Business Report, please review.

Description: For the 2023 Business Report, please refer to Attachment 1 (Pages 18-27).

II. The Audit Committee's review of the 2023 final settlement report and the communication with the internal audit officer, please review.

Description: (I) For the Audit Committee's review report on the "2023 Business Report, Financial Statements and Earnings Distribution Statement," please refer to Attachment II (page 28).

(II) Please refer to Attachment III (page 29) for the communication between the Audit Committee and the internal auditing officer in 2023.

III. Report on 2023 remuneration distribution for employees and directors, please review.

Description: In accordance with Article 235-1 of the Company Act and the Company's Articles of Incorporation regarding the contribution ratio, upon the resolution in the 20th meeting of the 12th Board of Directors, the provision of the employees' compensation for 2023 is 7.3%. For NT\$23,211,013 and the directors' remuneration for 2.2% for NT\$6,995,100, both paid in cash.

IV. Report on the Company's indirect investment in Mainland China in 2023, please review.

Description: the Company's indirect investment in Mainland China in 2023 is as below:

Name of investee	Investment method	Accumulated investment amount remitted from Taiwan as of December 31, 2023
CviLux Technology (Suzhou) Co., Ltd.	Investment through a third place	NT\$ 217,775 thousand
Dongguan Qunhan Electronics Co., Ltd.	Investment through a third place	NT\$ 104,231 thousand
CviLux Electronics (Dongguan) Co., Ltd.	Investment through a third place	NT\$ 92,747 thousand
CviLux Technology (Chongqing) Corporation	Investment through a third place & earnings capitalization at a third place	NT\$ 58,380 thousand
CviLux Technology (Shenzhen) Corporation	Earnings capitalization at a third place	Note 1
CviCloud (SZ) Limited	Investments through companies in Taiwan	NT\$ 28,110 thousand
Anhui CviLux Technology Co., Ltd.	Earnings capitalization in Mainland China	Note 2
Shenzhen Recon Health Care Cloud Tech. Co., Ltd.	Earnings capitalization in Mainland China	Note 3
Yuan Han Sensing Technology (Dongguan) Co., Ltd.	Earnings capitalization in Mainland China	Note 4

Note 1: The earnings of CONTEC (BVI) CORP. increased the capital of CVILUX (BVI) CORP., and made an investment of HKD 2,000 thousand (NT\$7,784 thousand) through CVILUX (BVI) CORP. to CviLux Technology (Shenzhen) Corporation.

Note 2: The earnings of CviLux Technology (Suzhou) Co., Ltd increased the capital of Anhui CviLux Technology Co., Ltd in the amount of RMB10,000 thousand (NT\$46,170 thousand)

Note 3: The earnings of CviLux Technology (Suzhou) Co., Ltd increased the capital of Shenzhen Ruikang CviCloud Limited in the amount of RMB2,000 thousand (NT\$8,635 thousand)

Note 4: The earnings of CviLux Technology (Suzhou) Co., Ltd increased the capital of Yuan Han Sensing Technology (Dongguan) Co., Ltd. in the amount of RMB2,000 thousand (NT\$8,830 thousand)

V. The Company's external endorsement and guarantee status in 2023, please review.

Description: The Company's external endorsement and guarantee status in 2023 is as below:

The guaranteed	Amount of endorsements/guarantees (Credit limit)		Amount of endorsements/guarantees (Actual finance)
CviCloud Corporation	The year Maximum balance	NT\$ 130,000 thousand	NT\$ 10,000 thousand
	Ending balance	NT\$ 100,000 thousand	NT\$ 10,000 thousand
CviCloud (SZ) Limited	The year Maximum balance	NT\$ 18,212 thousand	NT\$ 0 thousand
	Ending balance	NT\$ 0 thousand	NT\$ 0 thousand
CviLux Electronics (Dongguan) Co., Ltd.	The year Maximum balance	NT\$ 33,282 thousand	NT\$ 0 thousand
	Ending balance	NT\$ 17,308 thousand	NT\$ 0 thousand
CviMall International Corporation	The year Maximum balance	NT\$ 20,000 thousand	NT\$ 0 thousand
	Ending balance	NT\$ 20,000 thousand	NT\$ 0 thousand
CviLux Lao Co., Ltd	The year Maximum balance	NT\$ 64,850 thousand	NT\$ 38,425 thousand
	Ending balance	NT\$ 61,410 thousand	NT\$ 15,353 thousand

VI. The Company's loans to others in 2023, please review.

Description: The Company's loans to others in 2023 is as below:

Lender	Borrower	Financing amount	
CviLux Corporation	CviMall International Co., Ltd.	The highest balance of the year	NT\$ 20,000 thousand
		Ending balance	NT\$ 0 thousand
	CviLux Korea Corporation	The highest balance of the year	NT\$ 3,243 thousand
		Ending balance	NT\$ 3,071 thousand
	CviLux Lao Co., Ltd	The highest balance of the year	NT\$ 187,530 thousand
		Ending balance	NT\$ 184,230 thousand

VII. Report of 2023 directors' remuneration, please review

Description: The Company's remuneration policy, system, standards and structure for general directors and independent directors, and the correlation with the amount of remuneration based on the responsibilities, risks, time contributed and other factors:

1. The Board of Directors is authorized to determine the remuneration for the Chairman and directors based on individual participation in and contribution to the Company's operations and with reference to the general level in the domestic and international industry.

2. The Company's Articles of Incorporation also specify no higher than 3% of the annual profit as directors' remuneration. The remuneration of directors is paid in accordance with the "Procedures for the Distribution of Remuneration to Directors" of the Company. The principles are as follows: (1) Independent directors and functional committee members are entitled to a fixed monthly payment, regardless of operating profit or loss; (2) the attendance of all directors at each meeting is entitled to attendance fee; (3) 2.2% of the earnings will be distributed as directors' remuneration for the general directors.
3. Please refer to Attachment IV (pages 30-31) for a detailed breakdown of the remuneration of each director of the Company.

VIII. Report on the distribution of cash dividend from earnings in 2023, please review.

- Description: (I) In accordance with Article 19-1 of the Company's Articles of Incorporation, for dividends, bonuses, legal reserve or capital reserve to be distributed in cash, the board of directors shall be authorized for resolution and reported to the shareholders' meeting.
- (II) Shareholders' bonuses of NT\$110,183,579 are distributed as cash dividends, or NT\$1.38 per share. The cash dividends are distributed until one NT\$, and rounded off to one NT\$; the sum of the fractional payment shall be adjusted in descending order of the decimal amount to match the total amount of cash dividends to be distributed.

(III) The proposal has been approved by the board of directors, and the chairman is authorized to determine the ex-dividend base date, payment date and other related matters; if the number of common shares outstanding of the Company changes and the dividend distribution ratio changes, the chairman is also authorized to have the full discretion to make adjustments.

IX. The report on the pending private placement of common shares approved by the 2023 shareholders' meeting, please review.

Description: As approved by the Shareholders' Meeting on June 20, 2023, the Company would conduct a private placement of common shares within the limit of 12 million common shares. Pursuant to Paragraph 7, Article 43-6 of the Securities and Exchange Act, a private placement of securities may be conducted in batches within one year from the resolution date the shareholders' meeting. The above-mentioned private placement of common shares has not yet been implemented. As the deadline for offering common shares is approaching, and the Company has not yet selected any qualified placee, it is intended not to proceed with the private placement of common shares for the remainder of the term.

X. Issuance of the fourth domestic unsecured convertible corporate bonds by the Company, please review.

Description: (I) The 2nd meeting of the 12th board of the Company in 2021 approved the issuance of the 4th domestic unsecured convertible corporate bonds totaling NT\$500 million. The funds raised were used to repay bank borrowings, and

the issuance date was October 21, 2021 for a term of three years.

- (II) As of April 22, 2024, the deadline of conversion, the amount of conversion has been NT\$113,500,000 and 3,014,580 common shares have been converted cumulatively.

XI. Amendments to the “Rules of Procedure for Board of Directors Meetings,” please review.

Description: Please refer to Attachment VI (pages 46-47) for the amended “Rules of Procedure for Board of Directors Meetings” of the Company.

Ratifications

Proposal I: Ratification of the 2023 business report and final settlement report, please ratify. (proposed by the Board of Directors)

Explanation: (I) The Company’s 2023 business report and financial statements have been approved by the Board of Directors, and the final accounts for the year have been audited by KPMG Taiwan; the aforementioned business report and financial statements have been audited by the Audit Committee and issued the audit report for reference.

(II) The 2023 business report, financial statements and independent auditor’s report are attached hereto. Please refer to Attachment I and Attachment V of this Handbook (Pages 18-27 and 32-45).

(III) The proposal was approved at the 20th meeting of the 12th Board of Directors.

Resolution:

Proposal II: Please ratify the proposal of the 2023 earnings distribution.
(proposed by the Board of Directors)

Description: The proposal was approved by the 20th meeting of the 12th Board of Directors. The Company's net profit after tax for 2023 is NT\$217,909,005. According to the Company Act and the Company's Articles of Incorporation, the proposed distribution is as detailed as the following page.

- (I) For the aforementioned distribution, the Board of Directors shall be authorized to determine the ex-dividend date and distribution date upon the resolution of the shareholders' meeting.
- (II) With respect to the distribution in the preceding paragraph, if the number of outstanding shares is affected by the repurchase of the Company's shares or the conversion of convertible corporate bonds into shares, it is intended to request the shareholders' meeting to authorize the Board of Directors to adjust the distribution ratio to shareholders and related matters.

Resolution:

CviLux Corporation
Statement of Earning Distribution
2023

Unit: NT\$

Item	Amount	Description
Undistributed earnings at the beginning of the period	1,043,839,322	
Less: Changes in the remeasurement of the defined benefit plan in the current period	(486,400)	
Plus: Net profit after tax	217,909,005	
Less: Legal reserve provided	(21,742,261)	
Less: Special reserve provided	(56,675,920)	
Distributable earnings	1,182,843,746	
Item of Distribution		
Bonus to shareholders		
Cash Dividends	110,183,579	(NT\$1.38 per share)
Undistributed earnings at the end of the period	1,072,660,167	

Note: The calculation is based on the 79,843,173 common shares outstanding on March 14, 2024, the day when the Board meeting was held. If the number of common shares outstanding of the Company changes and the dividend distribution ratio changes, it is intended to request the shareholders' meeting to authorize the Board of Directors to adjust the distribution ratio to shareholders and related matters.

Chairman:
Steve Yang

Managerial Officer:
Lawrence Yang

Accounting Officer:
Weiling Yuan

Elections

Proposal I: Proposal for election of the 13th Board of Directors, please elect. (proposed by the Board of Directors)

Explanation: (I) The term of office of the 12th board directors of the Company will expire on August 4, 2024. According to Article 195 of the Company Act, In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of outgoing directors shall be extended until the time new directors have been elected and assumed their office. Pursuant to Articles 13 and 13-1 of the “Articles of Incorporation,” seven directors (four independent directors included) shall be elected for the 13th Board of Directors, by adopting the candidate nomination system. The qualifications of the said director candidates (independent directors included) were reviewed and approved in the board meeting on April 24, 2024 for reference.

(II) Newly elected directors shall assume office immediately upon the conclusion of the shareholders’ meeting when they are elected, for a term of three years from June 20, 2024 to June 19, 2027. Former directors shall hold office until the conclusion of the same general shareholders’ meeting.

(III) The list of candidates for directors and independent directors is shown in the table below.

Serial number	Title	Account No.	Name/ Account Name	Major education and experience	Shares held (shares)
1	Director	64	YANGTEK CORPORATION Rep.: Steve Yang	Department of International Trade, Hsing Wu University Chairman and CSO, CviLux Corporation President, Long Jie Co., Ltd. Sales Section Manager, Molex Taiwan Ltd. Section Manager of Import Section, SAN AIE ELETRONIC CO., LTD.	6,883,000
2	Director	65	Representative of Chuan Kai Investment Co., Ltd.: Glen Chu	Department of Business Administration, Tunghai University President, CviLux Corporation and President, Wire and Cable Business Unit Sales Representative, Long Jie Co., Ltd.	1,969,091
3	Director	6	Lawrence Yang	Department of International Trade, Ming Chuan University CEO, CviLux Corporation and President, Electronic Module Business Unit Sales Representative, Sharp Electronic Components (Taiwan) Corp. Sales Representative, Mitsutech International Corporation	706,644
4	Independent Director		Shuling Lin	Institute of Accounting, National Chengchi University CPA, Honesty CPA Firm Underwriting Department, Kuo Hua Securities Team Leader, Deloitte Taiwan	0
5	Independent Director		Alan Yu	Master of Computer Science, University of California, Santa Clara Bachelor, Forester Production Section, Department of Forestry, National Chung Hsing University CEO, Asia Region, Cyber Mart International Holdings Executive Director of Beijing ZZNode Chief Technology Officer, APAC, HP President, Nanjing Dongda Broadband Communication General Manager, Business Department, CISCO	0
6	Independent Director		Wie-Bo Lin	Master of Law, Master's Program for Law, Soochow University Master, Institute of Electrical	0

Serial number	Title	Account No.	Name/ Account Name	Major education and experience	Shares held (shares)
				Engineering, Chang Gung University Bachelor, Department of Electrical Engineering, Chang Gung University Attorney-at-Law, Six Similes Attorneys-at-Law Professional and Technician at Part-Time Assistant Professor-level, Department of Information Management, Chang Gung University Patent Engineer, Micro-Star International Co., Ltd.	
7	Independent Director		Wei-Lung Lu	MBA, Chapman University, California, USA CEO, Zylux Acoustic Corporation	0

(IV) Please elect.

Discussions

Cause 1: Release the new directors of the Company from the non-compete restrictions, please deliberate. (proposed by the Board of Directors)

Description: (1) Pursuant to Paragraph 1, Article 209 of the Company Act, “A director who does anything for himself or on behalf of another person that is within the scope of the company’s business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.”

(II) In order to assist the Company’s business development and make use of the expertise and experience of the Company’s directors, without prejudice to the interests of the Company, it is proposed to the shareholders’ meeting for approval, to release the directors of the

13th Term from the non-compete restrictions.

(III) Please refer to Attachment VII (page.48) for the details of the newly elected directors concurrently serving in competing businesses.

Resolution:

Extraordinary Motions

Adjournment

[Attachment I]

CviLux Corporation 2023 Business Report

I. Business Results in 2022

(I) Results of the Business Plan:

Consolidated Financial Statements

Unit: NT\$ thousand

Item	2023	2022	Growth Rate (%)
Operating Revenue	2,958,621	3,727,014	-20.62
Gross Profit	1,008,222	1,106,425	-8.88
Operating Profit	297,059	371,349	-20.01
Net Profit After Tax	215,018	328,082	-34.46

In 2023, CviLux Group's consolidated net operating revenue was NT\$2,958,621 thousand, showing a decrease of 20.62% compared to the performance in 2022. The consolidated net profit after tax was NT\$215,018 thousand with an annual decrease of 34.46%.

(II) Implementation of Budget: N/A.

(III) Revenue and Profitability Analysis:

1. Financial Revenue and Expenditure:

The paid-in capital was NT\$789,561, the shareholder's equity was NT\$3,072,778, the total indebtedness was NT\$1,946,749, and the debt ratio was 38.78%. The long-term fund to fixed assets ratio was 342.17%; the stability of financial structure and solvency is shown.

2. Profitability Analysis:

The consolidated revenue of the Company increased by 20.62% in 2023; the EPS after tax was NT\$2.76.

Item	2023	2022
Return on Assets (%)	4.50	6.66
Return on Shareholders' Equity (%)	7.01	11.07
Operating Profit to Paid-in Capital (%)	37.62	47.03
Pre-tax Income to Capital (%)	43.22	63.83
Net Income to Sales (%)	7.27	8.80
Earnings Per Share (NT\$)	2.76	4.20

(IV) Research and Development:

1. Annual R&D Expenses Invested in the Most Recent Three Years:

Unit: NT\$ thousand

Item \ Year	2023	2022	2021
Research and Development Expenses	135,884	115,875	89,557
Net Operating Revenue	2,958,621	3,727,014	4,159,393
Ratio to the Net Operating Revenue (%)	4.59	3.11	2.15

2. Technologies or Products Developed Successfully in the Most Recent Year:

CviLux

- (1) Fine-pitch low-profile high-reliability FFC/FPC connectors.
- (2) Flexible flat cable connector for ultra-narrow-frame camera module
- (3) Wire-to-board connector for battery pack
- (4) Low-density plywood type busbar connector
- (5) Universal wire-to-board connector for high-strength industrial control
- (6) Wire-to-wire connector with 2.0mm pitch for industrial control
- (7) Waterproof magnetic busbar transfer technology
- (8) High-speed universal busbar connector
- (9) high-current composite wire-to-board connectors.

- (10) High temperature resistant application technology of flexible flat cable
- (11) High-frequency transmission flexible surface mount flexible flat cable

CviCloud

- (1) Smart commercial pour-over coffee makers and smart household pour-over coffee makers
- (2) Live e-sports series products (web cam, control pad, capture) and platform system
- (3) Fan-type environment purifiers, portable environment purifiers.
- (4) Remote medical system and diagnostic scope set terminal equipment.
- (5) In-vehicle air purification system and wireless charging system
- (6) Smart access control system, smart long/short-term rental system.
- (7) Smart Video Intercom System
- (8) Sustainable and carbon-neutral soft and hardware solutions
- (9) Smart bathroom system

II. Summary of Business Plan and Outlook for 2023

(I) Business Policies:

Complying with the standards for sustainable governance, CviLux pays continuous attention to the sustainable development issues of enterprises and society. With the focus on the targets in the environmental, social, and governance dimensions, we implement ESG through corporate carbon reduction, labor policies, and formation of a Board of Directors and governance information, joining the trends that help us live up to the expectations of the customers and society.

CviLux launched the CG2020 Smart Manufacturing Project in 2018 with the aim at introducing manufacturing execution system (MES), warehouse management system (WMS), and supervisory control and data acquisition (SCADA) to the production factories of the Group by 2022. In light of the customers' products and the industrial trends, we work in tandem with suppliers to reduce the variable costs and actively foster the digital transformation of production via professional division

of work and joint production. CviLux has completed the digital transformation and the setup of a data platform and cloud platform. The subsequent efforts will be invested in the development in the fields of data application, AI, system development, production and operation management, marketing management, human resource management, R&D management, financial management, information security, and smart management platform. By enhancing the technical capacity of the Company's smart operations, we allow smooth access to information and data from the "equipment level" at the factories to the "management level" of the enterprise. Adopting diversified management, CviLux bolsters the R&D and capability of parts and components in a constant manner, and overcomes the obstacles to management through digital transformation. With the data as the reference instead of the subjective perspective, and with the foundation of automation built for years, we make good use of the "smart decision-making process" to improve the speed and quality of decision making. Our production and marketing are managed based on the data. A manufacturing database has been established to automatically produce a smart decision-making process according to the objective data in each management aspect, thereby helping us surmount the difficulties of industrial trends. Externally, we cast around for strategic partners with complementary cross-domain resources, looking forward to strengthening the comprehensive competitiveness of production and marketing through joint collaboration to optimize business performance. In terms of business management, we will keep escalating the quality, reducing the costs and inventories, training talents, increasing output per capita, and implementing the profit center system. The structures of the functional organizations will be constantly streamlined with the cycle of operations improved. Also, measures to boost profits and eliminate risks will be taken thoroughly to strike a balance between production and marketing, make a breakthrough in revenue, and thereby reach the operational goal of producing higher revenue and post-tax profit.

(II) Important Production and Marketing Policies:

1. Production strategy: We promote the strategy of micro processing factory outsourcing alliances to distribute the products and production processes, shortening the delivery time to satisfy the production needs of the customers' orders. Meanwhile, we enhance the application of big data to produce automated decision-making

through AI, and set up a safe inventory for the work orders of products of general specifications in order to avoid product material shortage.

- (1) Focusing on the manufacturing of connectors, wires and cables, and electronic modules, we make continuous improvements in the R&D, production technologies, yield, and production cycle, with a smart manufacturing system incorporated for big data analysis.
- (2) We boost the efficiency and yield of automated production, utilizing a charge-coupled device (CCD) to reduce the defects omitted during manual inspections.
- (3) Raising the manufacturing unit's awareness of quality, we have the sampling of product quality control done earlier by the manufacturing unit instead of the quality inspection unit. As we place importance on the independent check, full inspection, and packaging of products, the quality assurance unit concentrates on the audit of processes (service life control of molds, jigs and cutters, verification between first/last articles and drawing sheets, process improvement and follow-up, etc.) and the improvement and follow-up of defect analysis.
- (4) The system of management and repair history of the molds, jigs, and machinery for parts and components and the hardware parts is adopted to ensure the quality of key output parts.
- (5) We manage the production factories based on a classification system. For example, the level-1 factories have the semi-finished material production capabilities such as injection, punching, cable fusion, and wire drawing, while the level-2 factories have the finished good production capabilities such as assembly and wiring. Meanwhile, we take the centralized production of injection molded parts, punched parts, wires (currently put into centralized production at the Suzhou Factory), auxiliary materials, or other semi-finished products into account, in order to enhance the machine utilization while cutting costs, and streamline the deployment of repair personnel as well as technical personnel. Additionally, keeping up with the times, we offer higher pay to retain technical talents.

2. Marketing strategy: Based on the customer demand, peer products, and production management data, sort the order of precision marketing, industry marketing, and regional marketing. Jointly develop and provide supporting solutions with customers, provide one-stop services to add value, and become the main supplier of customers' partners. Develop market trend products with the product orientation, new application markets and channels, and improve customer trust, satisfaction and loyalty. Meanwhile, we engage in the development of parts and components for industrial use, devote more to the development of brand customers, and enhance the deployment in the markets of the U.S. and Latin America.
 - (1) With the overseas marketing bases and distributors incorporated, we increase customers of the industry, home appliance, electric vehicle, and new energy abroad.
 - (2) In terms of network communication, we focus on the industrial chain of power supply, 5G, server, orbit satellite, AR, VR, and MR.
 - (3) Our main product lines for optoelectronics include panels, TVs, monitors, and gaming products.
 - (4) We mainly focus on OEM motherboard factories while increasing the number of touch module factories for laptops, and devote ourselves to the development of niche products of fingerprint recognition lenses of touch screen cameras.
 - (5) For IOT, we put our emphasis on the software and hardware system integration of industrial Internet system data collector (smart machine box) and sensor modules.

(III) The Company's Future Development Strategies:

Coping with the global supply chain that gradually forms a regional supply chain, the Company is actively adjusting its global manufacturing and supply chain strategies. In recent years, we have completed the deployment of production bases in Southeast Asia, which not only improves the diversification and flexibility of the supply chain, but also enhances the resilience in the face of market fluctuations.

1. Diversified production bases: we have set up multiple production bases in Vietnam, Thailand, Malaysia and other Southeast Asian countries. These new factories not only help to reduce the dependence on a single production base, but also get closer to Southeast Asia and other international markets, reducing logistics costs and time, and improving the market response speed.
2. Responding to changes in trade policies: as the uncertainty of the international trade environment increases, our Southeast Asian production bases provide more choices and flexibility for businesses. These production bases enable us to respond to trade barriers and policy changes among countries more effectively.
3. Improve supply chain efficiency: with our production bases in Southeast Asia, we can manage inventory more accurately, and shorten the time needed for products to reach end markets. This not only improves the overall efficiency of the supply chain, but also provides customers with more stable and timely services.
4. Enhance regional economic cooperation: our production bases in Southeast Asia help to deepen the cooperation with local governments and business partners, promote regional economic development, and make to our business broader and deeper in the region. In nutshell, apart from the fine-tuning of the factories in East China, West China, South China and Central China, the layout of new production sites in Southeast Asia has not only expanded our manufacturing capacity, but has also added new momentum to our global competition. We will continue to improve the operational efficiency of these production sites to ensure that our supply chain can maintain a high level of resilience and efficiency in the future market challenges.

Future and Sustainable Development Strategies:

1. To ensure sustainable operation, stay abreast of the latest developments to optimize the main business, and enhance corporate value, CviLux has systematically planned for the training and succession of successors. 2023 was the year of succession for the management team of the Group, and the succession will be completed by the following principles. A dual-track system is adopted to for successors and the incumbents to work parallelly, to train the comprehensive capabilities of the successors in practices

for meeting the operational needs of the Company. The Company recruits outstanding talents from all over the world to create a comprehensive succession team. Therefore, it is particularly important to attract and retain high-level professional managers. The internal human capital development includes the recruitment, appointment, reward and punishment system, and educational training of employees; hence, an incentive system for senior managerial officers and teams, including the culture of senior managerial officer attraction and retention as well as the promotion and reward systems of senior managerial officers, should be established. In line with the market trends of the industry, investment in R&D and innovation should be increased, with the product lines for consumer products, industrial application, AIoT hardware, and software integration product series kept robust through continuous smart manufacturing system optimization for product competitiveness enhancement, and with the marketing and customer relationship management incorporated to build up the value chain, so that we can maintain the comprehensive production and marketing competitiveness to generate revenue and profit.

2. The corporate resources and internal control mechanism should be integrated, and robotic process automation (RPA) and artificial intelligence (AI) should be adopted for risk prevention and troubleshooting, to ensure that the audit mechanism and other operations work correctly, the corporate resources are integrated effectively for asset activation, and the corporate goals can thereby be reached. In addition to internal resource integration, we must also have an active control process for decision-making, work division, procedures, and finance, to make sure that we achieve the goals reasonably.
3. Informatization and digitalization should be constantly promoted to change the existing business model. The measures include setting up electronic files through computer informatization to search for, compile, and calculate data for better corporate operational efficiency, and combining the databases and AI based on informatization to provide customized services for customers in a digital manner.

4. A cross-business model and ecosystem are required. A variety of new business models and ecosystems have been emerging in recent years, including cyber-physical integration, e-commerce, and a shared economy, which is why we must consider how to facilitate growth momentum via a cross-domain alliance. Progressive mergers and acquisitions might be a good way to get involved in the industrial ecosystems of the new generation and further surmount the current obstacles to development, increase the ownership of other enterprises, achieve vertical or horizontal corporate resource integration, and sustain corporate growth.

(IV) Impacts of the External Competitive Environment, Regulatory Environment, and Overall Business Environment:

Electronic devices have become a necessity in the lives of modern people. During the operation of such devices, connectors are the bridge between current and signal communication, and are applied to various fields such as information, communication, automobile, industry, green energy, aviation, and medical care. The connector industry once prospered with the rise of the personal computer industry. However, growth momentum was lost as the PC/NB market matured, and active investment by manufacturers in China has caused fierce competition in the market and price war.

With the higher employee payment cost in China in recent years and with the growing difficulty of management due to the restrictions of China's early environmental regulations on production bases, domestic peer companies are gradually moving their production lines to emerging countries other than China (i.e., ASEAN countries). Some peer companies with more funds and better technologies are expanding their deployment of product line automation faster and investing in more automated equipment to reduce operating costs, or even moving some of their product lines of high-end products back to Taiwan. China and the U.S. continue to compete and cooperate, resulting in continuous automation of production lines, and it is necessary to decentralize production bases.

Covid-19 has gradually changed people's lives and the demand for electronic products, software and platform services. ESG is the mission of every corporate citizen. In addition to the trend of reducing carbon emissions with green energy that has fostered the development of EVs, remote and contactless modes under COVID-19 have constantly

stimulated the development of emerging operations such as unmanned factories, automation, and online and offline integration. The development of EVs, HPC, servers, and low earth orbit satellites will thus be driven, and strong growth momentum will be brought to the industry of connector parts. Additionally, peer companies of connectors (wires) in Taiwan have been devoted to aggressive transformation in recent years, investing in relevant application fields to expand the scope of product application and raise the added value of products. In 2024, we expect a significant growth in demand for flexible flat cables and supporting connectors and other components for AI notebooks, as well as high-current connectors and cable components for electric vehicles and peripheral charging equipment. Significant growth of revenue and profits for the Company will be brought about. We will continue to devote ourselves to the innovation of products and services, as well as the improvement of production efficiency and market competitiveness, to ensure that we maintain our leading position in the increasingly fierce market competition.

Chairman:
Steve Yang

Managerial Officer:
Lawrence Yang

Accounting Officer:
Weiling Yuan

[Attachment II]

CviLux Corporation
Audit Report of the Audit Committee

We, the Audit Committee of the Company, hereby acknowledge that the Board of Directors has worked out and submitted hereto the Business Report, financial statements, and proposed allocation of earnings of CviLux Corporation for 2023 and that among them, the financial statements have been duly audited by CPA Tan, Chia-Chien and CPA Huang, Ming-Hung of KPMG which already issued the Audit Report. We hereby further declare and confirm that the aforementioned Business Report, financial statements, and proposed allocation of earnings have been further duly audited by us, the Audit Committee, and no nonconformities were found. We hereby issue this Report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please approve.

Submitted to

2024 Annual Shareholders Meeting of CviLux Corporation

CviLux Corporation
Audit Committee Convener Shuling Lin

March 14, 2024

[Attachment III]**Communication between the Audit Committee and internal audit officers of CviLux**

Date	Communication matters
2023.03.22	<ol style="list-style-type: none">1. Audit plan implementation from December 2022 to March 2023.2. Audit Reporting: Implementation status of the 2022 Audit Plan.3. Audit Reporting: 2023 Audit Plan.4. Audit Reporting: 2023 roster of internal audit personnel and substitute staff, and their continuing education status.
2023.05.09	<ol style="list-style-type: none">1. Audit plan implementation from March to April 2023.2. Audit Reporting: 2023 Statement on Internal Control of CviLux.3. Audit Reporting: Reporting on the implementation regarding the abnormality improvements of internal control system in 2022.
2023.08.09	<ol style="list-style-type: none">1. Audit plan implementation from April to June 20232. Follow-ups to the audits3. Audit Reporting: Reporting on the implementation regarding the abnormality improvements of internal control system
2023.12.27	<ol style="list-style-type: none">1. Audit plan implementation from July to December 20232. Follow-ups to the audits

[Attachment IV]

Remuneration to Directors and Independent Directors

December 31, 2023; unit: NT\$ thousand

Title	Name	Remuneration to Directors								Sum of A, B, C and D, and the Percentage of Net Income After Tax (Note 10)			
		Compensation (A) (Note 2)		Pension (B)		Director Remuneration (C) (Note 3)		Business Expenses (D) (Note 4)					
		The Company Included in the Financial Statements (Note 7)	All Companies Included in the Financial Statements (Note 7)	The Company	All Companies Included in the Financial Statements (Note 7)	The Company	All Companies Included in the Financial Statements (Note 7)	The Company	All Companies Included in the Financial Statements (Note 7)				
Director	YANGTEK CORPORATION Rep.: Steve Yang	-	-	-	-	3,552	3,552	48	48	48	48	3,600 1.65%	3,600 1.65%
Director	Chuan Kai Investment Co., Ltd. Rep.: Glen Chu	-	-	-	-	1,479	1,479	48	48	48	48	1,527 0.70%	1,527 0.70%
Director	Alex Huang (1/1~6/19)	-	-	-	-	389	389	18	18	18	18	407 0.19%	407 0.19%
Director	Lawrence Yang	-	-	-	-	1,575	1,575	48	48	48	48	1,623 0.74%	1,623 0.74%
Independent Director	Shuling Lin	768	768	-	-	-	-	126	126	126	126	894 0.41%	894 0.41%
Independent Director	Yinchun Chuang	636	636	-	-	-	-	126	126	126	126	762 0.35%	762 0.35%
Independent Director	Alan Yu	636	636	-	-	-	-	126	126	126	126	762 0.35%	762 0.35%
Independent Director	Wie-Bo Lin (6/20~12/31)	274	274	-	-	-	-	60	60	60	60	334 0.15%	334 0.15%

Title	Title	Remuneration in the Capacity as Employees								Sum of A, B, C, D, E, F and G, and the Percentage of Net Income After Tax (Note 10)		Remuneration Received From Investees Other Than Subsidiaries (Note 11)		
		Salary, Bonus, and Special Disbursement (E) (Note 5)		Pension (F)		Employee Remuneration (G) (Note 6)		The Company	All Companies Included in the Financial Statements (Note 7)	The Company	All Companies Included in the Financial Statements			
		The Company	All Companies Included in the Financial Statements (Note 7)	The Company	All Companies Included in the Financial Statements (Note 7)	The Company	All Companies Included in the Financial Statements (Note 7)							
Director	YANGTEK CORPORATION Rep.: Steve Yang	6,110	6,110	-	-	1,255	-	1,255	-	10,965	10,965	5.03%	5.03%	None
	Chuan Kai Investment Co., Ltd. Rep.: Glen Chu	4,700	4,700	108	108	851	-	851	-	7,186	7,186	3.30%	3.30%	None
	Alex Huang (1/1~6/19)	2,308	2,308	51	51	893	-	893	-	3,659	3,659	1.68%	1.68%	None
	Lawrence Yang	3,678	3,678	108	108	994	-	994	-	6,403	6,403	2.94%	2.94%	None
	Shuling Lin	-	-	-	-	-	-	-	-	894	894	0.41%	0.41%	None
	Yinchun Chuang	-	-	-	-	-	-	-	-	762	762	0.35%	0.35%	None
	Alan Yu	-	-	-	-	-	-	-	-	762	762	0.35%	0.35%	None
	Wie-Bo Lin (6/20~12/31)	-	-	-	-	-	-	-	-	334	334	0.15%	0.15%	None

Description 1: The figures are the amount of director remuneration in the most recent year resolved by the Board of Directors before the shareholders' meeting for the proposal of earnings distribution.

Description 2: The figures are the amount of employee bonuses in the most recent year resolved by the Board of Directors before the shareholders' meeting for the proposal of earnings distribution. When it is impossible to forecast the same, the amount to be distributed for the year shall be calculated based on the actual distribution ratio in the previous year.

Description 3: The net income after tax in 2023 was NTS217,909 thousand.

Description 4: The pension is the actual amount paid in the most recent year.

Description 5: Director Alex Huang resigned as director on June 19, 2023, and Director, Wie-Bo Lin was elected as the independent director on June 20, 2023.

[Attachment V]



安侯建業聯合會計師事務所

KPMG

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Independent Auditors' Report

To the Board of Directors of CviLux Corporation:

Opinion

We have audited the financial statements of CviLux Corporation (“the Company”), which comprise the balance sheets as of December 31, 2023 and 2022, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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 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 of 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation for slow-moving inventories

Please refer to note 4(g) “Inventories” for accounting policy, note 5 for accounting assumption, judgments, and estimation uncertainty to the financial statement, and note 6(f) for the illustration of the evaluation of inventories.

Description of key audit matters:

In order to meet shipping demands, the Company has increased its stock volume, which requires the management to use its subjective judgment in valuating the slow-moving inventories. Therefore, the valuation for slow-moving inventories has been identified as one of our key audit matters.



How the matter was addressed in our audit:

Our principal audit procedures included understanding the policies adopted by the management in valuating the slow-moving inventories; assessing the historical reasonableness of the management's estimates on inventory provisions; selecting samples to verify the accuracy of the inventory aging report; evaluating the appropriateness of management's methodology to determine inventory reserve percentages; as well as recalculating the inventory reserve for the application of the reserve percentages with the inventory aging categories.

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

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

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using equity method to express an opinion on the 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 financial statements 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.

The engagement partners on the audit resulting in this independent auditors' report are Tang, Chia-Chien and Huang, Ming-Hung.

KPMG

Taipei, Taiwan (Republic of China)
March 14, 2024

Notes to Readers

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

The independent auditors' report and the accompanying parent-company-only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent-company-only financial statements, the Chinese version shall prevail.

(English Translation of Financial Statements Originally Issued in Chinese)
CviLux Corporation

Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2023		December 31, 2022		December 31, 2023		December 31, 2022	
	Amount	%	Amount	%	Amount	%	Amount	%
Assets								
Current assets:								
1100 Cash and cash equivalents (note 6(a))	\$ 298,058	7	565,386	11	2100			4
1110 Financial assets at fair value through profit or loss – current (note 6(n))	16,950	-	15,830	-	2150			189
1136 Financial assets at amortized cost-current (note 6(c))	-	-	30,204	1	2170			1
1150 Notes receivable, net (notes 6(d) and (t))	3,562	-	2,045	-	2180			1
1170 Accounts receivable, net (notes 6(d) and (t))	545,505	11	613,336	12	2200			12
1180 Accounts receivable-related parties, net (notes 6(d), (t) and 7)	33,177	1	22,977	1	2220			3
1200 Other receivables (note 6(e))	378	-	113	-	2230			-
1210 Other receivables-related parties (notes 6(e) and 7)	144,491	3	47,933	1	2280			-
130X Inventories (note 6(f))	73,210	1	110,578	2	2300			-
1410 Prepayments and other current assets	2,850	-	9,315	-	2322			-
Total current assets	<u>1,118,181</u>	<u>23</u>	<u>1,417,717</u>	<u>28</u>	<u>2321</u>			<u>20</u>
Non-current assets:								
1510 Financial assets at fair value through profit or loss – non-current (notes 6(b) and (n))	-	-	50	-				
1550 Investments accounted for using equity method (note 6(g))	3,427,948	71	3,339,422	67	2530			10
1600 Property, plant and equipment (notes 6(b), 7 and 8)	194,691	4	201,390	4	2540			2
1755 Right-of-use assets (note 6(i))	5,067	-	6,768	-	2570			6
1780 Intangible assets (note 6(k))	23,576	1	15,176	-	2580			-
1840 Deferred tax assets (note 6(q))	29,522	1	28,188	1	2640			1
1915 Prepayments for business facilities (note 6(j))	439	-	6,389	-	2650			-
1990 Other non-current assets	423	-	350	-				-
Total non-current other assets	<u>3,681,666</u>	<u>77</u>	<u>3,597,733</u>	<u>72</u>				<u>19</u>
Total assets	<u>\$ 4,799,847</u>	<u>100</u>	<u>5,015,450</u>	<u>100</u>				<u>100</u>
Liabilities and Equity								
Current liabilities:								
Short-term borrowings (note 6(l))	\$ 150,000	3	210,000	4				
Notes payable	2,243	-	189	-				
Accounts payable	33,225	1	46,659	1				
Accounts payable-related parties (note 7)	384,722	8	584,905	12				
Other payables (note 6(u))	111,965	2	123,170	3				
Other payables-related parties (note 7)	132	-	1,199	-				
Current tax liabilities	50,719	1	14,501	-				
Lease liabilities – current (note 6(o))	1,928	-	1,802	-				
Other current liabilities (note 6(t))	17,710	1	20,453	-				
Long-term borrowings, current portion (notes 6(m) and 8)	8,551	-	7,163	-				
Bonds payable, current portion (note 6(n))	495,083	10	-	-				
Total current liabilities	<u>1,256,278</u>	<u>26</u>	<u>1,010,041</u>	<u>20</u>				<u>20</u>
Non-current liabilities:								
Bonds payable (note 6(n))	-	-	488,756	10				
Long-term borrowings (notes 6(m) and 8)	81,304	2	93,518	2				
Deferred tax liabilities (note 6(q))	306,564	6	278,837	6				
Lease liabilities – non-current (note 6(o))	3,214	-	5,036	-				
Net defined benefit liability, non-current (note 6(p))	73,305	2	71,411	1				
Credit balance of investments accounted for using equity method (note 6(g))	3,842	-	2,506	-				
Total non-current liabilities	<u>468,229</u>	<u>10</u>	<u>940,064</u>	<u>19</u>				<u>19</u>
Total liabilities	<u>1,724,507</u>	<u>36</u>	<u>1,950,105</u>	<u>39</u>				<u>39</u>
Equity (notes 6(n), (p), (q) and (r)):								
Ordinary shares	789,561	16	789,534	16				
Capital surplus	615,229	13	608,100	12				
Retained earnings	1,819,452	38	1,759,936	35				
Other equity	(148,902)	(3)	(92,225)	(2)				
Total equity	<u>3,075,340</u>	<u>64</u>	<u>3,065,345</u>	<u>61</u>				<u>61</u>
Total liabilities and equity	<u>\$ 4,799,847</u>	<u>100</u>	<u>5,015,450</u>	<u>100</u>				<u>100</u>

See accompanying notes to parent-company-only financial statements.

CviLux Corporation
Statements of Comprehensive Income
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		<u>2023</u>		<u>2022</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
	Operating Revenues:				
4111	Sales revenue	1,987,541	103	2,450,631	102
4170	Less: sales returns	(10,610)	-	(8,970)	-
4190	sales discounts and allowances	<u>(52,680)</u>	<u>(3)</u>	<u>(56,693)</u>	<u>(2)</u>
	Operating revenue (notes 6(t) and 7)	1,924,251	100	2,384,968	100
5000	Operating costs (notes 6(f), (h), (i), (k), (p), (u) and 7)	<u>(1,482,985)</u>	<u>(77)</u>	<u>(1,985,525)</u>	<u>(83)</u>
	Gross profit from operations	<u>441,266</u>	<u>23</u>	<u>399,443</u>	<u>17</u>
	Operating expenses (notes 6(h), (i), (k), (o), (p), (u) and 7):				
6100	Selling expenses	(127,573)	(7)	(145,917)	(6)
6200	Administrative expenses	(171,952)	(9)	(175,007)	(8)
6300	Research and development expenses	(37,254)	(2)	(24,893)	(1)
6450	Expected credit loss	-	-	-	-
	Total operating expenses	<u>(336,779)</u>	<u>(18)</u>	<u>(345,817)</u>	<u>(15)</u>
	Net operating income	<u>104,487</u>	<u>5</u>	<u>53,626</u>	<u>2</u>
	Non-operating income and expenses (notes 6(n), (o), (v) and 7):				
7100	Interest income	8,682	-	2,647	-
7010	Other income	414	-	175	-
7020	Other gains and losses	48,725	3	65,476	3
7060	Share of profit of subsidiaries and associates accounted for using equity method	136,742	7	310,815	13
7050	Finance costs	<u>(11,297)</u>	<u>-</u>	<u>(9,457)</u>	<u>-</u>
	Total non-operating income and expenses	<u>183,266</u>	<u>10</u>	<u>369,656</u>	<u>16</u>
	Income before tax	287,753	15	423,282	18
7950	Less: income tax expenses (note 6(q))	<u>69,844</u>	<u>4</u>	<u>91,773</u>	<u>4</u>
	Net income	<u>217,909</u>	<u>11</u>	<u>331,509</u>	<u>14</u>
8300	Other comprehensive income (notes 6(p), (q) and (r)):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	(608)	-	5,356	-
8349	Income tax related to items that may not be reclassified to profit or loss	<u>(122)</u>	<u>-</u>	<u>1,071</u>	<u>-</u>
	Total items that may not be reclassified subsequently to profit or loss	<u>(486)</u>	<u>-</u>	<u>4,285</u>	<u>-</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statement	(263)	-	242	-
8380	Share of other comprehensive income of subsidiaries and associates accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(56,414)	(3)	29,311	1
8399	Income tax related to items that may be reclassified to profit or loss	-	-	-	-
	Total items that may be reclassified to profit or loss	<u>(56,677)</u>	<u>(3)</u>	<u>29,553</u>	<u>1</u>
8300	Other comprehensive income (loss)	<u>(57,163)</u>	<u>(3)</u>	<u>33,838</u>	<u>1</u>
	Total comprehensive income	<u>\$ 160,746</u>	<u>8</u>	<u>\$ 365,347</u>	<u>15</u>
	Earnings per share (expressed in New Taiwan Dollars) (note 6(s))				
9750	Basic earnings per share	<u>\$ 2.76</u>		<u>4.20</u>	
9850	Diluted earnings per share	<u>\$ 2.44</u>		<u>3.67</u>	

See accompanying notes to parent-company-only financial statements.

(English Translation of Originally Issued in Chinese)
CviLux Corporation

Statements of Changes in Equity
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	Ordinary shares	Retained earnings					Total	Other equity differences on translation of foreign financial statements	Total equity
		Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings				
Balance at January 1, 2022	\$ 789,534	608,083	398,744	90,884	1,092,421	1,582,049	(121,778)	2,857,888	
Net income	-	-	-	-	331,509	331,509	-	331,509	
Other comprehensive income	-	-	-	-	4,285	4,285	29,553	33,838	
Total comprehensive income	-	-	-	-	335,794	335,794	29,553	365,347	
Appropriation and distribution of retained earnings:									
Legal reserve	-	-	33,640	-	(33,640)	-	-	-	
Special reserve	-	-	-	30,894	(30,894)	-	-	-	
Cash dividends	-	-	-	-	(157,907)	(157,907)	-	(157,907)	
Other changes in capital surplus	-	17	-	-	-	-	-	17	
Balance at December 31, 2022	\$ 789,534	608,100	432,384	121,778	1,205,774	1,759,936	(92,225)	3,065,345	
Net income	-	-	-	-	217,909	217,909	-	217,909	
Other comprehensive income	-	-	-	-	(486)	(486)	(56,677)	(57,163)	
Total comprehensive income	-	-	-	-	217,423	217,423	(56,677)	160,746	
Appropriation and distribution of retained earnings:									
Legal reserve	-	-	33,579	-	(33,579)	-	-	-	
Special reserve	-	-	-	(29,553)	29,553	-	-	-	
Cash dividends	-	-	-	-	(157,907)	(157,907)	-	(157,907)	
Changes in equity of associates and joint ventures accounted for using equity method	-	7,057	-	-	-	-	-	7,057	
Conversion of convertible bonds	27	72	-	-	-	-	-	99	
Balance at December 31, 2023	\$ 789,561	615,229	465,963	92,225	1,261,264	1,819,452	(148,902)	3,075,340	

See accompanying notes to parent-company-only financial statements.

CviLux Corporation
Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	<u>2023</u>	<u>2022</u>
Cash flows from (used in) operating activities:		
Income before tax	\$ 287,753	423,282
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	13,164	10,637
Amortization expense	11,208	9,898
Net loss on financial assets at fair value through profit or loss	520	5,257
Interest expense	11,297	9,457
Interest income	(8,682)	(2,647)
Share of income of subsidiaries and associates accounted for using equity method	(136,742)	(310,815)
Loss on disposal of property, plant and equipment	(73)	206
Prepayments for business facilities and property, plant and equipment transferred to expenses	62	136
Total adjustments to reconcile profit	<u>(109,246)</u>	<u>(277,871)</u>
Changes in operating assets/ liabilities:		
Acquisition of financial assets at fair value through profit or loss	(9,145)	(7,299)
Proceeds from disposal of financial assets at fair value through profit or loss	7,555	5,134
Notes and accounts receivable	66,314	188,909
Accounts receivable-related parties	(10,200)	14,952
Other receivables	(265)	4,074
Other receivables-related parties	(18,832)	(812)
Inventories	37,368	69,777
Prepaid expenses, other current assets and non-current assets	6,465	(4,289)
Total changes in operating assets	<u>79,260</u>	<u>270,446</u>
Changes in operating liabilities:		
Notes and accounts payable	(11,380)	(35,027)
Accounts payable to related parties	(200,183)	3,314
Other payables	(9,679)	(768)
Other payables to related parties	(646)	390
Other current liabilities	(2,743)	127
Net defined benefit liability	1,286	604
Total changes in operating liabilities	<u>(223,345)</u>	<u>(31,360)</u>
Cash inflow generated from operations	34,422	384,497
Interest received	7,711	2,109
Dividends received	-	31,536
Interest paid	(4,916)	(3,241)
Income taxes paid	(7,111)	(30,036)
Net cash flows from operating activities	<u>30,106</u>	<u>384,865</u>
Cash flows from (used in) investing activities:		
Proceeds from disposal of financial assets at amortised cost	30,204	4,777
Acquisition of investments accounted for using equity method	-	(62,981)
Acquisition of property, plant and equipment	(4,987)	(24,185)
Proceeds from disposal of property, plant and equipment	159	5,556
Decrease (increase) in refundable deposits	(73)	500
Increase in other receivables-related parties	(76,755)	(46,065)
Acquisition of intangible assets	(14,896)	(11,876)
Increase in prepayments for business facilities	(439)	(921)
Net cash used in investing activities	<u>(66,787)</u>	<u>(135,195)</u>
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	530,000	1,770,000
Decrease in short-term borrowings	(590,000)	(1,720,000)
Proceeds from long-term borrowings	-	60,000
Repayments of long-term borrowings	(10,826)	(8,285)
Payment of lease liabilities	(1,914)	(1,942)
Cash dividends paid	(157,907)	(157,907)
Others	-	17
Net cash used in financing activities	<u>(230,647)</u>	<u>(58,117)</u>
Net increase (decrease) in cash and cash equivalents	<u>(267,328)</u>	<u>191,553</u>
Cash and cash equivalents at beginning of period	<u>565,386</u>	<u>373,833</u>
Cash and cash equivalents at ending of period	<u>\$ 298,058</u>	<u>565,386</u>

See accompanying notes to parent-company-only financial statements.



安侯建業聯合會計師事務所

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Independent Auditors' Report

To the Board of Directors of CviLux Corporation:

Opinion

We have audited the consolidated financial statements of CviLux Corporation and its subsidiaries (“the Group”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, the consolidated statements of comprehensive income, changes in equity and 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 of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

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 of 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation for slow-moving inventories

Please refer to note 4(h) “Inventories” for accounting policy, note 5 for accounting assumption, judgments, and estimation uncertainty to the consolidated financial statement, and note 6(f) for the illustration of the evaluation of inventories.



Description of key audit matters:

In order to meet shipping demands, the Group has increased its stock volume, which requires the management to use its subjective judgment in valuating the slow-moving inventories. Therefore, the valuation for slow-moving inventories has been identified as one of our key audit matters.

How the matter was addressed in our audit:

Our principal audit procedures included understanding the policies adopted by the management in valuating the slow-moving inventories; assessing the historical reasonableness of the management's estimates on inventory provisions; selecting samples to verify the accuracy of the inventory aging report; evaluating the appropriateness of management's methodology to determine inventory reserve percentages; as well as recalculating the inventory reserve for the application of the reserve percentages with the inventory aging categories.

Other Matter

CviLux Corporation has prepared its parent-company-only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion.

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 with the IFRSs, IASs, IFRIC, SIC endorsed and issued into effect the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

The engagement partners on the audit resulting in this independent auditors' report are Tang, Chia-Chien and Huang, Ming-Hung.

KPMG

Taipei, Taiwan (Republic of China)

March 14, 2024

Notes to Readers

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

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
CYLUX CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2023		December 31, 2022		December 31, 2023		December 31, 2022		
	Amount	%	Amount	%	Amount	%	Amount	%	
Assets									
Current assets:									
1100 Cash and cash equivalents (note 6(a))	\$ 2,152,923	43	1,980,468	39	2100 Short-term borrowings (note 6(l))	\$ 160,000	3	240,000	5
1110 Financial assets at fair value through profit or loss—current (note 6(b))	19,821	1	23,664	-	2150 Notes payable	2,243	-	189	-
1136 Financial assets at amortized cost-current (note 6(c))	240,581	4	143,049	3	2170 Accounts payable	426,098	8	385,822	7
1150 Notes receivable, net (notes 6(d) and (t))	10,290	-	10,482	-	2200 Other payables (note 6(u))	226,069	4	258,861	5
1170 Accounts receivable, net (notes 6(d) and (t))	910,992	18	966,453	19	2220 Other payables-related parties (note 7)	-	-	315	-
1180 Accounts receivable-related parties, net (notes 6(d), (t) and 7)	1,374	-	2,177	-	2230 Current tax liabilities	57,744	1	55,466	1
1200 Other receivables (note 6(e))	3,989	-	6,728	-	2280 Lease liabilities—current (note 6(o))	29,343	1	36,967	1
1210 Other receivables-related parties (notes 6(c) and 7)	3	-	789	-	2300 Other current liabilities (note 6(t))	51,977	1	55,189	1
130X Inventories (note 6(f))	423,335	9	567,269	11	2321 Bonds payable, current portion (note 6(n))	495,083	10	-	-
1410 Prepayments	47,781	1	50,970	1	2322 Long-term borrowings, current portion (notes 6(m) and 8)	23,907	1	30,193	1
1470 Other current assets	674	-	441	-	Total current liabilities	<u>1,472,464</u>	<u>29</u>	<u>1,063,002</u>	<u>21</u>
Total current assets	<u>3,811,763</u>	<u>76</u>	<u>3,752,490</u>	<u>73</u>	Non-Current liabilities:				
Non-current assets:					2530 Bonds payable (note 6(n))	-	-	488,756	10
1510 Financial assets at fair value through profit or loss—non-current (notes 6(b) and (n))	-	-	-	-	2540 Long-term borrowings (notes 6(m) and 8)	81,304	2	108,871	2
1550 Investments accounted for using equity method (note 6(g))	6,171	-	-	-	2570 Deferred tax liabilities (note 6(q))	312,892	6	281,490	5
1600 Property, plant and equipment (notes 6(h), 8 and 9)	1,036,647	20	1,163,430	23	2580 Lease liabilities—non-current (note 6(o))	6,272	-	35,738	1
1755 Right-of-use assets (notes 6(i) and 7)	90,953	2	134,478	3	2640 Net defined benefit liability, non-current (note 6(p))	73,305	2	71,411	1
1780 Intangible assets (notes 6(k) and 9)	24,589	1	16,622	-	2645 Guarantee deposits received	512	-	230	-
1840 Deferred tax assets (note 6(q))	35,725	1	35,600	1	2650 Credit balance of investments accounted for using equity method (note 6(g))	-	-	7,719	-
1915 Prepayments for business facilities (note 6(i))	2,529	-	8,341	-	Total non-current liabilities	<u>474,285</u>	<u>10</u>	<u>994,215</u>	<u>19</u>
1990 Other non-current assets	11,150	-	11,557	-	Total liabilities	<u>1,946,749</u>	<u>39</u>	<u>2,057,217</u>	<u>40</u>
Total non-current other assets	<u>1,207,764</u>	<u>24</u>	<u>1,370,078</u>	<u>27</u>	Equity (notes 6(g), (n) and (r)):				
					3100 Ordinary shares	789,561	16	789,534	15
					3200 Capital surplus	615,229	12	608,100	12
					3300 Retained earnings	1,819,452	36	1,759,936	35
					3410 Other equity interests	(148,902)	(3)	(92,225)	(2)
					Total equity attributable to owners of parent	3,075,340	61	3,065,345	60
					36xx Non-controlling interests	(2,562)	-	6	-
					Total equity	<u>3,072,778</u>	<u>61</u>	<u>3,065,351</u>	<u>60</u>
Total assets	<u>\$ 5,019,527</u>	<u>100</u>	<u>\$ 5,122,568</u>	<u>100</u>	Total liabilities and equity	<u>\$ 5,019,527</u>	<u>100</u>	<u>\$ 5,122,568</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

CVILUX CORPORATION AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

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

		2023		2022	
		Amount	%	Amount	%
Operating Revenues:					
4111	Sales revenue	\$ 3,032,384	102	3,807,095	102
4170	Less: sales returns	(13,604)	-	(17,188)	-
4190	sales discounts and allowances	(60,159)	(2)	(62,893)	(2)
	Operating revenue (notes 6(t) and 7)	<u>2,958,621</u>	<u>100</u>	<u>3,727,014</u>	<u>100</u>
5000	Operating costs (notes 6(f), (h), (j), (k), (o), (p), (u) and 7)	<u>(1,950,399)</u>	<u>(66)</u>	<u>(2,620,589)</u>	<u>(70)</u>
	Gross profit from operations	<u>1,008,222</u>	<u>34</u>	<u>1,106,425</u>	<u>30</u>
Operating expenses (notes 6(d), (h), (i), (j), (k), (o), (p), (u) and 7):					
6100	Selling expenses	(226,889)	(8)	(272,020)	(7)
6200	Administrative expenses	(347,073)	(12)	(345,651)	(10)
6300	Research and development expenses	(135,884)	(4)	(115,875)	(3)
6450	Expected credit loss	(1,317)	-	(1,530)	-
	Total operating expenses	<u>(711,163)</u>	<u>(24)</u>	<u>(735,076)</u>	<u>(20)</u>
	Net operating income	<u>297,059</u>	<u>10</u>	<u>371,349</u>	<u>10</u>
Non-operating income and expenses (notes 6(g), (h), (n), (o), (v) and 7):					
7100	Interest income	34,578	1	16,974	-
7010	Other income	3,549	-	3,312	-
7020	Other gains and losses	25,746	1	138,866	4
7050	Finance costs	(16,780)	(1)	(17,683)	-
7770	Share of loss of associates accounted for using equity method	(2,928)	-	(8,839)	-
	Total non-operating income and expenses	<u>44,165</u>	<u>1</u>	<u>132,630</u>	<u>4</u>
	Income before tax	<u>341,224</u>	<u>11</u>	<u>503,979</u>	<u>14</u>
	Less: income tax expense (note 6(q))	<u>(126,206)</u>	<u>(4)</u>	<u>(175,897)</u>	<u>(5)</u>
	Net income	<u>215,018</u>	<u>7</u>	<u>328,082</u>	<u>9</u>
8300	Other comprehensive income (notes 6(p) and (r)):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	(608)	-	5,356	-
8349	Income tax related to items that may not be reclassified to profit or loss	(122)	-	1,071	-
	Total items that may not be reclassified subsequently to profit or loss	<u>(486)</u>	<u>-</u>	<u>4,285</u>	<u>-</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statement	(56,354)	(2)	28,941	1
8399	Income tax related to items that may be reclassified to profit or loss	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	<u>(56,354)</u>	<u>(2)</u>	<u>28,941</u>	<u>1</u>
8300	Other comprehensive income (loss)	<u>(56,840)</u>	<u>(2)</u>	<u>33,226</u>	<u>1</u>
	Total comprehensive income	<u>\$ 158,178</u>	<u>5</u>	<u>\$ 361,308</u>	<u>10</u>
Profit attributable to:					
8610	Owners of parent	\$ 217,909	7	331,509	9
8620	Non-controlling interests	(2,891)	-	(3,427)	-
		<u>\$ 215,018</u>	<u>7</u>	<u>\$ 328,082</u>	<u>9</u>
Comprehensive income attributable to:					
8710	Owners of parent	\$ 160,746	5	365,347	10
8720	Non-controlling interests	(2,568)	-	(4,039)	-
		<u>\$ 158,178</u>	<u>5</u>	<u>\$ 361,308</u>	<u>10</u>
Earnings per share (expressed in New Taiwan Dollars) (note 6(s))					
9750	Basic earnings per share	<u>\$ 2.76</u>		<u>4.20</u>	
9850	Diluted earnings per share	<u>\$ 2.44</u>		<u>3.67</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
CVILUX CORPORATION AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent						Total equity attributable to owners of parent	Non-controlling interests	Total equity	
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total				Exchange differences on translation of foreign financial statements
Balance at January 1, 2022	\$ 789,534	608,083	398,744	90,884	1,092,421	1,582,049	(121,778)	2,857,888	4,045	2,861,933
Net income (loss)	-	-	-	-	331,509	331,509	-	331,509	(3,427)	328,082
Other comprehensive income	-	-	-	-	4,285	4,285	29,553	33,838	(612)	33,226
Total comprehensive income	-	-	-	-	335,794	335,794	29,553	365,347	(4,039)	361,308
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	33,640	-	(33,640)	-	-	-	-	-
Special reserve	-	-	-	30,894	(30,894)	-	-	-	-	-
Cash dividends	-	-	-	-	(157,907)	(157,907)	-	(157,907)	-	(157,907)
Other changes in capital surplus	-	17	-	-	-	17	-	17	-	17
Balance at December 31, 2022	789,534	608,100	432,384	121,778	1,205,774	1,759,936	(92,225)	3,065,345	6	3,065,351
Net income (loss)	-	-	-	-	217,909	217,909	-	217,909	(2,891)	215,018
Other comprehensive income	-	-	-	-	(486)	(486)	(56,677)	(57,163)	323	(56,840)
Total comprehensive income	-	-	-	-	217,423	217,423	(56,677)	160,746	(2,568)	158,178
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	33,579	-	(33,579)	-	-	-	-	-
Special reserve	-	-	-	(29,553)	29,553	-	-	-	-	-
Cash dividends	-	-	-	-	(157,907)	(157,907)	-	(157,907)	-	(157,907)
Changes in equity of associates and joint ventures accounted for using equity method	-	7,057	-	-	-	-	-	7,057	-	7,057
Conversion of convertible bonds	27	72	-	-	-	-	-	99	-	99
Balance at December 31, 2023	\$ 789,561	615,229	465,963	92,225	1,261,264	1,819,452	(148,902)	3,075,340	(2,562)	3,072,778

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
CVILUX CORPORATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from (used in) operating activities:		
Income before tax	\$ 341,224	503,979
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	226,029	224,470
Amortization expense	12,201	12,395
Expected credit loss	1,317	1,530
Net loss on financial assets at fair value through profit or loss	409	3,556
Interest expense	16,780	17,683
Interest income	(34,578)	(16,974)
Dividend income	(47)	(150)
Shares of loss of associates accounted for using equity method	2,928	8,839
Loss on disposal of property, plant and equipment	1,751	4,313
Prepayments for business facilities and property, plant and equipment transferred to expenses	298	3,198
Loss on disposal of investments	19	-
Lease modifications gains	-	(28)
Total adjustments to reconcile profit	227,107	258,832
Changes in operating assets/ liabilities:		
Acquisition of financial assets at fair value through profit or loss	(9,195)	(8,976)
Proceeds from disposal of financial assets at fair value through profit or loss	12,594	7,489
Notes and accounts receivable	46,985	469,241
Accounts receivable-related parties	803	(180)
Other receivables	2,641	4,087
Other receivable-related parties	785	(18)
Inventories	134,812	266,005
Prepayments and other current assets	5,230	1,025
Total changes in operating assets	194,655	738,673
Changes in operating liabilities:		
Notes and accounts payable	49,652	(318,361)
Other payable	(20,503)	(30,083)
Other payables to related parties	-	315
Other current liabilities	(6,143)	(1,614)
Net defined benefit liability	1,286	604
Total changes in operating liabilities	24,292	(349,139)
Cash inflow generated from operations	787,278	1,152,345
Interest received	37,690	17,496
Dividends received	47	150
Interest paid	(18,604)	(13,024)
Income taxes paid	(92,280)	(93,990)
Net cash flows from operating activities	714,131	1,062,977
Cash flows from (used in) investing activities:		
(Decrease) increase in financial assets at amortized cost	(101,676)	17,159
Acquisition of investments accounted for using equity method	(8,830)	-
Acquisition of property, plant and equipment	(84,232)	(153,744)
Proceeds from disposal of property, plant and equipment	2,856	1,577
Decrease in refundable deposits	201	245
Acquisition of intangible assets	(15,473)	(12,244)
Increase in prepayments for business facilities	(2,562)	(2,986)
Net cash used in investing activities	(209,716)	(149,993)
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	530,000	1,888,031
Decrease in short-term borrowings	(610,000)	(1,872,158)
Proceeds from long-term borrowings	-	60,000
Repayments of long-term borrowings	(36,624)	(35,998)
Payments of lease liabilities	(37,813)	(40,045)
Increase (decrease) in guaranteed deposits received	291	(1,180)
Cash dividends paid	(157,907)	(157,907)
Others	-	17
Net cash used in financing activities	(312,053)	(159,240)
Effect of exchange rate changes on cash and cash equivalents	(19,907)	35,923
Net increase in cash and cash equivalents	172,455	789,667
Cash and cash equivalents at beginning of period	1,980,468	1,190,801
Cash and cash equivalents at ending of period	\$ 2,152,923	1,980,468

See accompanying notes to consolidated financial statements.

[Attachment VI]

CviLux Corporation

Comparison Table of Amendments to Partial Clauses of the Rules of Procedure for Board Meetings

Before amendment	After amendment
<p>Article 12 When the meeting time is due and one-half all board directors are not present, the meeting chair may announce that the meeting time will be postponed, provided that no more than two postponements are made. If the quorum is not met after two postponements, the chair may reconvene pursuant to Paragraph 2 of Article 3. The term “all board directors “as used in the preceding paragraph and in Article 17, paragraph 2, subparagraph 2 shall be calculated as the number of directors then in office.</p>	<p>Article 12 When the meeting time is due and one-half all board directors are not present, the meeting chair may announce that the meeting time will be postponed <u>on the same day</u>, provided that no more than two postponements are made. If the quorum is not met after two postponements, the chair may reconvene pursuant to Paragraph 2 of Article 3.</p>
<p>Article 13 A board of directors meeting shall be conducted in accordance with the order of business on the agenda as specified in the meeting notice. However, the order may be changed with the approval of a majority of directors present at the meeting. The meeting chair may not declare the meeting closed without the approval of a majority of directors present at the meeting. If at any time during the proceedings of a board of directors meeting the directors sitting at the meeting are not more than half of the directors present at the meeting, then upon motion by the directors sitting at the meeting, the chair shall declare a suspension of the meeting, in which case paragraph 1 of the preceding article shall apply mutatis mutandis.</p>	<p>Article 13 A board of directors meeting shall be conducted in accordance with the order of business on the agenda as specified in the meeting notice. However, the order may be changed with the approval of a majority of directors present at the meeting. The meeting chair may not declare the meeting closed without the approval of a majority of directors present at the meeting. If at any time during the proceedings of a board of directors meeting the directors sitting at the meeting are not more than half of the directors present at the meeting, then upon motion by the directors sitting at the meeting, the chair shall declare a suspension of the meeting, in which case paragraph 1 of the preceding article shall apply mutatis mutandis. <u>During the proceedings of a board meeting, if the chair is unable to chair the meeting or fails to declare the meeting closed as provided in paragraph 2, the provisions of Article 10, paragraph 3 shall apply mutatis mutandis to the selection of the deputy to act in place thereof.</u></p>

Before amendment	After amendment
<p>Article 20: These Rules were established on April 9, 2003.</p> <p>The first amendment was made on April 26, 2006 and enacted on January 1, 2007.</p> <p>The 2nd amendment was made on April 26, 2007, and the name was changed to “Rules of Procedure for Board Meetings.”</p> <p>The 3rd amendment was made on April 28, 2008.</p> <p>The 4th amendment was made on April 28, 2009.</p> <p>The 5th amendment was made on April 29, 2010.</p> <p>The 6th amendment was made on December 28, 2012.</p> <p>The 7th amendment was made on March 19, 2015.</p> <p>The 8th amendment was made on December 27, 2016.</p> <p>The 9th amendment was made on December 27, 2017.</p> <p>The 10th amendment was made on November 5, 2020.</p> <p>The 11th amendment was made on November 4, 2022.</p>	<p>Article 21: These Rules were established on April 9, 2003.</p> <p>The first amendment was made on April 26, 2006 and enacted on January 1, 2007.</p> <p>The 2nd amendment was made on April 26, 2007, and the name was changed to “Rules of Procedure for Board Meetings.”</p> <p>The 3rd amendment was made on April 28, 2008.</p> <p>The 4th amendment was made on April 28, 2009.</p> <p>The 5th amendment was made on April 29, 2010.</p> <p>The 6th amendment was made on December 28, 2012.</p> <p>The 7th amendment was made on March 19, 2015.</p> <p>The 8th amendment was made on December 27, 2016.</p> <p>The 9th amendment was made on December 27, 2017.</p> <p>The 10th amendment was made on November 5, 2020.</p> <p>The 11th amendment was made on November 4, 2022.</p> <p><u>The 12th amendment was made on March 17, 2024.</u></p>

[Attachment VII]

Details of the newly elected directors concurrently serving in competing businesses.

Title in the Company/ Name	Name of the competing company and position
<p>Chairman/CSO</p> <p style="text-align: center;">YANGTEK CORPORATION Rep.: Steve Yang</p>	<p>Chairman, CviLux Electronics (Dongguan) Co., Ltd. Chairman, Dongguan Qunhan Electronics Co., Ltd. Chairman, CviLux Technology (Suzhou) Co., Ltd. Vice Chairman, CviLux Technology (Chongqing) Corporation Director, CviLux Technology (Shenzhen) Corporation Chairman, CviCloud Corporation Director, CviLux Lao Co., Ltd. Chairman, CviMall International Corporation Director, CviLux Opro9 EUROPE B.V. Director, CviLux USA Corporation</p>
<p>Director/ President of the Group, and President of Wire and Cable Business Unit</p> <p style="text-align: center;">Chuan Kai Investment Co., Ltd. Rep.: Glen Chu</p>	<p>Director, CviLux Electronics (Dongguan) Co., Ltd. Director, Dongguan Qunhan Electronics Co., Ltd. President, CviLux Technology (Suzhou) Co., Ltd. Chairman, CviLux Technology (Chongqing) Corporation Director, CviLux Technology (Shenzhen) Corporation Manager, Anhui CviLux Technology Co., Ltd.</p>
<p>Director/ CEO of the Group, and President of Electronic Module Business Unit</p> <p style="text-align: center;">Lawrence Yang</p>	<p>Chairman, CviLux Technology (Shenzhen) Corporation Supervisor, Dongguan Qunhan Electronics Co., Ltd. Director, CviCloud (SZ) Limited Executive Director, Anhui CviLux Technology Co., Ltd. Director, CviLux KOREA Corporation</p>

[Appendix I]

CviLux Corporation Rules of Procedures for Shareholders' Meetings

- Article 1: The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by laws, regulations, or the Articles of Incorporation, shall be as provided in these Rules.
- Article 2: Unless otherwise provided by laws or regulations, the Company's shareholders' meetings shall be convened by the Board of Directors.
Changes to how the Company convenes its shareholders' meetings shall be resolved by the Board of Directors, and shall be made no later than the delivery of the shareholders' meeting notice.
The Company shall prepare electronic versions of the shareholders' meeting notice, proxy forms, materials relating to all proposals (including proposals for ratification), matters for deliberation, and the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders' meeting or 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda handbook and supplementary materials, and upload them to the MOPS 21 days before the date of the regular shareholders' meeting or 15 days before the date of a special shareholders' meeting. The Company shall also prepare hard copies of the parliamentary meeting agenda handbook and supplementary materials 15 days prior to the date of the shareholders' meeting, make these materials available for shareholders to review at any time, and display them at the offices of the Company and the professional share registration agent commissioned by the Company.
The Company shall make the meeting agenda handbook and supplementary materials referred to in the preceding paragraph available for shareholders to review in the following manner on the date of the shareholders' meeting:
- IV. For physically shareholders' meetings, they shall be distributed at the site of the meeting.
 - V. For hybrid shareholders' meetings, they shall be distributed at the site of the meeting and shared on the video conferencing platform in electronic form.
 - VI. For virtual shareholders' meetings, they shall be shared on the video conferencing platform in electronic form.
- The reasons for convening a shareholders' meeting shall be specified in the meeting notice and the public announcement. With the consent of the addressee, the meeting notice may be delivered in electronic form.
Matters pertaining to the election or dismissal of directors or supervisors, alteration to the Articles of Incorporation, reduction of capital, application for the approval of ceasing the Company's status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, and demerger of the Company, or any matter as set forth in Paragraph I, Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Regulations Governing the

Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the shareholders' meeting. The essential contents of the above matters shall be explained, and none of them may be raised as an extraordinary motion.

The re-election of all directors and supervisors as well as their inauguration date will be stated in the notice of the reasons for convening the shareholders' meeting. After completing the re-election in said meeting, such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

Shareholders holding one percent or more of the total number of issued shares may submit a proposal for discussion at a regular shareholders' meeting to the Company. The number of proposals is limited to one only; if more than one proposal is submitted, they shall be excluded from the list of proposals to be discussed. If any of the circumstances as set forth in Paragraph 4, Article 172-1 of the Company Act is satisfied by a proposal put forward by a shareholder, the Board of Directors may exclude the proposal from the list of proposals to be discussed. Shareholders may propose a recommendation to urge the Company to promote public interest or fulfill its social responsibilities. Only one proposal may be submitted in accordance with the procedure and Article 172-1 of the Company Act, and if more than one proposal is submitted, they shall be excluded from the list of proposals to be discussed.

Before the book closure date prior to a regular shareholders' meeting, the Company shall announce the shareholder proposals which it accepts along with how (in written or electronic form), where, and when it accepts the proposals. The time period for accepting shareholder proposals may not be less than 10 days.

The word count of the shareholder proposals is limited to 300 words each, and no proposal containing more than 300 words will be included in the list of proposals to be discussed. The shareholder who makes the proposal shall attend the regular shareholders' meeting in person or by proxy, and take part in the discussion of the proposal.

Prior to the date on which the notice of a shareholders' meeting is delivered, the Company shall inform the shareholders who submitted proposals of the proposal screening results and list the proposals that conform to the provisions of this Article in the notice of the meeting. At the shareholders' meeting, the Board of Directors shall explain the reasons for excluding any shareholder proposal from the list of proposals to be discussed.

Article 3: For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the authorization scope for the proxy.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company five (5) days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail, unless a declaration is made to revoke the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy revocation shall be submitted to the Company two (2) business days before the meeting date. If the revocation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

If, after a proxy form is delivered to the Company, the shareholder wishes to attend the shareholders' meeting virtually, a written notice of proxy revocation shall be submitted to the Company two (2) business days before the meeting date. If the revocation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 4: The venue for a shareholders' meeting shall be the premises of the Company or a place that is easily accessible to shareholders and is suitable for a shareholders' meeting. The meeting shall begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the venue and time of the meeting.

The restrictions on the venue of the meeting as referred to in the preceding paragraph shall not apply when the Company convenes a virtual shareholders' meeting.

Article 5: The Company shall specify in its shareholders' meeting notices the time during which attendance registration for shareholders, solicitors, and proxies (hereinafter collectively referred to as "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

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

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

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

The Company shall furnish attending shareholders with the meeting agenda handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. If there is an election of directors, the election ballots shall also be furnished.

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

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

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

- Article 5-1: To convene a virtual shareholders' meeting, the Company shall include the follow particulars in the notice of the shareholders' meeting:
- I. How shareholders can attend the virtual meeting and exercise their rights.
 - II. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents, or other force majeure events, at least covering the following particulars:
 - A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - B. Shareholders not having registered to attend the affected virtual shareholders' meeting shall not attend the postponed or resumed session.
 - C. In the case of a hybrid shareholders' meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting meets the minimum legal requirement for a shareholders' meeting after deducting those represented by shareholders attending the shareholders' meeting virtually, then the shareholders' meeting shall continue. The shares represented by shareholders attending the meeting virtually shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the meeting virtually shall be deemed abstaining from voting on all proposals on the list of proposals to be discussed at that shareholders' meeting.
 - D. Actions to be taken if the outcome of all proposals has been announced and extraordinary motion has not been carried out.
 - III. To convene a virtual shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified.

Article 6: If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairperson of the Board. When the Chairperson of the Board is on leave or for any reason unable to exercise the powers of the Chairperson, the Vice Chairperson shall act in place of the Chairperson. If there is no Vice Chairperson or the Vice Chairperson is also on leave or for any reason unable to exercise the powers of the Vice Chairperson, the Chairperson shall appoint one of the managing directors to act as the chair, or, if there are no managing directors, one of the directors shall be appointed to act as the chair. When the Chairperson does not make a designation, the managing directors or the directors shall appoint one person among themselves to serve as the chair. When a managing director or a director serves as chair as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juridical person director that serves as chair.

It is advisable that the shareholders' meetings convened by the Board of Directors be chaired by the Chairperson of the Board in person, and attended by a majority of the directors and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders' meeting is convened by a party with the convening right other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, the chair of the meeting shall be elected from among themselves.

The Company may appoint its attorneys, certified public accountants, or other related persons retained by it to attend a shareholders' meeting.

Article 7: The Company shall make an uninterrupted audio and video recording of the shareholder attendance registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures from the time it begins to accept registration. The recorded materials as set forth in the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

When a shareholders' meeting is held virtually, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast, and results of votes counted by the Company, and continuously record audio and video of the entire proceedings of the virtual meeting without interruption. </540 The information as well as the audio and video recording as set forth in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and the copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In the case of a virtual shareholders' meeting, the Company is advised to record audio and video of the back-end operation interface of the virtual meeting platform.

Article 8: Attendance at shareholders' meetings shall be calculated based on the numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, shares checked in on the virtual meeting platform, and added with the number of shares with voting rights that are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose the information concerning the number of nonvoting shares and the number of shares represented by the shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1, Article 175 of the Company Act. All shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within a month. In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting virtually shall re-register with the Company in accordance with Article 5.

If the attending shareholders represent a majority of the total number of issued shares before the end of the meeting, the chair may resubmit the tentative resolution for a vote at the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 9: If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the convening right other than the Board of Directors.

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

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

Article 10: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her/their shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

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

Without with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed five (5) minutes. If a shareholder speaks in contravention of the rules or beyond the scope of the subject, the chair may terminate his/her/their speech.

When an attending shareholder is speaking, the other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and that of the shareholder who has the floor. Any interference shall be terminated by the chair.

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

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

When a virtual shareholders' meeting is convened, the shareholders attending the virtual meeting may raise questions in writing form on the virtual meeting

platform, starting from the chair's declaration of opening of the meeting to the chair's declaration of adjournment of the meeting. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words, and the regulations in Paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable that the questions be disclosed to the public on the virtual meeting platform.

Article 11: The voting at a shareholders' meeting shall be calculated based on the number of shares.

With respect to resolutions at shareholders' meetings, the number of shares held by shareholders with no voting rights shall not be counted toward the total number of the issued shares.

When a shareholder has their own interests in an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, the shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares of which voting rights may not be exercised as set forth in the preceding paragraph shall not be counted toward the number of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 12: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Paragraph 2, Article 179 of the Company Act.

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

A shareholder intending to exercise voting rights by correspondence or electronic means as set forth in the preceding paragraph shall deliver a written declaration of intent to the Company two (2) days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, unless a declaration is made to cancel the earlier declaration of intent.

In the event a shareholder intends to attend the shareholders' meeting in person or virtually after having exercised his/her/their voting rights by correspondence or electronic means, a written declaration of intent to retract the exercised voting rights as set forth in the preceding paragraph shall be made known to the

Company by the same means by which the voting rights were exercised two (2) business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights by correspondence or electronic means and appointed a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

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

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

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

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

When the Company convenes a virtual shareholders' meeting, after the chair declares the opening of the meeting, shareholders attending the meeting virtually shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the end of the voting session, otherwise they will be deemed to have abstained from voting.

In the event of a virtual shareholders' meeting, votes shall be counted at once when the chair announces the end of the voting session, and the results of the votes and elections shall be announced immediately.

When the Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting virtually in accordance with the requirements in Article 5 decide to attend the physical shareholders' meeting in person, they shall revoke their registration two (2) days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting virtually.

When shareholders exercise voting rights by correspondence or electronic means and attend the shareholders' meeting virtually, unless they have withdrawn the declaration of intent, they shall not exercise voting rights on the original proposals, make any amendments to the original proposals, or exercise voting rights on amendments to the original proposal. Extraordinary proposals are the only exception.

- Article 13: The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-the-spot immediately, including the names of those elected as directors and the numbers of votes with which they were elected as well as the names of directors not elected and number of votes they received.
- The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
- Article 14: Matters concerning the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting, and a copy shall be distributed to each shareholder within 20 days after the conclusion of the meeting. The minutes may be prepared and distributed by electronic means.
- The Company may distribute the meeting minutes as set forth in the preceding paragraph by means of a public announcement made in the MOPS.
- The meeting minutes shall faithfully record the year, month, date, and place of the meeting, the full name of the chair, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights). They shall also disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.
- When a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the starting time and the end time of the shareholders' meeting, how the meeting is convened, the name of the chair and the secretary, actions to be taken in the event of disruption to the virtual meeting platform or to the participation in the virtual meeting due to natural disasters, accidents, or other force majeure events, and how issues are dealt with shall also be included in the minutes.
- When convening a virtual shareholders' meeting, other than compliance with the requirements described in the preceding paragraph, the Company shall specify in the meeting minutes the alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting.
- Article 15: On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies, and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event of a virtual shareholders' meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.
- During the Company's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever new statistics about the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

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

Article 16: Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

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

At the place of a shareholders' meeting where loudspeakers are equipped, if a shareholder speaks through any device other than the public address equipment set up by the Company, the chair may terminate his/her/their speech.

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

Article 17: When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for use before all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five (5) days in accordance with Article 182 of the Company Act.

Article 18: According to the regulations, in the event of a virtual shareholders' meeting, the Company shall disclose real-time results of votes and election on the virtual meeting platform immediately after the end of the voting session, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 19: When the Company convenes a virtual shareholders' meeting, both the chair and the secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 20: In the event of a virtual shareholders' meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve technical communication issues.

In the event of a virtual shareholders' meeting, except for circumstances where a meeting is not required to be postponed to or resumed at another time under Paragraph 4, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, when declaring the opening of the meeting, the chair shall also announce that if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents, or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five (5) days,

in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected virtual shareholders' meeting shall not attend the postponed or resumed session. At a meeting to be postponed or resumed as described in the second paragraph, the shareholders who have registered to participate in the affected shareholders' meeting and have successfully signed into the meeting but do not attend the postponed or resumed session, the number of shares represented by and voting/election rights exercised by these shareholders shall be counted towards the total number of shares, number of voting rights, and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders' meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast, counted, and the voting results or the list of elected directors and supervisors have been announced.

When the Company convenes a hybrid shareholders' meeting and the virtual meeting cannot continue as described in the second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, still meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue, and no postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on the meeting agenda of that shareholders' meeting. When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

During the dates or period as set forth in the second half of Article 12 and Paragraph 3, Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies and Paragraph 2, Article 44-5, Article 44-15 and Paragraph 1, Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders' meeting that is postponed to or resumed under the second paragraph.

- Article 21: When convening a virtual shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting through video conferencing.
- Article 22: These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.
- Article 23: These Rules were established on May 23, 2002.
The 1st amendment was made on June 14, 2006.
The 2nd amendment was made on June 9, 2011.
The 3rd amendment was made on June 22, 2012.

The 4th amendment was made on June 19, 2014.
The 5th amendment was made on June 9, 2015.
The 6th amendment was made on June 16, 2020.
The 7th amendment was made on August 5, 2021.
The 8th amendment was made on June 23, 2022.

[Appendix II]

CviLux Corporation Articles of Incorporation

Chapter I General Provisions

Article 1: The Company has been duly incorporated in accordance with the Company Act and titled CviLux Corporation.

Article 2: The Company's business services are as follows:

1. CC01080 Electronics Components Manufacturing.
2. F119010 Wholesale of Electronic Materials.
3. F219010 Retail Sale of Electronic Materials.
4. CB01010 Mechanical Equipment Manufacturing.
5. E604010 Machinery Installation.
6. F113010 Wholesale of Machinery.
7. F213080 Retail Sale of Machinery and Tools.
8. F401010 International Trade.
9. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing.
10. CC01070 Wireless Communication Mechanical Equipment Manufacturing.
11. CC01090 Manufacture of Batteries and Accumulators.
12. CC01100 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing.
13. CC01110 Computer and Peripheral Equipment Manufacturing.
14. CC01120 Data Storage Media Manufacturing and Duplicating.
15. F113070 Wholesale of Telecommunication Apparatus.
16. F113110 Wholesale of Batteries.
17. F213060 Retail Sale of Telecommunication Apparatus.
18. F213110 Retail Sale of Batteries.
19. F399040 Non-Store Retail Sale.
20. I301010 Information Software Services.
21. I301020 Data Processing Services.
22. I301030 Electronic Information Supply Services.
23. F102170 Wholesale of Food and Groceries.
24. F107030 Wholesale of Cleaning Supplies.
25. F108040 Wholesale of Cosmetics.
26. F203010 Retail Sale of Food, Grocery and Beverage.
27. F207030 Retail Sale of Cleaning Supplies.
28. F208040 Retail Sale of Cosmetics.
29. F108031 Wholesale of Medical Devices
30. F208031 Retail sale of Medical Equipments
31. F113020 Wholesale of Household Appliance
32. F213010 Retail sale of Household Appliance
33. F118010 Wholesale of Computer Software
34. F218010 Retail Sale of Computer Software
35. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

- Article 3: The Company may provide guarantees to outside parties for business-related purposes.
- Article 4: The Company may invest in other business entities, and the total cost of invested businesses is not subject to the restrictions in the Company Act (i.e., 40% of paid-up capital); the Board of Directors is authorized to handle the investments.
- Article 5: The Company is headquartered in New Taipei City, and branches and representative offices may be established domestically or abroad, if needed, subject to the resolution of the Board of Directors.

Chapter II Shares

- Article 6: The Company has authorized capital of NT\$1.5 billion in 150 million shares; each share has a value of NT\$10. Of which, NT\$15 million is reserved therefrom and divided into 1.5 million shares, with each share at a par value of NT\$10, for the issuance of employee warrants. The Board of Directors is authorized to issue the remaining shares over multiple offerings as deemed necessary to support business activities.
- Article 6-1: If the Company intends to transfer the repurchased shares of the Company to employees at prices lower than the average buyback price, the transfer shall be subject to the resolution of the most recent shareholders' meeting as per Article 10-1 of the "Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies."
- Article 6-2: If the Company intends to issue employee warrants at exercise prices lower than the closing market price on the date of issuance, the issuance shall be subject to the resolution of the shareholders' meeting as per Article 56-1 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers".
- Article 7: The Company may issue shares in accordance with the provisions of Article 162 of the Company Act. The Company may be exempted from printing any share certificate for the shares issued, and shall register such issued shares with a centralized securities depository enterprise and follow the regulations of that enterprise.
- Article 8: Where the shareholders of the Company transfer the shares, the share affairs such as setting of pledge of rights, loss reporting, ownership inheritance, gifting, loss/change of seal, or change of address, and the exercise of the rights thereof shall be handled according to the "Regulations Governing the Administration of Shareholder Services of Public Companies", unless otherwise specified by laws and securities regulations.
- Article 9: Transfer of share ownership shall be handled pursuant to the Company Act and relevant regulations.
- Article 9-1: Where the Company intends to revoke the public offering of shares, in addition to the approval of the Board of Directors, the matter shall be subject to the resolution adopted by a majority vote of the shareholders present at the shareholders' meeting who represent two-thirds or more of the total number of the issued shares. During the period when shares are listed on the market, the preceding provision will not be changed.

Chapter III Shareholders' Meetings

- Article 10: Shareholders' meetings are of two kinds: Regular shareholders' meetings and extraordinary shareholders' meetings. The regular shareholders' meeting is called once per year within six months after the end of a fiscal year, while an extraordinary shareholders' meeting may be called in accordance with applicable laws and regulations whenever necessary.
The date and location of and reason for the convention shall be specified in the notices of the aforementioned meetings. The shareholders' meetings shall be convened by the Board of Directors, unless otherwise regulated by the Company Act.
- Article 10-1: The shareholders' meetings of the Company may be convened in the form of a video conference or in other ways promulgated by the Ministry of Economic Affairs.
- Article 11: When a shareholder is unable to attend the shareholders' meeting in person, the appointment of a proxy to attend the meeting is subject to Article 177 of the Company Act and the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" published by the competent authority.
- Article 12: Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Company Act, be adopted by a majority vote of the shareholders present at the meeting who represent more than one-half of the total number of the issued shares. The voting right may be exercised by electronic means. A shareholder who exercises his/her/its voting right by electronic means shall be deemed to have attended the shareholders' meeting in person, and the relevant matters shall be handled according to the laws and regulations.
Resolutions adopted at a shareholders' meeting shall be recorded in the meeting minutes, which shall be affixed with the signature or seal of the Chair of the meeting and distributed to all the shareholders of the Company within 20 days after the close of the meeting. The minutes may be prepared and distributed by electronic means. The distribution of the meeting minutes as required in the preceding paragraph may be effected by means of a public notice.

Chapter IV Directors

- Article 13: The Company assigns seven to nine directors that serve a term of three years. All the directors shall be elected from persons of adequate capacity during shareholders' meetings, and may be re-elected for consecutive terms. After the Company publicly issues the shares, the percentage of shareholdings of all the directors shall be subject to the regulations of the competent authority in charge of securities affairs. The Company may purchase liability insurance policies to insure itself against possible claims that may arise as a result of directors' decisions. The number of directors mentioned above shall include no fewer than three independent directors that represent no less than one-fifth of the board. The professional qualification, shareholding, restrictions on concurrent employment, methods of nomination, and election and other matters for compliance for independent directors are subject to the requirements of the competent securities authority.
- Article 13-1: The candidate nomination system is adopted for the election of directors in accordance with Article 192-1 of the Company Act. The process and

announcement, etc. of the nomination of the candidates for directors are subject to the related provisions of the Company Act and the Securities and Exchange Act. Independent directors and directors shall be elected at the same time, and the elected seats shall be counted separately.

Article 13-2: The Company has an Audit Committee set up in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee is responsible for exercising the supervisors' duties and powers specified in the Company Act, the Securities and Exchange Act, and any other relevant laws and regulations. The Audit Committee shall be composed of the entire number of independent directors, including at least one member with accounting or financial expertise, and with one of them serving as the convener. A resolution of the Audit Committee shall have the concurrence of one-half or more of all members. The system of supervisors was abandoned on the same day of the establishment of the Audit Committee.

Article 14: The Board of Directors consists of directors. A Chairman shall be elected among the Board members at a Board meeting with the presence of more than two-thirds of the directors, and with the consent of a majority of the attending directors. The Chairman shall represent the Company externally while presiding at the shareholders' meetings and the Board meetings internally.

Article 15: Except for the first meeting of each term of the Board of Directors which shall be convened after the re-election by the director who received a ballot representing the largest number of votes at the election of directors, the Board meeting shall be called by the Chairman, with the reason for convention stated in the meeting notice that shall be given to all the directors no later than seven (7) days prior to the meeting. However, in the case of an emergency, a Board meeting may be convened at any time. The convention of a Board meeting as mentioned above may be effected with notice in writing or via fax or e-mail. The meeting shall be chaired by the Chairman. If the Chairman is unable to perform his/her duty due to a leave of absence or any reasons, the Chairman will appoint one of the directors to act on his/her behalf. If no one is appointed, the remaining directors shall appoint one among themselves to perform the Chairman's duties on his/her behalf. Where a Board meeting is held in the form of a video conference, the directors attending the meeting through video conferencing shall be considered as attending the meeting in person. Each director shall attend the Board meeting in person. A director who is unable to attend the meeting in person may appoint another director to attend the meeting on his/her behalf by issuing a written proxy with the scope of authority stated therein. Unless otherwise regulated by the Company Act, the resolutions of the Board of Directors may be adopted by a majority of the present directors at a meeting attended by more than half of all the directors. Each director shall exercise his/her power and authority for the resolutions adopted by the Board meeting and the shareholders' meeting. When the number of vacancies on the Board of Directors of the Company equals one-third of the total number of directors, the Board of Directors shall call, within 60 days, a shareholders' meeting to elect succeeding directors to fill the vacancies. The newly elected directors shall serve for the remaining term of office

of the predecessors, except for in the case in which all the directors are re-elected.

Article 16: The Board of Directors is authorized to determine the remuneration for the Chairman and directors based on individual participation in and contribution to the Company's operations and with reference to the general level in the industry. The distribution of the directors' remuneration is specified in Article 19 of the Articles of Incorporation.

The Board of Directors is authorized to determine the travel allowance for all directors. The remuneration for independent directors shall be paid according to the typical level adopted by peer companies regardless of the operating profit and loss.

Chapter V Managerial Officers

Article 17: The Company shall employ one CEO, and several managerial officers; their appointment, dismissal, and remunerations shall be governed by Article 29 of the Company Act.

Chapter VI Accounting

Article 18: The Company's fiscal year starts on January 1 and ends on December 31 every year. At the end of each fiscal year, the Board of Directors shall prepare the (I) business report, (II) financial statements, (III) motions for earnings distribution or loss offset, submit them to the Audit Committee 30 days prior to the shareholders' meeting for approval, and further present them at the shareholders' meeting for ratification.

Article 19: Profits concluded by the Company in a fiscal year are subject to employee remuneration of 5%–12%, and director remuneration of no more than 3%. However, if the Company has an accumulated loss, an amount used to cover the loss shall be set aside first.

The employee remuneration as mentioned above may be paid in the form of shares or in cash to the employees of the Company's parents or subsidiaries who meet certain specific requirements. The director remuneration is distributed in cash.

Article 19-1: If the Company has a profit at the year's final accounting, it shall first pay taxes and make up any losses from past years, and then make a contribution of 10% of the balance to the statutory reserve. Special reserves may be set aside as per the relevant laws and regulations, and the remaining profit distributable (if any) may be added to undistributed earnings at the beginning of the period and shall be proposed for distribution by the Board of Directors. Where a proportion of the profit is to be reserved, the motion shall be submitted to the shareholders' meeting for resolution.

The Company's dividends, bonuses, statutory reserve, and capital reserve distributed in cash as per the preceding article, Paragraph 5, Article 240 and Paragraph 1, Article 241 of the Company Act are subject to the resolution made by the majority of the present directors at a meeting attended by more than two-thirds of all the directors of the Board. Such distribution shall be reported to the shareholders' meeting.

The dividend policy of the Company is adopted in consideration of the current and future development plans, investment environment, financing needs, and domestic and international competition, as well as the shareholders' interests and

other factors. The shareholders' dividends allocated shall not be less than 15% of the distributable profits of the year.

The dividends allocated to shareholders may be paid in shares or cash, and cash dividends shall not fall below 10% of total dividends allocated to shareholders.

Chapter VII Supplementary Provisions

Article 20: Anything not covered by this Articles of Incorporation shall be governed by the Company Act and other applicable laws and regulations.

Article 21: The Articles of Incorporation was established on March 12, 1990.

The 1st amendment was made on December 15, 1993.

The 2nd amendment was made on June 15, 1996.

The 3rd amendment was made on June 1, 1997.

The 4th amendment was made on October 27, 1998.

The 5th amendment was made on August 2, 1999.

The 6th amendment was made on June 23, 2000.

The 7th amendment was made on September 16, 2000.

The 8th amendment was made on July 21, 2001.

The 9th amendment was made on May 23, 2002.

The 10th amendment was made on July 31, 2002.

The 11th amendment was made on June 27, 2003.

The 12th amendment was made on June 18, 2004.

The 13th amendment was made on June 16, 2005.

The 14th amendment was made on June 14, 2006.

The 15th amendment was made on June 21, 2007.

The 16th amendment was made on June 19, 2008.

The 17th amendment was made on June 19, 2009.

The 18th amendment was made on June 17, 2010.

The 19th amendment was made on June 9, 2011.

The 20th amendment was made on June 22, 2012.

The 21st amendment was made on June 19, 2013.

The 22nd amendment was made on June 19, 2014.

The 23rd amendment was made on June 9, 2015.

The 24th amendment was made on June 16, 2016.

The 25th amendment was made on June 16, 2017.

The 26th amendment was made on June 19, 2019.

The 27th amendment was made on June 23, 2022.

The 28th amendment was made on June 20, 2023.

[Appendix III]

CviLux Corporation Procedures for Election of Directors

- I. To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- II. Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.
- III. The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:
 - (1) Basic requirements and values: Gender, age, nationality, and culture.
 - (2) Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

- (1) Ability to make operational judgments.
- (2) Ability to perform accounting and financial analysis.
- (3) Ability to perform business management.
- (4) Ability to handle crises.
- (5) Knowledge of industry.
- (6) Understanding of international markets.
- (7) Ability to lead.
- (8) Ability to make decisions.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.

- IV. The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.

V. Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

VI. The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

VII. The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors 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. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

VIII. 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.

IX. 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. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

X. A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared by 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.

XI. 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.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

- XII. The board of directors of this Corporation shall issue notifications to the persons elected as directors.
- XIII. These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

The Procedures were established on May 23, 2002.

The 1st amendment was made on June 21, 2007.

The 2nd amendment was made on June 22, 2012.

The 3rd amendment was made on June 9, 2015.

The 4th amendment was made on June 23, 2022.

[Appendix IV]

Other Descriptions

I. Descriptions of shareholders' proposals for this general shareholders' meeting

- Remarks: (I) According to Article 172-1 of the Company Act, a shareholder who holds more than 1% of the total number of issued shares of the Company may propose to the Company in writing with no more than 300 words.
- (II) The Company accepted shareholders' proposals for this year's shareholders' meeting from March 25, 2024 to April 3, 2024, and it was announced on the Market Observation Post System according to laws.
- (III) The Company has received no proposal from shareholders.

[Appendix V]

CviLux Corporation List of Shareholdings of Directors

Number of shares held by individual directors and all directors as recorded in the shareholder roster on April 22, 2024 at the book closure date

Unit: shares; %

Title	Name	Date elected	Term	Shares Held at the Time of Election		Number of shares held as recorded in the shareholder roster on the book closure date	
				Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio
Chairman	YANGTEK CORPORATION Rep.: Steve Yang	08.05.2021	3	5,442,149	6.89	6,883,000	8.40
Director	Chuan Kai Investment Co., Ltd. Rep.: Glen Chu	08.05.2021	3	1,969,091	2.49	1,956,719	2.39
Director	Lawrence Yang	08.05.2021	3	1,266,568	1.60	706,644	0.86
Independent Director	Shu-Ling Lin	08.05.2021	3	0	0	0	0
Independent Director	Ying-Chun Chuang	08.05.2021	3	0	0	0	0
Independent Director	Zhao-Jia Yu	08.05.2021	3	0	0	0	0
Independent Director	Wie-Bo Lin	2023.6.20	1	0	0	0	0

Note: On April 22, 2024, the book closure date, the total issued shares were 81,967,993 common shares.

- (1) The statutory number of shares to be held by all directors is 6,557,439 shares, and the number of shares held by all directors as recorded in the shareholder roster as of the book closure date is 9,546,363 shares.
- (2) The Company has established the Audit Committee, so the number of shares to be held by supervisors is not applicable.
- (3) The shareholdings of all directors have complied with the standards set forth in the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies.”

