



# **EZconn Corporation**

## **2025 Annual General Shareholders' Meeting Meeting Handbook (Translation)**

### **Notice to readers**

This English version handbook is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.

**Date:** May 28 , 2025 (Wednesday)

**Location:** Chientan Youth Activity Center

No. 16, Sec. 4, Zhongshan N. Rd., Shilin Dist., Taipei  
City, Taiwan (R.O.C.)

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**EZconn Corporation**  
**Procedures**  
**of**  
**2025 Annual General Shareholders' Meeting**

**I. Opening Address**

**II. Chairman Address**

**III. Reporting Items**

**IV. Items for Acknowledgment**

**V. Items for Discussion**

**VI. Ad Hoc Motion**

**VII. Adjournment**

# EZconn Corporation

## 2025 Annual General Shareholders' Meeting

Meeting time: At 9:00 am, May 28, 2025 (Wednesday)  
Meeting venue: Chientan Youth Activity Center (No. 16, Sec. 4, Zhongshan N. Rd., Shilin Dist., Taipei City, Taiwan (R.O.C.))  
Meeting Format: In-Person Meeting

- I. Opening Address (report the attending number of shares)
- II. Chairman Address
- III. Reports Items
  - (I) 2024 Business Report.
  - (II) 2024 Audit Committee's Review Report
  - (III) 2024 Surplus Distribution in Cash Dividends Report.
  - (IV) 2024 Employees' and Directors' Remuneration Distribution Report.
  - (V) Executive report of the 1st domestic unsecured convertible corporate bonds.
- IV. Items for Acknowledgment
  - (I) 2024 Business Report, Individual Financial Statement, and Consolidated Financial Statement.
  - (II) 2024 Surplus Distribution.
- V. Items for Discussion
  - (I) Amendments to the "Articles of Association.
  - (II) Proposal for the intended private placement of ordinary shares, preferred shares, or private placement of convertible corporate bonds (including secured or unsecured convertible corporate bonds)
  - (III) Proposal for the issuance of restricted stock awards.
- VI. Ad Hoc Motion
- VII. Adjournment

# Reports Items

## (I) 2024 Business Report.

Description: Please refer to pages 13 to 16 (Attachment 1) of the Handbook for the 2024 Business Report.

## (II) 2024 Audit Committee's Review Report

Description: Explanation: Please refer to page 17 (Attachment 2) of the Handbook for the 2024 Audit Committee's Review Report.

## (III) 2024 Surplus Distribution in Cash Dividends Report.

Description:

1. The Company intended to distribute cash dividends of NT\$653,601,746 (a cash dividend of NT\$8.60 per share) in 2024.
2. The surplus distribution is calculated based on 76,000,203 shares in the issue of the Company on the date of passing the resolution by the Board. Subsequently, in case of changes in the share capital of the Company causing impacts on the number of outstanding shares and thereby causing changes in yields of shareholders that require amendments, the Chairman is fully authorized for such matters.
3. For the surplus distribution, the Chairman is authorized to otherwise establish the ex-dividend date and other relevant matters. The cash dividend is rounded to NT\$1, and for the total number of fractional amounts less than NT\$1, numbers after the decimal point will be adjusted in descending order until aligning with the amount of total cash dividends.

## (IV) 2024 Employees' and Directors' Remuneration Distribution Report.

Description:

1. According to Article 24 of the Articles of Association, "If profits are available upon final settlement every year, the Company shall allocate no less than five percent as employee's compensation and no more than five percent as Director's compensation."
2. In 2024, the Company appropriated a net profit before tax of NT\$1,319,833,442 for the remunerations of employees and Directors; the Company intends to appropriate NT\$113,000,000 and NT\$37,000,000 as employees' remuneration and Directors' remuneration, respectively, fully distributed in cash.
3. The above allocation amount has no difference from the expenses recognized in 2024.

(V) Executive report of the 1st domestic unsecured convertible corporate bonds.

Description:

The implementation status of the 1st domestic unsecured convertible corporate bonds for the year 2024 is as follows:

<b>Type of Corporate Bond:</b>	2024 First Unsecured Domestic Convertible Corporate Bond
<b>Purpose of Issuance:</b>	To repay bank loans and to supplement working capital
<b>Issue Date:</b>	November 11, 2024
<b>Par Value per Bond:</b>	NT\$100,000
<b>Total Issue Amount:</b>	NT\$1 billion
<b>Interest Rate:</b>	0%
<b>Term:</b>	3 years – Maturity Date: November 11, 2027
<b>Conversion Price:</b>	NT\$491.3
<b>Repayment Method:</b>	Unless converted, sold back, redeemed, or repurchased and canceled by a securities firm, the bonds will be repaid in full in cash upon maturity.

# Items for Acknowledgment

Case 1 (proposed by the Board)

Cause: 2024 Business Report, Individual Financial Statements and Consolidated Financial Statements.

Description:

1. The 2024 individual financial statements and consolidated financial statements of the Company have been audited by Jeff Chen and Kathy Huang CHUN, CPAs from Deloitte & Touche, and an unqualified opinion report has been issued for the record. After the business report has also been reviewed by the Audit Committee, a written review report has been issued.
2. Please refer to pages 13 to 16 (Attachment 1) and pages 18 to 37 (Attachment 3) of the Handbook for the business report, CPA's auditor's report, and the abovementioned financial statements.
3. It is hereby proposed to shareholders for acknowledgment.

Resolution:

Case 2 (proposed by the Board)

Cause: 2024 surplus distribution.

Description:

1. The net profit after tax of the Company in 2024 was NT\$ 1,057,601,406, plus the undistributed earning at the end of 2023 of NT\$ 716,961,487, accumulated gain or loss on the disposal of investments in equity instruments measured at fair value through other comprehensive income directly transferred to retained earnings of NT\$ 11,698,637, remeasurement of the defined benefit plans recognized in retained earnings of NT\$ 913,682, and the reversal of the special reserve provided according to the law of NT\$ 66,274,179, less adjustments to retained earnings due to investments under the equity method of NT\$3,383,940 and the legal earnings provided for the period of NT\$ 106,682,979; the total distributable earnings are NT\$ 1,743,382,472
2. The 2024 Surplus Distribution Statement was approved by the Board as a resolution and submitted to and reviewed by the Audit Committee; please refer to page 38 (Attachment 4) of the Handbook.
3. It is hereby proposed to shareholders for acknowledgment.

Resolution:

# Items for Discussion

Case 1(proposed by the Board)

Cause: Amendments to the “Articles of Association.”

Description:

1. In accordance with the letters from the competent authority and the Company’s requirements, the Company intends to amend partial provisions of the “Articles of Association.”
2. For the Comparison Table on Amendments to the “Articles of Association,” please refer to pages 39 to 40 (Attachment 5) of the Handbook.
3. It is hereby proposed to shareholders for making the decision.

Resolution:

Case 2(proposed by the Board)

Cause: Proposal for the intended private placement of ordinary shares, preferred shares, or private placement of convertible corporate bonds (including secured or unsecured convertible corporate bonds)

Description:

1. The Board of Directors passed the Proposal for the intended private placement by means of issue of ordinary shares or domestic convertible corporate bonds (including secured or unsecured convertible corporate bonds) on 7 March 2025. To accommodate the future operational needs, it is proposed to initiate new private placement by issuing preferred shares.
2. In response to the intensive competition within the industry and the future development of the Company to improve the operating performances and enrich our working capital, and to grasp the timeliness of fundraising, the Company intends to propose to the shareholders’ meeting to authorize the Board to place no more than 20,000,000 privately placed ordinary shares and preferred shares in one to three batches at an appropriate timing by using one or mixed methods subject to the market conditions to the extent that in no circumstances the ordinary shares converted from the domestic convertible corporate bonds through private placement shall exceed the maximum amount of the shares, and in accordance with the actual capital and operating requirements of the Company. According to the requirements under Article 43-6 of the Securities and Exchange Act and the “Directions for Public Companies Conducting Private Placements of Securities,” the descriptions are made as follows.
- 3.. Basis and rationale for the price setting of the private placement::
  - A. Private placement of ordinary shares  
Regarding the issuance price per share of the privately placed ordinary shares, the basis for the price setting of the private placement shall be no lower than 80% of the reference price, and the reference shall be the higher among the prices calculated by using the following two basis: (i) The simple average closing price of the ordinary shares for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction; (ii) The simple average closing price of the ordinary shares for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.
  - B. Private placement of preferred shares
    - a. Generally, the preferred shares shall be issued at a price no less than 80% of the theoretical price.
    - b. The theoretical price is calculated using an appropriate pricing model adopted after considering that covers all rights under the conditions of the issue. The model shall take into account and cover all rights included in the conditions of the issue. Rights not covered by the model shall also be excluded from the conditions of the issue.



- c. The conditions of the issue of preferred shares shall be subject to the provisions of the "Articles of Association".
- C. Private placement of domestic convertible corporate bonds
- a. Par value of each bond: NT\$100,000 or its multiples.
  - b. Issuance period: No more than seven years from the issue date..
  - c. Coupon rate: 0%
  - d. The issuance price of the private placement of domestic convertible corporate bonds shall be no lower than 80% of the theoretical price. The theoretical price shall be determined in accordance with a calculation based on an appropriate pricing model that is selected in consideration of the various rights under the terms of issuance. The conversion price shall be no lower than the higher of the prices calculated based on the following two basis: (i) The simple average closing price of the ordinary shares for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction; (ii) The simple average closing price of the ordinary shares for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.
- The Company intends to propose to the shareholders' meeting to authorize the Board to set the actual price of the private placement and the actual price determination date within the scope of the ratio resolved based on the conditions in the market and of the Company and the status of strategic investor selection. The basis for setting the abovementioned price shall comply with relevant requirements under the "Directions for Public Companies Conducting Private Placements of Securities," with considerations given to the restrictions on the transfer counterparties and volume within three years from the delivery date of the private placement of securities as well as the inability to declare the supplementary public offering and listing to the competent authority for less than three years after the delivery; therefore, such basis shall be reasonable.
4. The method for selecting the specific persons:
- (1) The places under the resolution of the private placement shall be specific persons selected according to the requirements under Article 43-6 of the Securities and Exchange Act and Letter Jin-Guan-Zheng-Fa-Tzu No. 1120383220 issued by the Financial Supervisory Commission on 12 September 2023 and are limited to strategic investors.
  - (2) The method and objectives of selecting the place, the necessity, and the anticipated benefits:
    - (a) The method and objectives of selecting the place: The private funds introduced through the private placement under the resolution may strengthen the Company's capital structure, and the introduction of strategic investors may assist the Company in performing business diversification and effectively improve shareholders' interest. Therefore, the introduction of strategic investors will prioritize measures that help the Company to reinforce its competitive strength or create shareholders' interest.
    - (b) Necessity: To actively create profiting sources and competitive niche, the Company intends to seek appropriate strategic investors to assist the Company in expanding its existing product lines, developing new product lines, and performing business diversification, and in turn, benefiting the Company's sustainable operation and development; therefore, the private placement under the resolution to introduce strategic investors is necessary.
    - (c) Anticipated benefits: By introducing strategic investors through the private placement plan, it assists the Company in acquiring long-term stable funds, expanding existing product lines, developing new product lines, and performing business diversification, which will effectively improve shareholders' interest. Therefore, the strategic investors, individuals or corporations, being introduced will prioritize the measures to help the

Company reinforce its competitive strength in the hope of assisting the Company in improving its technologies and quality, reducing costs, improving efficiency, expanding the markets, and other benefits through vertical integration, horizontal integration within the industry, or joint R&D of products or markets, or other methods based on their own experiences, technologies, knowledge, or channels, benefitting the improvement in shareholders' interest of the Company.

(d) At present, there is no confirmed strategic investor.

5. Reasons for the necessity of the private placement:

(1) The reason for not adopting public offering:

Considering the timeliness, convenience, for fundraising, issuance costs, feasibility, equity stability, and uncertainties in the capital market, it may be difficult to acquire the capital required successfully within a short period of time if the public offering for the issuance securities is adopted for fundraising; therefore, the Company adopts private placement for the issuance of ordinary shares, preferred shares, or domestic convertible corporate bonds.

(2) Limit of the private placement:

The private placement of ordinary shares and preferred shares shall be performed within the limit of no more than 20,000,000 ordinary shares, and the number of ordinary shares that may be converted from the domestic convertible bonds under the private placement shall be within the scope of the 20,000,000 shares mentioned above, which shall be calculated based on the conversion price at the time of the private placement. For the proposal of the private placement, the Company intends to propose to the shareholders' meeting to authorize the Board to make placements in one to three batches within one year from the date of resolution made by the shareholders' meeting by using one or mixed methods subject to the market conditions or the actual operating requirements of the Company.

(3) Usage of funds from the private placement and benefits anticipated to achieve:

The use of funds for various batches shall enrich our working capital and repay bank borrowings to respond to the changes in the industry and reinforce the business nature and competitiveness of the Company; it is anticipated to improve our financial structure and benefit the steady growth of the Company's operations, rendering positive benefits to shareholders' interest.

6. According to the requirements under the "Directions for Public Companies Conducting Private Placements of Securities," if there has been, is, or will be any significant change in managerial control during the period from 1 year preceding the day on which the board of directors resolves on the private placement of securities to 1 year from the delivery date of those privately placed securities, the Company shall request the underwriter of securities to issue the evaluation opinions for the necessity and rationale of the performance of the private placement.

The material change that occurs to the ownership mentioned above refers to the changes in more than one-third of the Directors; however, this shall not apply to circumstances in which more than half of the Director's seats are under the control of the initial major shareholders before and after the abovementioned change.

For the current private placement, the maximum amount of the privately placed ordinary shares and preferred shares and the ordinary shares converted from the domestic convertible corporate bonds through private placement shall be 20,000,000 shares as mentioned in the preceding paragraph. After the issue or conversion of all shares, they will account for 20.83% of the outstanding shares. In addition, the Board re-election will take place on 5 June 2026 after the end of the term of office of the Directors, therefore, it remains uncertain whether there will be a significant change in managerial control after the introduction of strategic investors through the current private placement. Whence, we request an appraisal opinion from IBF Securities Co., Ltd. on the necessity and reasonableness of the current private placement of the Company. Please refer to pages 41 to 48 (Attachment 6).

7 The rights and obligations for the ordinary shares of the current private placement, the ordinary shares converted from preferred shares, or the ordinary shares converted

from domestic convertible corporate bonds shall rank pari passu with the those for the issued ordinary shares of the Company; however, relevant transfer restrictions for the private placement of securities shall be subject to Article 43-8 and relevant laws, regulations, and interpretations of the competent authority. After three years from the delivery date of the securities under the private placement, the Board is authorized to determine whether to apply for the issuance of the consent in terms of the fulfillment of listing standards with TWSE according to relevant requirements subject to the conditions at the time, declare with the competent authority for the supplemented public offering procedures, and apply for listing for trading, subsequently.

8. Except for the pricing ratio of the private placement, the Company intends to propose to the shareholders' meeting to authorize the Board to make adjustments, setting, and arrangements for the major content for the issuance of ordinary shares, preferred shares, or domestic convertible corporate bonds (including secured or unsecured corporate bonds) under the private placement, including the actual issuance price, number of shares issued, issuance conditions, raising amount, the base date for the capital increase, items of the plan, the progress of the capital use, anticipated benefits, and other unaddressed matters, based on the operating requirements of the Company and market conditions; in the future, if any amendment is required due to the instruction for amendments made by the competent authority or the changes in the objective environment, the Company intends to propose to the shareholders' meeting to authorize the Board for processing with its sole discretion.
9. In response to the private placement of ordinary shares, preferred shares, or domestic convertible corporate bonds, the Company intends to propose to the shareholders' meeting to authorize the Chairman of the Company or another designated person to make arrangements for matters related to the private placement plan after the proposal for the private placement is approved.
10. The proposal is hereby submitted for discussion.

Resolution:

Case 3 (proposed by the Board)

Cause: Proposal for the issuance of restricted stock awards.

Description:

- (I) The matters below would proceed according to relevant regulations of Paragraph 8, Act 267 of the Company Act and the Regulations Governing the Offering and Issuance of Securities by Securities Issuers.
  - (II) The proposed issuance of new restricted stock awards is as follows:
    - (1) Total issue amount: the limit is 1,000,000 common stocks with an asset value of NTD\$10 per share, totaling NTD\$ 10,000,000.
    - (2) The terms and conditions of issuance:
      - a) Issuing price: NTD\$10 per share.
      - b) Vesting conditions: Employees who have been granted restricted stock awards and have completed one year from the issue date may be eligible for vesting upon reaching each respective vesting milestone, provided they remain employed and meet the following criteria: Annual individual performance evaluation results of "85" or above, adherence to service rules and no violation of the company's labor contracts or work rules, and meeting the company's overall performance indicators.
- The proportions of shares that may meet the vesting conditions separately are as follows:

Two-year employment after issuance: 20%  
Three-year employment after issuance: 20%  
Four-year employment after issuance: 30%  
Five-year employment after issuance: 30%

- c) Company performance index: The vesting of employee Restricted Stock Units is subject to the company's performance targets. Specifically, for RSUs scheduled to vest in a given fiscal year, the company must have achieved, in the preceding fiscal year, (i) a year-over-year growth of at least 15% in net sales, as verified by an independent certified public accountant, and (ii) a net profit margin after tax that meets or exceeds the predetermined threshold for that year.
  - d) Issuance type: this company's common stock.
  - e) Measures to be taken when the employee fails to meet the vesting conditions:  
The company repurchases the new shares with restricted employee rights at the issuance price and cancels them in accordance with the law.
- (3) Employee eligibility and issued shares:
- a) Employee eligibility: Limited to the company's official employees, the granted employees and their share numbers will be dependent on years of service, title, work performance, overall contribution, etc. The above matters shall be approved by the Chairman and their report to the Board of Directors. However, individuals with managerial roles must first obtain approval from the Remuneration Committee before proceeding.
  - b) Issued shares: According to Article 56-1, Paragraph 1 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the total number of shares that can be granted to a single employee through cumulative employee stock options certificates, together with the cumulative number of restricted stock rewards obtained by that single employee, shall not exceed 0.3% of the total issued shares of the company. Additionally, according to Article 56, Paragraph 1 of the same regulations, the total number of shares that can be granted to a single employee through cumulative employee stock options certificates shall not exceed 1% of the total issued shares of the company.
- (4) The necessary reasons for creating the restricted stock awards are to attract and retain the company's professional personnel, elevate employees' team spirit and sense of belonging, and generate interest for the company and its shareholders.
- (5) The expensable amount, dilution of the company's earnings per share, and other matters affecting the stakeholder rights:
- a) The expensable amount: The company shall measure the share's fair value on the grant date (issue date) and recognize related expenses within the vesting period. For the proposed resolution to issue restricted stock awards at the shareholders' regular meeting for fiscal year 2025, the limit is set at 1,000,000 shares, with a par value of NT\$10 per share. If all conditions are met, based on an estimated closing price of NT\$406.5 per share on April 1, 2025 (the previous business day before the board meeting notice was issued), the total estimated expenses are NT\$382,583,000. The relevant expenses will be recognized over the vesting period and allocated annually as follows: NTD\$38,776,000 (2025; estimated with 4 months), NTD\$116,011,000 (2026), NTD\$102,931,000 (2027), NTD\$68,271,000 (2028), NTD\$41,579,000 (2029), NTD\$15,015,000 (2030; estimated with 8 months.)
  - b) The dilution of the company's earnings per share and other matters affecting the stakeholder rights: The annual expense allocation per share for diluted earnings is temporarily based on the total issued shares as of April 1, 2025, which is 76,000,203 shares. It is estimated that the issuance of restricted stock rewards will account for 1.32% of the total issued shares. The annual allocations are as follows: NTD\$0.51 (2025; estimated with 4 months), NTD\$1.51 (2026), NTD\$1.34 (2027), NTD\$0.89 (2028), NTD\$0.54 (2029), NTD\$0.19 (2030; estimated with 8 months), which not yet pose material impacts to shareholder rights.

(6) The employee's restricted rights after the stock grant and before meeting vesting conditions:

- a) Prior to meeting the vesting conditions, employees who are granted restricted stock awards must fully deliver all stocks to the trust institution designated by the company for safekeeping. They are prohibited from selling, mortgaging, transferring, gifting, pledging, or otherwise disposing of the restricted stock awards in any manner.
- b) Attendance, proposals, speeches, and voting rights at shareholder meetings are all executed by the trust institution according to the contract.
- c) In addition to the aforementioned restrictions, employees granted restricted stock awards have the rights below prior to meeting the vested conditions, which include but are not limited to, dividends, bonuses, rights to allocation of capital reserves, and subscription rights for cash increases, which are the same as those for issued common shares of the company.

(III) After regular shareholder meetings approval for the aforementioned matters, the Board of Directors will set out regulations for issuing restricted stock awards according to relevant laws and regulations as a single process or multiple times. Shall there be any relevant amendments or adjustments by the competent authorities, the Board of Directors is fully authorized to handle relevant matters or other matters not covered.

(IV) The proposal is hereby submitted for discussion.

Resolution:

**Ad Hoc Motion**

**Adjournment**

# Attachment 1

## Business Report

### I. Operating status in 2024

#### (I) Result of the operational plan implementation

The 2024 consolidated net operating income is NT\$ 6,410,405 thousand, a decrease of 145% from that in 2023; the consolidated gross operating profit margin is 55.62%, an increase of 56% from that in 2023; the consolidated net operating profit is NT\$ 1,294,608 thousand, and the consolidated after-tax net profit is NT\$ 1,055,455 thousand; The consolidated EPS is NT\$ 14.30 per share, while the net value per shared is NT\$ 48.63

#### (II) Analysis of the financial expenses and receipts and profitability

##### 1. Financial expenses and receipts

The 2024 net consolidated operating income is NT\$ 6,410,405 thousand; a decrease of NT\$ 2,617,385 thousand compared with NT\$ 3,793,020 thousand in 2023. In terms of earnings, the 2024 net consolidated profit after tax is NT\$ 1,055,455 thousand, a decrease of NT\$ 168,042 thousand compared with a NT\$ 887,413 thousand net consolidated profit after tax in 2023.

##### 2. Analysis of profitability

Analysis Item			2023	2024
Analysis of profitability	Return on asset (%)		5.27%	20.61%
	Return on equity (%)		8.31%	36.81%
	Paid-in capital stock (%)	Operating profit	34.08%	170.34%
		Profit (loss) before tax	37.37%	187.14%
	Net profit margin (%)		6.42%	16.50%
	Basic Earnings per share (NTD)		2.53	14.30

Note: The calculation is based on the consolidated financial statements in 2024

### (III) R&D status:

#### 1. The business group of high-frequency connector

Most of the products developed and produced by the Company are classified as high-frequency connector, which have strict requirements for the stability and reliability of the products. The cable television and wired broadband industry are the major applications of various products. To respond to the rapid development of the industry, our technology R&D team improved the product design and development ability via utilizing the Company's resources and actively attending technology conferences held by each research institution. In addition, to be a leading company in the industry and correspond to the product demand of the global customers, we joined product standards institutes to grasp the latest standards of product specifications, develop and improve various products in a planned manner, and received the certifications

of the safety standard units and the customers in each country.

As for the aspect of product expansion, we deployed the products by adding new types of crimp coaxial connector, optoelectronic integrated product, high-frequency isolator, coaxial filter, high shielding jumper and new type of high-frequency connector for cell sites. Regarding the improvement of production efficiency, we promoted lean plans in all plants and introduced intelligent manufacturing and assembly to effectively improve the production efficiency and yield rate. As for the talent cultivation, we continued to implement the education training in each department to enhance the coherence and the multi-skill training of the employees.

## 2. Optical Communication

Our research and development mainly focused on three application markets of fixed broadband, data center and 5G fronthaul and backhaul. For the application of the fixed broadband, our developed products included the XG-PON BOSA on board program, XGS-PON ONU transceiver that entered mass production and 10G-EPON/XGS-PON OLT optical transceiver module that completed the sample submission. Products expected to be developed contains the combo PON to upgrade the coexistence flexibility of GPON /XG-PON and the XGS-PON ONU mini stick applied to the fiber to the home. This mini stick also applies to a wide range of scenarios in the industrial network connection.

For the application of the Data center, the development of QSFP-SR4 AOC was completed and introduced into production due to the new standard of increasing the 25Gbps Ethernet interface to 50Gbps and the demand of upgrading the data center from 100Gbps to 400Gbps. As for the R&D projects under planning, we had 400G QSFP-DD SR8 and SFP28-SR optical transceiver module.

For the 5G fronthaul and backhaul application, the related fronthaul products under developing were SFP28-LR and SFP28-BiDi optical transceiver module while backhaul product was the XGS-PON mini-ONU stick that applies to small cell backhaul. It enables the small cell to use existing passive optical network for backhaul.

Besides, to fasten the development of the aforementioned products, the R&D team constantly increases the capability of high-frequency circuit design, software and firmware integration and packaging and testing as well as the optimization of manpower to respond to the R&D demand and the challenges in the future.

## II. The outline of the operational plan in 2025

### (I) Business policies

1. Stabilizing the basis of existing customer and developing new customers in the targeted industry to expand the market share.
2. Continuing to promote standardized products and increase the commonality of each product to provide convenient designs that meets the cost benefit for customers.
3. Reinforcing the human resource cultivation and implementing the performance assessment.



4. Integrating the customer demand and the manufacturing technology of the critical part suppliers to shorten the R&D time and reduce the cost effectively during the R&D phase of new products.
5. Ensuring the product quality and promoting the service satisfaction of the customers.
6. Continuing to introduce automated equipment into the production to increase the production efficiency and decrease the human capital.

## (II) Operational objectives

### 1. The business group of high-frequency connector

The goal of the sales volume is estimated to be 67,062,540.

### 2. Optical communication

The goal of the sales volume is estimated to be 58,307,425.

## (III) Core policies on production and sales

1. Production policy: We continue to optimize the production process, increase the yield rate and shorten the product delivery time. We also form a manufacturing system with economies of scale and rationalized cost via the vertical integration.
2. Sales policy: We actively establish strategic alliance for marketing or partnerships with key customers to promote our core products and plan marketing project management based on the customer-oriented demand. In addition, we fully grasp market pulse information and consumer trends to respond to customers' diverse and timely product needs.

## III. The future development strategies of the Company

### (I) The business group of high-frequency connector

Along with the ever-changing communication networks, and the launch of the new specs related to the new broadband cable TV DOCSIS 4.0, the new responding technologies are researched and developed to catch the opportunities early when the generations of DOCSIS are replaced by the newer ones. Furthermore, regarding 5G mmWave and LEO satellites, the current technologies will be upgraded to the ultra-high frequency connectors and connecting cables for development, coping with the market of this communication field.

### (II) Optical communication

In terms of long-term development strategy, the Company will improve internal technology in response to market and technology trends, develop vertical technology integration and diversify products for the market and closely follow market trends, such as the demand for applications to the high-speed optical transceiver modules, including high-speed optical receiver modules for 5G wireless access networks, data centers, cloud computing and edge computing applications. Considering that future high-speed devices will be based on the PIC technology; the Company will focus its future technology development on the products and programs related to PIC packaging.

Also, the Company will extend the business opportunities of optoelectronic packaging technology in other application markets, such as laser scanning, the medical field, etc... The training and acquisition of new technology capabilities are through technical development cooperation with domestic and foreign customers and domestic industrial research institutions to establish stable and competitive product technologies. For technical R&D personnel and organization, in addition to continuously recruiting practiced R&D personnel in the market, the Company will also conduct comprehensive on-the-job training to strengthen the professional technology and project management capabilities of the current R&D personnel.

#### IV. Impact of the external competitive environment, regulation environment and the overall business environment

Due to the lingering Sino-US trade war, and the just-overcome COVID-19 global pandemic, the consumer market has ushered in a new era. The global economic model has been transformed by the reorganized consumption and supply chain worldwide. In addition, the vertical integration of some of the competitors has made the low-price war increasingly fierce. Despite the formidable challenges posed by the acquisition costs of key materials, inventory control, production efficiency and product delivery, the Company's management team and all employees will still adhere to their unrelenting spirit to break through the difficulties and adversity, and make every effort to achieve the Company's annual growth goals and friendly operations that meet the standards of ESG, and to create maximum profits for the shareholders and the Company.

EZconn Corporation

Chairman: CHEN STEVE

Managerial officer: Chang Ying-Hua

Accounting Manager: Chuang Kuo-An

## Attachment 2

### **EZconn Corporation 2024 Audit Committee's Review Report**

Among the 2024 business report, financial statements, and surplus distribution, etc. of the Company prepared and submitted by the Board of Directors, the financial statement has been jointly audited by Jeff Chen and Cheng-Hsiu Chang, CPAs from Deloitte & Touche, and the review report has been issued after we have examined the aforesaid business report, financial statements, and surplus distribution etc., we have found no discrepancy, the report is hereby issued pursuant to Article 14 of the Securities and Exchange Act and Article 219 of Company Act by the Audit Committee fro examination.

Sincerely,

EZconn Corporation 2025 Annual Shareholders' Meeting

Convener of the Audit Committee: Peng, Xie-Ru (signature)

March 7, 2025

## Attachment 3

### INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
EZconn Corporation

#### **Opinion**

We have audited the accompanying parent company only financial statements of EZconn Corporation (the “Company”), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the “parent company only financial statements”).

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2024 and 2023, and its parent company only financial performance and its parent company only 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 the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the parent company only financial statements for the year ended December 31, 2024 are described as follows:

#### Occurrence of Sales Revenue from Specific Products

The sales revenue in 2024 increased compared to that in 2023, with significant growth in sales revenue from specific products. Since sales revenue from specific products has a significant impact on the financial performance, we identified the occurrence of sales revenue as a key audit matter for the year ended December 31, 2024.

Refer to Notes 4 and 21 to the financial statements for the accounting policies, material accounting estimates and judgments, and other details on the information about sales revenue.

The main audit procedures we performed in response to the above-mentioned key audit matter are as follows:

1. We obtained an understanding of the design of the key controls over sales transactions, selected samples and tested the operating effectiveness of such controls.
2. We obtained the transaction details of the specific products, selected samples and examined the related transaction documents, and we confirmed that such transaction documents comply with the sales policies.
3. We checked for significant sales returns and discounts and for any abnormalities in the payments after the reporting period.

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

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

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

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

#### **Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements**

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2024 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 audits resulting in this independent auditors' report are Chun-Hung Chen and Cheng-Hsiu Chang.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 7, 2025

Notice 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 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 applied in the Republic of China.*

*For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.*

# EZCONN CORPORATION

## BALANCE SHEETS

DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

	2024		2023	
	Amount	%	Amount	%
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 2,261,104	31	\$ 721,490	21
Financial assets at amortized cost - current (Notes 4 and 9)	79,253	1	74,415	2
Notes receivable (Notes 4 and 10)	3,119	-	1,155	-
Trade receivables from unrelated parties (Notes 4 and 10)	913,554	13	403,200	12
Trade receivables from related parties (Notes 4, 9 and 29)	576	-	-	-
Other receivables from unrelated parties (Notes 4 and 10)	16,060	-	14,449	1
Inventories (Notes 4, 5 and 11)	994,292	14	466,480	14
Prepayments	41,581	1	41,545	1
Other current assets	9,707	-	1,335	-
Total current assets	4,319,246	60	1,724,069	51
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through profit or loss – non-current (Notes 4, 7 and 19)	3,700	-	-	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	425,994	6	89,386	3
Financial assets at amortized cost - non-current (Notes 4, 9 and 30)	3,343	-	2,309	-
Investments accounted for using the equity method (Notes 4 and 12)	1,307,493	18	786,916	23
Property, plant and equipment (Notes 4, 13 and 30)	944,401	13	382,051	11
Right-of-use assets (Notes 4 and 14)	24,797	1	11,620	1
Intangible assets (Notes 4 and 15)	16,129	-	2,524	-
Deferred tax assets (Notes 4 and 24)	105,410	2	109,328	3
Prepayments for equipment	10,958	-	706	-
Refundable deposits	1,398	-	2,968	-
Prepayments for building and land (Note 13)	-	-	280,000	8
Total non-current assets	2,843,623	40	1,667,808	49
<b>TOTAL</b>	<b>\$ 7,162,869</b>	<b>100</b>	<b>\$ 3,391,877</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 16)	\$ -	-	\$ 330,000	10
Notes payable (Note 17)	6	-	6	-
Trade payables to unrelated parties (Note 17)	181,714	3	107,713	3
Trade payables to related parties (Notes 17 and 29)	501,656	7	226,628	7
Other payables (Notes 18 and 29)	1,519,247	21	316,066	9
Current tax liabilities (Notes 4 and 24)	157,432	2	36,310	1
Lease liabilities - current (Notes 4 and 14)	7,445	-	6,868	-
Current portion of long-term borrowings (Notes 16 and 30)	-	-	12,000	-
Other current liabilities (Notes 4, 18 and 22)	60,430	1	52,917	2
Total current liabilities	2,427,930	34	1,088,508	32
<b>NON-CURRENT LIABILITIES</b>				
Bonds payable (Notes 4 and 19)	935,440	13	-	-
Long-term borrowings (Notes 16 and 30)	-	-	206,000	6
Deferred tax liabilities (Notes 4 and 24)	77,527	1	7,906	1
Lease liabilities - non-current (Notes 4 and 14)	17,588	-	5,192	-
Net defined benefit liabilities (Notes 4 and 20)	8,309	-	33,545	1
Total non-current liabilities	1,038,864	14	252,643	8
Total liabilities	3,466,794	48	1,341,151	40
<b>EQUITY (Notes 4 and 21)</b>				
Ordinary shares	760,000	11	663,000	19
Capital surplus	917,698	13	225,635	7
Retained earnings				
Legal reserve	286,369	4	276,278	8
Special reserve	81,457	1	117,072	4
Unappropriated earnings	1,783,791	25	850,197	25
Total retained earnings	2,151,617	30	1,243,547	37
Other equity	(133,240)	(2)	(81,456)	(3)
Total equity	3,696,075	52	2,050,726	60
<b>TOTAL</b>	<b>\$ 7,162,869</b>	<b>100</b>	<b>\$ 3,391,877</b>	<b>100</b>

The accompanying notes are an integral part of the financial statements.



# EZCONN CORPORATION

## STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
NET REVENUE (Notes 4, 22 and 29)	\$ 6,116,009	100	\$ 2,399,389	100
COST OF REVENUE (Notes 11, 20, 23 and 29)	<u>3,114,086</u>	<u>51</u>	<u>1,644,065</u>	<u>68</u>
GROSS PROFIT	<u>3,001,923</u>	<u>49</u>	<u>755,324</u>	<u>32</u>
OPERATING EXPENSES (Notes 10, 20, 23 and 29)				
Selling and marketing expenses	1,570,183	26	337,196	14
General and administrative expenses	522,991	8	164,406	7
Research and development expenses	71,745	1	73,010	3
Expected credit gain	<u>(62,096)</u>	<u>(1)</u>	<u>(5,087)</u>	<u>-</u>
Total operating expenses	<u>2,102,823</u>	<u>34</u>	<u>569,525</u>	<u>24</u>
PROFIT FROM OPERATIONS	<u>899,100</u>	<u>15</u>	<u>185,799</u>	<u>8</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 12, 19 and 23)				
Interest income	27,603	-	19,743	1
Other income	1,754	-	1,187	-
Other gains and losses	103,711	2	5,343	-
Share of profit of subsidiaries and associates accounted for using the equity method	302,317	5	8,856	-
Finance costs	<u>(14,652)</u>	<u>-</u>	<u>(12,594)</u>	<u>-</u>
Total non-operating income and expenses	<u>420,733</u>	<u>7</u>	<u>22,535</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	1,319,833	22	208,334	9
INCOME TAX EXPENSE (Notes 4 and 24)	<u>262,232</u>	<u>4</u>	<u>40,292</u>	<u>2</u>
NET PROFIT FOR THE YEAR	<u>1,057,601</u>	<u>18</u>	<u>168,042</u>	<u>7</u>
OTHER COMPREHENSIVE INCOME (Notes 4, 8, 20, 21 and 24)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	1,142	-	5,581	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	45,202	1	41,309	2

(Continued)

# EZCONN CORPORATION

## STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
Income tax relating to items that will not be reclassified subsequently to profit or loss	\$ (229)	-	\$ (9,168)	(1)
	<u>46,115</u>	<u>1</u>	<u>37,722</u>	<u>1</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	40,966	-	(10,086)	-
Income tax related to items that may be reclassified subsequently to profit or loss	(8,194)	-	2,017	-
	<u>32,772</u>	<u>-</u>	<u>(8,069)</u>	<u>-</u>
Other comprehensive income for the year, net of income tax	<u>78,887</u>	<u>1</u>	<u>29,653</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,136,488</u>	<u>19</u>	<u>\$ 197,695</u>	<u>8</u>
EARNINGS PER SHARE (Note 25)				
Basic	<u>\$ 14.30</u>		<u>\$ 2.53</u>	
Diluted	<u>\$ 14.23</u>		<u>\$ 2.52</u>	

The accompanying notes are an integral part of the financial statements.

(Concluded)

EZCONN CORPORATION

STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023  
(In Thousands of New Taiwan Dollars)

								Other Equity (Note 21)					
	Share Capital (Note 21)		Capital Surplus (Note 21)	Retained Earnings (Note 21)				Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Unearned Stock-based Employee Compensation	Total	Treasury Shares	Total Equity
	Share (In Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings	Total						
BALANCE AT JANUARY 1, 2023	69,300	\$ 693,000	\$ 234,872	\$ 243,893	\$ 117,072	\$ 920,911	\$ 1,281,876	\$ (88,935)	\$ (17,709)	\$ -	\$ (106,644)	\$ (110,853)	\$ 1,992,251
Cancelation of treasury shares	(3,000)	(30,000)	(9,247)	-	-	(71,606)	(71,606)	-	-	-	-	110,853	-
Exercising the right of imputation	-	-	10	-	-	-	-	-	-	-	-	-	10
Appropriation of 2022 earnings													
Legal reserve	-	-	-	32,385	-	(32,385)	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(139,230)	(139,230)	-	-	-	-	-	(139,230)
Net profit for the year ended December 31, 2023	-	-	-	-	-	168,042	168,042	-	-	-	-	-	168,042
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	4,465	4,465	(8,069)	33,257	-	25,188	-	29,653
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	172,507	172,507	(8,069)	33,257	-	25,188	-	197,695
BALANCE AT DECEMBER 31, 2023	66,300	663,000	225,635	276,278	117,072	850,197	1,243,547	(97,004)	15,548	-	(81,456)	-	2,050,726
Issuance of ordinary share for cash	9,300	93,000	437,100	-	-	-	-	-	-	-	-	-	530,100
Share-based payment transactions	400	4,000	162,863	-	-	-	-	-	-	(118,058)	(118,058)	-	48,805
Changes in ownership interests in subsidiaries	-	-	-	-	-	(3,384)	(3,384)	-	-	-	-	-	(3,384)
Equity component of convertible bonds issued by the company	-	-	67,534	-	-	-	-	-	-	-	-	-	67,534
Changes in capital surplus from investment in associates accounted for using the equity method	-	-	24,566	-	-	-	-	-	-	-	-	-	24,566
Appropriation of 2023 earnings													
Legal reserve	-	-	-	10,091	-	(10,091)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	(35,615)	35,615	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(158,760)	(158,760)	-	-	-	-	-	(158,760)
Net profit for the year ended December 31, 2024	-	-	-	-	-	1,057,601	1,057,601	-	-	-	-	-	1,057,601
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	-	913	913	32,772	45,202	-	77,974	-	78,887
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	-	1,058,514	1,058,514	32,772	45,202	-	77,974	-	1,136,488
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	11,700	11,700	-	(11,700)	-	(11,700)	-	-
BALANCE AT DECEMBER 31, 2024	76,000	\$ 760,000	\$ 917,698	\$ 286,369	\$ 81,457	\$ 1,783,791	\$ 2,151,617	\$ (64,232)	\$ 49,050	\$ (118,058)	\$ (133,240)	\$ -	\$ 3,696,075

The accompanying notes are an integral part of the financial statements.

# EZCONN CORPORATION

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 1,319,833	\$ 208,334
Adjustments for:		
Depreciation expense	40,301	47,373
Amortization expense	2,097	1,607
Expected credit loss reversed on trade receivables	(62,096)	(5,087)
Net gain on financial assets at fair value through profit or loss	(3,300)	-
Finance costs	14,652	12,594
Interest income	(27,603)	(19,743)
Dividend income	(273)	-
Compensation cost of share-based payment	44,914	-
Share of profit of subsidiaries and associates accounted for using the equity method	(302,317)	(8,856)
Loss on disposal of property, plant and equipment	548	732
Gain on lease modification	-	(1,433)
Write-down of inventories	36,553	39,491
Unrealized (gain) loss on foreign currency exchange	(2,682)	3,353
Reversal of provisions	-	(8,055)
Changes in operating assets and liabilities		
Notes receivable	(1,964)	2,020
Trade receivables from unrelated parties	(448,258)	155,579
Trade receivables from related parties	(576)	-
Other receivables from unrelated parties	(918)	4,154
Other receivables from related parties	-	1,500
Inventories	(564,365)	57,638
Prepayments	(36)	(29,341)
Other current assets	(8,372)	(714)
Notes payable	-	(26,482)
Trade payables to unrelated parties	74,001	(58,506)
Trade payables to related parties	275,028	55,019
Other payables	1,205,297	74,201
Other current liabilities	7,404	(3,021)
Net defined benefit liabilities	(24,094)	(5,346)
Cash generated from operations	1,573,774	497,011
Interest received	26,910	18,047
Dividend received	273	151,405
Interest paid	(15,176)	(12,395)
Income tax paid	(75,993)	(109,147)
Net cash generated from operating activities	<u>1,509,788</u>	<u>544,921</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	(310,000)	(18,000)

(Continued)

# EZCONN CORPORATION

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
Proceeds from sale of financial assets at fair value through profit or loss	\$ 18,593	\$ -
Purchase of financial assets at amortized cost	(144,572)	(262,220)
Proceeds from sales of financial assets at amortized cost	141,383	197,655
Acquisition of associate	(40,000)	-
Net cash outflow on acquisition of subsidiaries	(116,113)	-
Payments for property, plant and equipment	(302,761)	(16,301)
Proceeds from disposal of property, plant and equipment	28	28
Decrease in refundable deposits	1,570	72
Payments for intangible assets	(15,702)	(1,295)
Increase in prepayments for equipment	(21,574)	-
Increase in prepayment for building and land	<u>-</u>	<u>(280,000)</u>
Net cash used in investing activities	<u>(789,148)</u>	<u>(380,061)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	1,930,000	1,460,000
Repayments of short-term borrowings	(2,260,000)	(1,460,000)
Issuance of convertible bonds	999,590	-
Repayments of long-term borrowings	(218,000)	(12,000)
Repayment of the principal portion of lease liabilities	(7,956)	(13,631)
Cash dividends paid	(158,760)	(139,230)
Proceeds from issuance of ordinary shares	530,100	-
Exercising the right of imputation	-	10
Issuance of restricted employee shares	<u>4,000</u>	<u>-</u>
Net cash generated from (used in) financing activities	<u>818,974</u>	<u>(164,851)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,539,614	9
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>721,490</u>	<u>721,481</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 2,261,104</u>	<u>\$ 721,490</u>

The accompanying notes are an integral part of the financial statements.

(Concluded)

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
EZconn Corporation

### **Opinion**

We have audited the accompanying consolidated financial statements of EZconn Corporation and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and 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 material accounting policy information (collectively referred to as the “consolidated financial statements”).

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, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (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 the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the Group's consolidated financial statements for the year ended December 31, 2024 are described as follows:

#### Occurrence of Sales Revenue from Specific Products

The sales revenue in 2024 increased compared to 2023, with significant growth in sales revenue from specific products. Since sales revenue from specific products has a significant impact on financial performance, we identified the occurrence of sales revenue as a key audit matter for the year ended December 31, 2024.

Refer to Notes 4 and 23 of the consolidated financial statements for the accounting policies, material accounting estimates and judgments, and other details on the information about sales revenue.

The main audit procedures we performed in response to the above-mentioned key audit matter are as follows:

1. We obtained an understanding of the design of the key controls over sales transactions, selected samples and tested the operating effectiveness of such controls.
2. We obtained the transaction details of the specific products, selected samples and examined the related transaction documents, and confirmed that such transaction documents comply with the sales policies.
3. We checked for significant sales returns and discounts and for any abnormalities in the payments after the reporting period.

#### **Other Matter**

We have also audited the parent company only financial statements of EZconn Corporation as of and for the years ended December 31, 2024 and 2023 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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 for the year ended December 31, 2024 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 audits resulting in this independent auditors' report are Chun-Hung Chen and Cheng-Hsiu Chang.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 7, 2025

#### Notice to Readers

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

*For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.*

# EZCONN CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 2,673,758	38	\$ 1,000,415	30
Financial assets at amortized cost - current (Notes 4 and 9)	100,506	2	94,271	3
Notes receivable (Notes 4 and 10)	4,818	-	5,246	-
Trade receivables from unrelated parties (Notes 4 and 10)	990,178	14	440,962	13
Other receivables from unrelated parties (Notes 4 and 10)	21,420	-	17,102	1
Inventories (Notes 4, 5 and 11)	1,190,671	17	602,362	18
Prepayments	52,280	1	44,544	1
Other current assets	<u>12,927</u>	<u>-</u>	<u>4,336</u>	<u>-</u>
Total current assets	<u>5,046,558</u>	<u>72</u>	<u>2,209,238</u>	<u>66</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through profit or loss - non-current (Notes 4, 7 and 20)	3,700	-	-	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	425,994	6	89,386	3
Financial assets at amortized cost - non-current (Notes 4, 9 and 31)	3,343	-	2,309	-
Investments accounted for using the equity method (Notes 4 and 13)	88,264	1	39,900	1
Property, plant and equipment (Notes 4, 14 and 31)	1,106,253	16	556,492	17
Right-of-use assets (Notes 4 and 15)	155,843	2	33,649	1
Intangible assets (Notes 4 and 16)	20,096	-	7,591	-
Deferred tax assets (Notes 4 and 25)	119,791	2	125,218	4
Prepayments for equipment	56,850	1	988	-
Refundable deposits	4,517	-	3,046	-
Prepayments for building and land (Note 14)	<u>-</u>	<u>-</u>	<u>280,000</u>	<u>8</u>
Total non-current assets	<u>1,984,651</u>	<u>28</u>	<u>1,138,579</u>	<u>34</u>
<b>TOTAL</b>	<u>\$ 7,031,209</u>	<u>100</u>	<u>\$ 3,347,817</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 17)	\$ -	-	\$ 330,000	10
Notes payable (Note 18)	6	-	6	-
Trade payables to unrelated parties (Note 18)	297,045	4	187,396	6
Other payables (Note 19)	1,623,600	23	388,197	12
Current tax liabilities (Notes 4 and 25)	176,644	3	45,840	1
Lease liabilities - current (Notes 4 and 15)	14,877	-	8,090	-
Current portion of long-term borrowings (Notes 17 and 29)	-	-	12,000	-
Other current liabilities (Notes 4, 19 and 22)	<u>68,228</u>	<u>1</u>	<u>62,742</u>	<u>2</u>
Total current liabilities	<u>2,180,400</u>	<u>31</u>	<u>1,034,271</u>	<u>31</u>
<b>NON-CURRENT LIABILITIES</b>				
Bonds payable (Notes 4 and 20)	935,440	13	-	-
Long-term borrowings (Notes 17 and 29)	-	-	206,000	6
Deferred tax liabilities (Notes 4 and 25)	77,527	1	7,906	-
Lease liabilities - non-current (Notes 4 and 15)	122,214	2	6,113	-
Net defined benefit liabilities (Notes 4 and 21)	8,309	-	33,545	1
Other non-current liabilities	<u>9,337</u>	<u>-</u>	<u>9,256</u>	<u>1</u>
Total non-current liabilities	<u>1,152,827</u>	<u>16</u>	<u>262,820</u>	<u>8</u>
Total liabilities	<u>3,333,227</u>	<u>47</u>	<u>1,297,091</u>	<u>39</u>
<b>EQUITY (Notes 4 and 22)</b>				
Ordinary shares	<u>760,000</u>	<u>11</u>	<u>663,000</u>	<u>20</u>
Capital surplus	<u>917,698</u>	<u>13</u>	<u>225,635</u>	<u>7</u>
Retained earnings				
Legal reserve	286,369	4	276,278	8
Special reserve	81,457	1	117,072	4
Unappropriated earnings	<u>1,783,791</u>	<u>26</u>	<u>850,197</u>	<u>25</u>
Total retained earnings	<u>2,151,617</u>	<u>31</u>	<u>1,243,547</u>	<u>37</u>
Other equity	<u>(133,240)</u>	<u>(2)</u>	<u>(81,456)</u>	<u>(3)</u>
Total equity attributable to owners of the Company	<u>3,696,075</u>	<u>53</u>	<u>2,050,726</u>	<u>61</u>
<b>NON-CONTROLLING INTERESTS</b>	<u>1,907</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total equity	<u>3,697,982</u>	<u>53</u>	<u>2,050,726</u>	<u>61</u>
<b>TOTAL</b>	<u>\$ 7,031,209</u>	<u>100</u>	<u>\$ 3,347,817</u>	<u>100</u>

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

# EZCONN CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
NET REVENUE (Notes 4 and 23)	\$ 6,410,405	100	\$ 2,617,385	100
COST OF REVENUE (Notes 11, 21 and 24)	<u>2,845,229</u>	<u>44</u>	<u>1,686,998</u>	<u>64</u>
GROSS PROFIT	<u>3,565,176</u>	<u>56</u>	<u>930,387</u>	<u>36</u>
OPERATING EXPENSES (Notes 10, 21, 24 and 30)				
Selling and marketing expenses	1,586,002	25	350,379	13
General and administrative expenses	644,204	10	254,837	10
Research and development expenses	102,458	2	104,354	4
Expected credit gain	<u>(62,096)</u>	<u>(1)</u>	<u>(5,116)</u>	<u>-</u>
Total operating expenses	<u>2,270,568</u>	<u>36</u>	<u>704,454</u>	<u>27</u>
PROFIT FROM OPERATIONS	<u>1,294,608</u>	<u>20</u>	<u>225,933</u>	<u>9</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 13, 20 and 24)				
Interest income	35,461	-	25,200	1
Other income	1,931	-	9,727	-
Other gains and losses	121,241	2	16,144	1
Finance costs	(14,753)	-	(12,738)	-
Share of loss of associates accounted for using the equity method	<u>(16,202)</u>	<u>-</u>	<u>(16,513)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>127,678</u>	<u>2</u>	<u>21,820</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	1,422,286	22	247,753	10
INCOME TAX EXPENSE (Notes 4 and 25)	<u>366,831</u>	<u>5</u>	<u>79,711</u>	<u>3</u>
NET INCOME FOR THE YEAR	<u>1,055,455</u>	<u>17</u>	<u>168,042</u>	<u>7</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 8, 21 and 25)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	1,142	-	5,581	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	45,202	1	41,309	1

(Continued)

# EZCONN CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
Income tax relating to items that will not be reclassified subsequently to profit or loss	\$ (229)	-	\$ (9,168)	-
	<u>46,115</u>	<u>1</u>	<u>37,722</u>	<u>1</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	40,951	-	(10,086)	-
Income tax relating to items that may be reclassified subsequently to profit or loss	(8,194)	-	2,017	-
	<u>32,757</u>	<u>-</u>	<u>(8,069)</u>	<u>-</u>
Other comprehensive income for the year, net of income tax	<u>78,872</u>	<u>1</u>	<u>29,653</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,134,327</u>	<u>18</u>	<u>\$ 197,695</u>	<u>8</u>
NET INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the parent	\$ 1,057,601	16	\$ 168,042	6
Non-controlling interests	<u>(2,146)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,055,455</u>	<u>16</u>	<u>\$ 168,042</u>	<u>6</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the parent	\$ 1,136,488	18	\$ 197,695	8
Non-controlling interests	<u>(2,161)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,134,327</u>	<u>18</u>	<u>\$ 197,695</u>	<u>8</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 14.30</u>		<u>\$ 2.53</u>	
Diluted	<u>\$ 14.23</u>		<u>\$ 2.52</u>	

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

EZCONN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company (Note 22)														
								Other Equity							
	Share Capital		Capital Surplus	Retained Earnings				Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Unearned Stock-based Employee Compensation	Total	Treasury Shares	Total	Non-controlling Interests (Note 12)	Total Equity
	Share (In Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings	Total								
BALANCE AT JANUARY 1, 2023	69,300	\$ 693,000	\$ 234,872	\$ 243,893	\$ 117,072	\$ 920,911	\$ 1,281,876	\$ (88,935)	\$ (17,709)	\$ -	\$ (106,644)	\$ (110,853)	\$ 1,992,251	\$ -	\$ 1,992,251
Cancelation of treasury shares	(3,000)	(30,000)	(9,247)	-	-	(71,606)	(71,606)	-	-	-	-	110,853	-	-	-
Exercising the right of imputation	-	-	10	-	-	-	-	-	-	-	-	-	10	-	10
Appropriation of 2022 earnings															
Legal reserve	-	-	-	32,385	-	(32,385)	-	-	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(139,230)	(139,230)	-	-	-	-	-	(139,230)	-	(139,230)
Net profit for the year ended December 31, 2023	-	-	-	-	-	168,042	168,042	-	-	-	-	-	168,042	-	168,042
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	4,465	4,465	(8,069)	33,257	-	25,188	-	29,653	-	29,653
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	172,507	172,507	(8,069)	33,257	-	25,188	-	197,695	-	197,695
BALANCE AT DECEMBER 31, 2023	66,300	663,000	225,635	276,278	117,072	850,197	1,243,547	(97,004)	15,548	-	(81,456)	-	2,050,726	-	2,050,726
Issuance of ordinary share for cash	9,300	93,000	437,100	-	-	-	-	-	-	-	-	-	530,100	-	530,100
Share-based payment transactions	400	4,000	162,863	-	-	-	-	-	-	(118,058)	(118,058)	-	48,805	-	48,805
Changes in ownership interests in subsidiaries	-	-	-	-	-	(3,384)	(3,384)	-	-	-	-	-	(3,384)	-	(3,384)
Equity component of convertible bonds issued by the company	-	-	67,534	-	-	-	-	-	-	-	-	-	67,534	-	67,534
Changes in capital surplus from investment in associates accounted for using the equity method	-	-	24,566	-	-	-	-	-	-	-	-	-	24,566	-	24,566
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	4,068	4,068
Appropriation of 2023 earnings															
Legal reserve	-	-	-	10,091	-	(10,091)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	(35,615)	35,615	-	-	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(158,760)	(158,760)	-	-	-	-	-	(158,760)	-	(158,760)
Net profit (loss) for the year ended December 31, 2024	-	-	-	-	-	1,057,601	1,057,601	-	-	-	-	-	1,057,601	(2,146)	1,055,455
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	913	913	32,772	45,202	-	77,974	-	78,887	(15)	78,872
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	1,058,514	1,058,514	32,772	45,202	-	77,974	-	1,136,488	(2,161)	1,134,327
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	11,700	11,700	-	(11,700)	-	(11,700)	-	-	-	-
BALANCE AT DECEMBER 31, 2024	76,000	\$ 760,000	\$ 917,698	\$ 286,369	\$ 81,457	\$ 1,783,791	\$ 2,151,617	\$ (64,232)	\$ 49,050	\$ (118,058)	\$ (133,240)	\$ -	\$ 3,696,075	\$ 1,907	\$ 3,697,982

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

# EZCONN CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 1,422,286	\$ 247,753
Adjustments for:		
Depreciation expense	77,492	86,885
Amortization expense	4,165	3,664
Expected credit gain reversed on trade receivables	(62,096)	(5,116)
Net gain on financial assets and liabilities at fair value through profit or loss	(3,300)	-
Finance costs	14,753	12,738
Interest income	(35,461)	(25,200)
Dividend income	(273)	-
Compensation cost of share-based payment	44,914	-
Share of loss of associates accounted for using the equity method	16,202	16,513
Loss on disposal of property, plant and equipment	7,246	1,092
Gain on lease modification	-	(1,433)
Write-down of inventories	26,801	58,650
Reversal of provisions	-	(8,055)
Changes in operating assets and liabilities		
Notes receivable	428	(980)
Trade receivables from unrelated parties	(488,126)	185,563
Other receivables from unrelated parties	(3,632)	3,246
Other receivables from related parties	-	1,500
Inventories	(617,454)	138,752
Prepayments	(7,736)	(29,819)
Other current assets	(7,356)	9,459
Notes payable	-	(26,482)
Trade payables	109,649	(40,248)
Other payables	1,236,749	78,443
Other current liabilities	5,377	(3,502)
Net defined benefit liabilities	(24,094)	(5,346)
Cash generated from operations	1,716,534	698,077
Interest received	34,775	23,505
Dividend received	273	-
Interest paid	(12,293)	(12,539)
Income tax paid	(169,200)	(138,982)
Net cash generated from operating activities	<u>1,570,089</u>	<u>570,061</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	(310,000)	(18,000)
Proceeds from sale of financial assets at fair value through profit or loss	18,593	-
Purchase of financial assets at amortized cost	(165,572)	(282,433)
Proceeds from sales of financial assets at amortized cost	162,022	217,471

(Continued)

# **EZCONN CORPORATION AND SUBSIDIARIES**

## **CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)**

	<b>2024</b>	<b>2023</b>
Acquisition of associate accounted for using the equity method	\$ (40,000)	\$ -
Payments for property, plant and equipment	(317,053)	(20,947)
Proceeds from disposal of property, plant and equipment	1,655	3,763
(Increase) decrease in refundable deposits	(1,465)	108
Payments for intangible assets	(16,660)	(1,408)
Increase in prepayments for equipment	(77,331)	-
Increase in prepayments for building and land	<u>-</u>	<u>(280,000)</u>
Net cash used in investing activities	<u>(745,811)</u>	<u>(381,446)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	1,930,000	1,460,000
Repayments of short-term borrowings	(2,260,000)	(1,460,000)
Issuance of convertible bonds	999,590	-
Repayments of long-term borrowings	(218,000)	(12,000)
Repayment of the principal portion of lease liabilities	(9,179)	(14,834)
Increase (decrease) in other non-current liabilities	81	(381)
Cash dividends paid	(158,760)	(139,230)
Proceeds from issuance of ordinary shares	530,100	-
Change in non-controlling interests	4,068	-
Exercising the right of imputation	-	10
Issuance of restricted employee shares	<u>4,000</u>	<u>-</u>
Net cash generated from (used in) financing activities	<u>821,900</u>	<u>(166,435)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>	<u>27,165</u>	<u>(5,358)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,673,343</b>	<b>16,822</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u><b>1,000,415</b></u>	<u><b>983,593</b></u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u><b>\$ 2,673,758</b></u>	<u><b>\$ 1,000,415</b></u>

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

## Attachment 4

### **EZconn Corporation Surplus Distribution Statement**

2024

Unit: NT\$

Unappropriated Retained Earnings of Previous Years		716,961,487
Net Income of 2024	1,057,601,406	
Retained earnings adjusted due to equity method investments	(3,383,940)	
Disposal of investments in equity instruments at fair value through other comprehensive income, transferred directly to retained earnings	11,698,637	
Remeasurement of Defined Benefit Obligation	913,682	
Earnings in 2024 Available for Distribution		1,066,829,785
Appropriation of Legal Reserve (10%)		(106,682,979)
Reversal of Special Reserve		66,274,179
Retained Earnings Available for Distribution as of December 31, 2024		1,743,382,472
Distribution Item		
Cash Dividends		(653,601,746)

Chairman:

Manager:

Chief Accountant:



## Attachment 5

### EZconn Corporation

#### Comparison Table on Amendments to the “Articles of Association”

Before amendment	After amendment	Basis of amendment
<p>Article 24</p> <p>If the Company has any profit after the annual final account, it shall appropriate no less than 5% as the remuneration of employees and no more than 5% as the remuneration of directors. After the Board resolves for distribution, the Company shall pay taxes according to the law and appropriate 10% as the legal reserve; however, if the legal reserve reaches the paid-in capital of the Company, the appropriation is exempted. For the remaining balance, appropriate or reserve the special reserve according to the requirements of the competent authority, combine the balance with the accumulated undistributed earnings to serve as the amount available for the distribution of shareholders’ dividends of ordinary shares and preferred shares. The Board shall formulate the proposal for earning distribution and submit it to the shareholders’ meeting to resolve the distribution or preservation.</p> <p>(Omitted Below)</p>	<p>Article 24</p> <p>If the Company has any profit after the annual final account, it shall appropriate no less than 5% as the remuneration of employees and no more than 5% as the remuneration of directors, <u>in which the allocation of the remuneration of non-executive employees shall not be less than 10% of the total remuneration of employees in the preceding paragraph.</u> After the Board resolves for distribution, the Company shall pay taxes according to the law and appropriate 10% as the legal reserve; however, if the legal reserve reaches the paid-in capital of the Company, the appropriation is exempted. For the remaining balance, appropriate or reserve the special reserve according to the requirements of the competent authority, combine the balance with the accumulated undistributed earnings to serve as the amount available for the distribution of shareholders’ dividends of ordinary shares and preferred shares. The Board shall formulate the proposal for earning distribution and submit it to the shareholders’ meeting to resolve the distribution or preservation.</p> <p>(Omitted Below)</p>	<p>Paragraph 6, Article 14 of the “Securities and Exchange Act” was amended according to <i>Order Hua-Tsung-Yi-I-Tzu No. 11300069631</i> of the president dated August 7, 2024, the Company shall appropriate a certain ratio of the annual earnings as the adjustments to salaries or the distribution of remuneration of non-executive employees.</p>
<p>Article 28</p> <p>These Articles of Association was concluded on August 21, 1996.</p> <p>The first amendment was made on December 9, 2002.</p> <p>The second amendment was made on December 24, 2002.</p> <p>The third amendment was made on June 30, 2003.</p> <p>The fourth amendment was made on June 30, 2004.</p> <p>The fifth amendment was made on August 1, 2005.</p> <p>The sixth amendment was made on</p>	<p>Article 28</p> <p>These Articles of Association was concluded on August 21, 1996.</p> <p>The first amendment was made on December 9, 2002.</p> <p>The second amendment was made on December 24, 2002.</p> <p>The third amendment was made on June 30, 2003.</p> <p>The fourth amendment was made on June 30, 2004.</p> <p>The fifth amendment was made on August 1, 2005.</p> <p>The sixth amendment was made on</p>	<p>Added the date and times of amendment.</p>

Before amendment	After amendment	Basis of amendment
<p>September 3, 2007.</p> <p>The seventh amendment was made on November 15, 2012.</p> <p>The eighth amendment was made on December 7, 2012.</p> <p>The ninth amendment was made on May 13, 2013.</p> <p>The tenth amendment was made on May 15, 2015.</p> <p>The eleventh amendment was made on June 21, 2016.</p> <p>The twelfth amendment was made on June 10, 2019.</p> <p>The thirteenth amendment was made on June 24, 2020.</p> <p>The fourteenth amendment was made on July 22, 2021.</p> <p>The fifteenth amendment was made on June 27, 2022.</p> <p>The sixteenth amendment was made on June 6, 2023.</p>	<p>September 3, 2007.</p> <p>The seventh amendment was made on November 15, 2012.</p> <p>The eighth amendment was made on December 7, 2012.</p> <p>The ninth amendment was made on May 13, 2013.</p> <p>The tenth amendment was made on May 15, 2015.</p> <p>The eleventh amendment was made on June 21, 2016.</p> <p>The twelfth amendment was made on June 10, 2019.</p> <p>The thirteenth amendment was made on June 24, 2020.</p> <p>The fourteenth amendment was made on July 22, 2021.</p> <p>The fifteenth amendment was made on June 27, 2022.</p> <p>The sixteenth amendment was made on June 6, 2023.</p> <p>The seventeenth amendment was made on May 28, 2025.</p>	

## Attachment 6

### **EZconn Corporation**

#### **Assessment Opinion of the Necessity and Reasonableness for the Private Placement of Ordinary Shares or Preferred Shares or Private Placement of Convertible Corporate Bonds**

**February 24, 2025**

## **EZconn Corporation**

### **Assessment Opinion of the Necessity and Reasonableness for the Private Placement of Ordinary Shares or Preferred Shares or Private Placement of Convertible Corporate Bonds**

EZconn Corporation (“EZconn” or the “Company”) intends to resolve to approve the proposal for a capital increase in cash through the private placement of ordinary shares or preferred shares within the limit of no more than 20,000,000 shares or the private placement of domestic convertible corporate bonds (the number of ordinary shares that can be converted into shall be within the scope of 20,000,000 shares above) (the “Private Placement”) at the Board meeting on March 7, 2025, and it is estimated to be made in one to three batches within one year from May 28, 2025, the day on which the annual shareholders’ meeting resolve to approve). According to “Directions for Public Companies Conducting Private Placements of Securities,” if there has been, is, or will be any significant change in managerial control during the period from one year preceding the day on which the Board resolves on the private placement to one year from the delivery date of those privately placed securities, the Company shall engage a securities underwriter to provide an assessment opinion on the necessity and reasonableness for conducting the private placement and shall state the opinion in the notice to convene the shareholders' meeting to serve as a reference for the shareholders to decide whether to agree. According to the data on the proposal at the Board meeting, the total number of shares to be issued under the Private Placement shall not exceed 20,000,000 shares. After the full issuance (conversion), they shall account for 20.83% of the issued share capital after the capital increase. In addition, the current session of the Board of the Company will have full re-election upon the expiry of the term of office on June 5, 2026; therefore, there is no conclusion on whether the private placement will cause any significant change in managerial control. The assessment opinion of the securities underwriter is described as follows:

The content of the letter of opinion is only to serve as a reference for the private placement in 2025 and may not be used for other purposes. The letter of opinion is based on the content of the proposal for a private placement at the Board meeting convened on March 7, 2025 provided by the Company, the announced information on MOPS it obtained, and the impacts of possible changes in the content of the letter of opinion due to changes in the private placement plan or other circumstances on the Company, and it is hereby stated that the letter of opinion bears no legal responsibility.

#### **I. Corporate Profile**

EZconn was established on September 4, 1996 and listed on July 14, 2015. The scope of business of the Company is the R&D, production, and sales of optical communication products (optical active and passive components) and high-frequency RF connectors, which accounted for 90% of its operating income in the first three quarters of 2024. The terminal application of optical active components is in the fiber-optic network infrastructure, the terminal application of optical passive components is in data centers, and the terminal application of high-frequency connectors is in cable TVs and broadband cable market. The Company’s paid-in capital at present is NT\$760,000. The condensed financial data for the most recent two years and the latest period are shown as follows:

## Consolidated Balance Sheet

Unit: NT\$ thousand

Item	2022	2023	The First Three Quarters of 2024
Operating Income	2,940,188	2,617,385	3,909,414
Gross Profit (Loss)	935,221	930,387	2,211,369
Operating (Loss) [Gain]	289,926	225,933	842,396
Non-Operating Income (Expenditure)	136,450	21,820	26,342
(Loss) Profit Before Tax	426,376	247,753	868,738
Net (Loss) Profit of The Period	321,665	168,042	624,074

Source: The consolidated financial statements of the Company that are audited and certified or reviewed by CPAs

## II. Content of the Private Placement Plan

To actively create profitability sources and competitive niche, taking into account the timeliness, convenience, issuance costs, and feasibility of fundraising, equity stability, and uncertainties in the capital market, EZconn intends to carry out a capital increase in cash through the private placement of ordinary shares or preferred shares, or the private placement of domestic convertible corporate bonds according to Article 43-6 of the Securities and Exchange Act to conduct the placement in one to three batches within one year from the resolution day of the shareholders' meetings with the total number of shares to be issued not exceeding 20,000,000 shares. The basis for the price setting of the private placement is described as follows:

### (I) Private placement of ordinary shares

For the private placement of ordinary shares, the issuance price per share shall adopt no less than 80% of the reference price as the basis for setting the price for the private placement. The reference price shall be set based on the higher of the following two calculations: (1) The simple average closing price of the common shares of the TWSE listed or TPEx listed company for either the 1, 3, or 5 business days before the pricing date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction; (2) the simple average closing price of the common shares of the TWSE listed or TPEx listed company for the 30 business days before the pricing date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.

### (II) Private placement of preferred shares

1. For the private placement of preferred shares, the issuance price shall adopt no less than 80% of the theoretical price as the basis for setting the price for the private placement.
2. The theoretical price is a securities price calculated based on an appropriate pricing model that is selected in consideration of the various rights under the issuance conditions. The pricing model shall, as a whole, encompass and include the concurrent consideration of the various rights included in the terms of issuance. Any right not included for consideration within the model shall be excluded from the terms of issuance.
3. The issuance conditions for the private placement of preferred shares shall be subject to relevant requirements in the Articles of the Company at the time of issuance.

### (III) Private placement of domestic convertible corporate bonds

1. Par value per bond: NT\$100,000 or its integer multiples.

2. Issuance period: No more than seven years from the issuance date.
3. Coupon rate: 0%
4. The issuance price for the private placement of domestic convertible corporate bonds shall be no less than 80% of the theoretical price. The theoretical price shall be established based on the pricing model that is selected in consideration of the various rights under the issuance conditions. The conversion price shall be set based on 80% of the higher of the following two calculations: (1) The simple average closing price of the common shares of the TWSE listed or TPEX listed company for either the 1, 3, or 5 business days before the pricing date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction; (2) the simple average closing price of the common shares of the TWSE listed or TPEX listed company for the 30 business days before the pricing date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.

The pricing date and issuance price shall be submitted to the shareholders' meeting to authorize the Board to determine, subject to the status of confirmed specific persons and market conditions subsequently, within the scope of the ratio resolved by the shareholders' meeting.

### **III. Assessment of the necessity and reasonableness of the Private Placement**

EZcoon intends to carry out a domestic capital increase in cash through the private placement of ordinary shares or preferred shares or the private placement of domestic convertible corporate bonds. The capital use of each batch and the benefits achieved are to enrich working capital or repay bank borrowings. The total number of shares to be issued shall not exceed 20,000,000 shares, and the Board will be authorized for arrangements after it is resolved at the shareholders' meeting on May 28, 2025. The necessity and reasonableness for the private placement of the Company are described as follows:

#### **(I) Assessment of the necessity for the private placement**

The main products of EZconn can be divided into optical communication products and high-frequency connectors (RF-related products). Optical communication products include optical transceiver modules, fiber-optic transceiver components (sub-modules), fiber-optic patch cords, and optical connectors. RF connectors include coaxial connectors and relevant parts, cable parts, filters, and isolators.

Cloud utilization emerged in recent years, and the concepts of establishing data centers and IoT continued to develop. The requirements of enterprises and consumers for big data transmission and storage have significantly increased, making the U.S., Japan, Mainland China, and other countries actively make arrangements for fiber-optic network infrastructure in response to the transmission requirements of multi-media, audio and video, and big data that continuously to increase. The development trends of optical communication products focus on FTTH network services, wireless optical communication, next-generation data center exchange networks, and HPC. According to Omdia, the product value of optical communication components will grow from US\$11.401 billion in 2024 to US\$36.238 billion in 2029, with a CAGR reaching 21%. In terms of high-frequency connectors, the transmission requirements of high-frequency signals will bring about the overall technology upgrades and value and volume increase of the RF connector industry with the coming of the 5G era. The development trends of high-frequency connector products focus on the application to vehicles, communication equipment, and consumer electronics. According to the forecast of Global Information, it is estimated that the scale of the global connector market will grow by US\$22.67 billion from 2023 to 2028, with a CAGR reaching 6.48%. The consolidated operating income of the Company in 2022, 2023, and the first three quarters of 2024 was NT\$3.9 billion, NT\$2.617

billion, and NT\$3.909 billion, respectively. As compared to the scale of the overall industrial market, there are spaces to grow regarding the momentum of the Company's operating income.

To satisfy the long-term operating and development requirements, the Company intends to introduce strategic investors through Private Placement in the hope of assisting the Company in improving its competitive strength, leveraging the experiences and technologies of strategic investors. In addition, the capital of the Private Placement is used to enrich working capital or repay bank borrowings, which is estimated to reinforce the financial structure, improve the flexible space for the use of capital, and help the stable growth of the Company's operations, having positive benefits for shareholders' rights and interests. Considering the timeliness, convenience, issuance costs, feasibility of fundraising, equity stability, and uncertainties in the capital market, it may be difficult to obtain the capital required within a short period of time successfully if carrying out fundraising through the public offering of securities. Also, the restriction that the securities under a private placement may not be transferred within three years is beneficial for the Company to establish long-term cooperation relationships with strategic investors; therefore, it is necessary for the Company to carry out the capital increase through the private placement of ordinary shares or preferred shares, or the private placement of domestic convertible corporate bonds.

## (II) Assessment of the reasonableness for the private placement

The Company intends to discuss the Private Placement at the Board meeting on March 7, 2025 and report it at the annual shareholders' meeting on May 28, 2025 for resolution and approval. After reviewing the data on the proposal for the Board meeting prepared for the Private Placement by the Company, the discussion content of the proposal, issuance procedures, pricing method, and the selection method of counterparties of the private placement comply with the Securities and Exchange Act and relevant laws and regulations, and there is no material anomaly. As the Company recorded net profit after tax in the most recent year and has no accumulated loss, the capital from the private placement shall be fully used in introducing strategic investors according to relevant regulations in the hope of assisting the Company in technology improvement, quality improvement, cost reduction, efficiency enhancement, market expansion, and assisting the Company's sustainable management and development, leveraging the experiences, technologies, or knowledge of strategic investors.

In addition, the main financing channel of the Company is financial institutions at present. To reduce the reliance on financial institutions, it intends to strengthen the financial structure of the Company, save interest expenditures, improve the Company's operational competitiveness, and increase the flexible use of capital with long-term, stable capital raised from the Private Placement. Overall, it is reasonable for the Company to carry out the Private Placement.

## IV. Assessment of Subscribers and significant changes in managerial control

### (I) Selection of Subscribers and the Assessment of the Feasibility and Necessity

#### 1. Selection of Subscribers

According to the data on the proposal at the Board meeting on May 7, 2025, Subscribers of the Private Placement of the Company will select specific persons, limited to strategic investors and those who are expected to have direct or indirect help to the future operation and development of the Company, in accordance with Article 43-6 of the Securities and Exchange Act and Letter *Chin-Kuan-Cheng-Fa-Tzu No. 1120383220* of the FSC dated September 12, 2023.

#### 2. Feasibility and Necessity of Subscribers

Considering sustainable corporate management and development, expansion of market layout, the improvement in competitive strength, and the creation of long-term value for shareholders, the Company intends to learn the technologies and industry operating capabilities and, in turn, improve its overall competitiveness, leveraging the experiences of Subscribers and their understanding of the market. Furthermore, as compared to a public offering, the restriction that the securities under a private placement may not be transferred within three years will further ensure the long-term cooperation relationships with strategic investors between EZconn and strategic investors, which is beneficial for the stable operation of the Company and shall have positive benefits on the business and finance of the Company and shareholders' rights and interest. Therefore, the feasibility and necessity for introducing strategic investors under the Private Placement shall be reasonable.

- (II) Examination of significant changes in managerial control one year before the resolution of the Board for the private placement

After examining the minutes of the 2024 annual shareholders' meeting of the Company and making inquiries on MOPS, there was no change in directors of the Company one year before the resolution of the Board for the private placement; therefore, there was no significant change in managerial control one year before the resolution of the Board for the private placement in paragraph 3, Article 4 of the "Directions for Public Companies Conducting Private Placements of Securities."

- (III) Assessment of whether there are any significant changes in managerial control after introducing strategic investors under the private placement

The total number of shares from the private placement of ordinary shares or preferred shares or the private placement of domestic convertible corporate bonds shall not exceed 20,000,000 shares. After the full issuance (conversion), they shall account for 20.83% of the issued share capital after the capital increase. In addition, the current session of the Board of the Company will have full re-election upon the expiry of the term of office on June 5, 2026; therefore, there is no conclusion on whether the private placement will cause any significant change in managerial control.

- (IV) Impacts of the private placement on the business and finance of the Company and shareholders' rights and interests

1. Impacts on the Company's business

In response to the growth in the requirements of the industry, the Company intends to carry out fundraising by way of a private placement to introduce strategic investors who may have direct or indirect help to the future operation of the Company through the Private Placement so as to ensure the long-term cooperation relationships between the Company and investment partners in the hope of improving the vertical and horizontal integration in the industry, improving production technologies, improving quality, expanding the market, or jointly developing markets or products through the cooperation with strategic investors in order to enhance the overall competitiveness; therefore, the private placement shall have positive benefits for the business development of the Company.

2. Impacts on the Company's finance

The total number of shares to be issued under the private placement of ordinary shares or preferred shares or the private placement of domestic convertible corporate bonds shall not exceed 20,000,000 shares, and the establishment of the price of the private placement shall not be lower than the reference price or 80% of the theoretical price. The capital raised



from the private placement can increase the self-owned capital ratio of the Company and strengthen the financial structure of the Company so as to minimize the financial and operating risks of the Company; therefore, the Private Placement shall have positive benefits for the finance of the Company.

3. Impacts on shareholders' rights and interests

The capital from the Private Placement of the Company is used in enriching working capital and repaying bank borrowings, which is beneficial for enhancing the financial structure, saving interest expenditures, and improving the operating achievements of the Company; therefore, the Private Placement shall have positive benefits for shareholders' rights and interests.

**V. Conclusion**

According to the above, EZconn Corporation intends to carry out a private placement of ordinary shares or preferred shares or the private placement of domestic convertible corporate bonds to introduce strategic investors to respond to the requirements for long-term operation and development in the future. It is estimated to improve the Company's financial structure, and the important purpose is to introduce strategic investors to achieve long-term stable cooperation relationships with strategic investors for enhancing the Company's competitiveness and improving its operating performance, which shall have positive benefits to the business and finance of the Company and shareholders' rights and interests. After making an assessment according to "Directions for Public Companies Conducting Private Placements of Securities," the Private Placement of the Company has its necessity and reasonableness.

**IBF Securities Co., Ltd.**

**Name of Representative: President CHANG, YU-CHI**

**February 24, 2025**

## Statement of Independence

The company is engaged by EZconn Corporation (“EZconn”) to issue a letter of assessment opinion for the necessity and reasonableness of the private placement of ordinary shares or preferred shares or the private placement of domestic convertible corporate bonds in 2025.

When engaging in the abovementioned business, the company hereby states that none of the following circumstances exist:

1. The company is not an investee invested by EZconn under the equity method.
2. The company is not an investment company that invests in EZconn under the equity method.
3. The chairman or president of the company and the chairman or president of EZconn are not the same person and are not spouses or relatives within the second degree of kinship.
4. The company is not a director or supervisor of EZconn.
5. EZconn is not a director or supervisor of the company.
6. Apart from the abovementioned circumstances, the company and EZconn are not related parties as specified in Article 18 of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Regarding the assessment opinion for the necessity and reasonableness for the private placement of ordinary shares or preferred shares, or the private placement of domestic convertible corporate bonds by EZconn, the letter of assessment opinion proposed by the company maintains the spirit of independence.

IBF Securities Co., Ltd.

Name of Representative: President CHANG, YU-CHI

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(Only limited to the use as the assessment opinion of a securities underwriter for the private placement of domestic convertible corporate bonds by EZconn Corporation in 2025)

## Appendix 1

# Articles of Association of EZconn Corporation

### Chapter 1: General Principles

Article 1: The Company is incorporated pursuant to the regulations of the Company Act and is named as EZconn Corporation

Article 2: Businesses operated by the Company are as follows:

1. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing
2. CC01060 Wired Communication Mechanical Equipment Manufacturing
3. CC01070 Wireless Communication Mechanical Equipment Manufacturing
4. CC01080 Electronics Components Manufacturing
5. CC01100 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing
6. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing
7. CD01030 Motor Vehicles and Parts Manufacturing
8. CD01040 Motorcycles and Parts Manufacturing
9. CF01011 Medical Devices Manufacturing
10. CC01110 Computer and Peripheral Equipment Manufacturing
11. CQ01010 Mold and Die Manufacturing
12. CZ99990 Manufacture of Other Industrial Products Not Elsewhere Classified
13. F106030 Wholesale of Molds
14. F108031 Wholesale of Medical Devices
15. F113020 Wholesale of Electrical Appliances
16. F113030 Wholesale of Precision Instruments
17. F113070 Wholesale of Telecommunication Apparatus
18. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories
19. F119010 Wholesale of Electronic Materials
20. F206030 Retail Sale of Molds
21. F208031 Retail Sale of Medical Apparatus
22. F213060 Retail Sale of Telecommunication Apparatus
23. F219010 Retail Sale of Electronic Materials
24. F601010 Intellectual Property Rights
25. F401010 International Trade
26. I501010 Product Designing
27. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The headquarters of the Company is in New Taipei City, when necessary; the branch may be incorporated both at home and abroad with the board resolution and approval of the competent authority.

Article 4: The Company may provide guarantees externally according to business needs.

Article 5: The Company may make investments to external parties according to business necessity and may become the limited partner of other companies per board resolution, and the total investment amount thereof may not be restricted by relevant reinvestment quotas as provided in Article 13 of the Company Act.

## **Chapter 2 Shares**

Article 6: The paid-in capital of the Company is NT\$1 billion in 100 million shares with a nominal amount par value of NT\$10 per share. The Board of Directors is authorized to issue them in batches. the shares issued may be divided into ordinary shares and preferred shares, NT\$100 million is reserved from the total paid-in capital in the preceding paragraph for the exercise of stock option when issuing the stock option certificate, warrant bond and preferred shares with warrants etc., dividing into a total of 10 million shares with NT\$10 per share, and it may be issued in batches.

Article 6-1: The rights and obligations attached to the preferred shares of the Company and other material conditions set for the issue are as follows:

1. In case of any surplus after annual accounting, the Company shall pay the taxes in accordance with the law and offset the accumulated losses before setting aside an amount for legal/special reserve and reversing the special reserve as required by laws. The remaining amount, if any, may be used in the distribution of dividends of the preferred shares of the year.
2. The annual rate of the dividends of per preferred share calculated based on the issue price shall not exceed 8%. The dividends shall be distributed in cash once a year on the base date set by the Board of Directors or by Chairman after being authorized by the Board of Directors. The dividends of the year of issuance and the year of recovery shall be calculated pro rata based on the number of days of issuance of the year. The issuance date shall be defined as the capital increase base date of the issuance of the preferred shares.
3. The dividends for preferred shares shall be distributed at the discretion of the Company. In case of no surplus or that the surplus is insufficient for the said distribution of dividends for the preferred shares, the Company may adopt a resolution and elect not to distribute dividends. In this case, the non-performance shall by no means be deemed as a breach of contract. If the preferred shares issued are non-accumulative, the undistributed dividends or unpaid amount due to insufficient surplus will not be deferred to the subsequent surplus years.
4. Except for the dividends set out in Subparagraph 2 of this Article, the preferred shareholders shall be excluded from the distribution in relation to surplus or APIC in cash or in the form of capitalization for ordinary shares if the preferred shares issued are non-participating.
5. Where the Company issues new shares in cash, the preferred shareholders and ordinary shareholders shall both be entitled to the same preemptive right.
6. For distribution of the Company's remaining assets, being inferior to all creditors, the preferred shareholders shall be in the same order as the holders of other preferred shares issued by the Company and have priority over the ordinary shareholders, provided that the amount distributed shall not exceed the sum calculated based on the number of outstanding preferred shares at the issue price at the time of distribution.
7. The preferred shareholders shall have the right to vote at the meetings of ordinary shareholders and may be elected as a director. They shall also have the right to vote at the meetings of preferred shareholders or meetings convened for matters regarding the rights and obligations of the preferred shareholders.
8. Where the preferred shares issued by the Company are convertible, the shares issued shall not be converted within three years from the date of issuance. The Board of Directors is authorized to otherwise determine the period during which the shares

may be converted as one of the conditions of issue. The holders of convertible preferred shares may apply for converting part or all of their preferred shares at the conversion ratio of one preferred share to one ordinary share (the conversion ratio shall be 1:1) according to the conditions of issue. After the conversion of convertible preferred shares into ordinary shares, the rights and obligations attached hereto shall be the same as those of ordinary shares. For the distribution of dividends of preferred shares converted, the amount shall be calculated pro rata based on the ratio of the number of days of issuance to the number of days of the year. However, the preferred shares that have been converted into ordinary shares before the ex-dividend base date set for the distribution of dividends of the year shall neither be included in the distribution of dividends of the preferred shares of the year nor the distribution of dividends in the subsequent years, provided that they may be included in the distribution of dividends of ordinary shares and APIC of the year. Generally, the dividends of the year shall be distributed either for the preferred shares or for the ordinary shares.

9. The preferred shares have no maturity date, nor shall the holders have right to ask the Company to redeem the preferred shares held by them. However, the Company may redeem all or part of the preferred shares at the original issue price at any time starting on the next day after the end of a 3-year period from the date of issue. The rights and obligations attached to the unredeemed preferred shares under the conditions of issue mentioned above shall remain unchanged. Should the Company decide to distribute dividends of the year, the dividends shall be calculated pro rata based on the number of days of issuance before the redemption.
10. The APIC of preferred shares issued at premium shall not be capitalized during the issuance period of the preferred shares.
11. The preferred shares shall not be listed for trading during the issuance period. However, in the case that all or part of the shares has been converted into ordinary shares, the Board of Directors is authorized to apply to the competent authority for listing and trading of ordinary shares in accordance with the relevant regulations whenever it finds appropriate.
12. The Board of Directors is authorized to otherwise determine the name, issue date, specific conditions of issue and other matters relevant to the preferred shares in accordance with the "Articles of Association" of the Company and relevant laws and regulations after considering the capital market and the intention of investors at the time of issue.

Article 7: Where the Company plans to transfer the shares bought back pursuant to law to the employees, and it is planned to transfer them to employees at a price lower than the average price in actual shares buyback pursuant to relevant laws and decrees, then it shall only be handled after the resolution by the last Shareholders' Meeting.

Pursuant to Article 56-1 of "Guidelines for Issuer to Raise and Issue Negotiable Securities," when the issuing subscription price of the Company is not restricted by the employee stock option certificate as stipulated in Article 53 of "Guidelines for Issuer to Raise and Issue Negotiable Securities," it shall only be handled after the resolution by the last Shareholders' Meeting.

The shares of the Company are registered shares signed or sealed by the director representing the company, and they will be issued after certification by the bank and may act as the stock issue certifier pursuant to law. The shares issued by the Company may be exempted from printing share certificates, but they shall be registered in a centralized securities depository enterprise.

Provisions in the preceding paragraph are applicable to the production and issue of corporate

bonds.

Measures for handling the stock affairs of the Company are subject to relevant laws and decrees and the regulations of competent authority.

Article 8: The registration of share transfer shall not be carried out within thirty days before General Meeting, within fifteen thirty days before Interim Shareholders' Meeting, or within five days before the base date on which the Company decides to distribute dividends and bonuses or other benefits.

### **Chapter 3 Shareholders' Meeting**

Article 9: There are two types of shareholders' meetings: regular meetings and special meetings. The former shall be held annually within six months after the end of the fiscal year, and the latter shall be held whenever necessary in accordance with relevant laws and regulations.

The shareholders shall be given a 30-day notice of regular meetings. For special meetings, the Company shall inform the shareholders of the date, place, and reason for convening the meeting at least 15 days before the meeting.

A meeting of preferred shareholders may be convened in accordance with relevant laws and regulations if necessary.

The Company's shareholders' meetings may be held through video conferencing or in a manner designated by the central competent authority.

Article 10: When a shareholder cannot attend the Shareholders' Meeting for a reason, such shareholder may issue a power of attorney printed by the Company to specify the scope of authorization to appoint the proxy to attend.

Article 11: Apart from the shares without voting right as prescribed in Article 179 Company Act, shareholders of the Company have one voting right for each share.

Article 12: Unless otherwise prescribed by relevant laws and decrees, the resolution of the Shareholders' Meeting shall be agreed by more than half of the voting rights of the shareholders attending in person or by proxy and representing more than half of the total shares issued.

According to the regulations of the competent authority, shareholders of the Company may also exercise the voting right electronically; shareholders exercising the voting right electronically will be deemed as attending in person, and relevant matters thereof shall be subject to laws and decrees.

Article 13: The Shareholders' Meeting shall be convened by the Chairman, and the Chairman is the chairperson; when the Chairman is absent, the Chairman may designate one director as the proxy; if not, directors may elect one person as the proxy; if the Shareholders' Meeting is convened by another entitled convenor other than the Board of Directors, such entitled convenor shall act as the chairperson, when there are more than two entitled convenors, one of them shall be mutually designated to preside.

Article 14: All resolutions of a Shareholders' Meeting shall be recorded in the minutes signed or sealed by the chairperson of the Shareholders' Meeting, and the minutes shall be distributed to the shareholders within twenty days after the meeting. The distribution of minutes in the preceding paragraph may be made by announcement.

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

Article 15: The Company sets five to nine directors with three years of the term of office, they will be elected by the Shareholders' Meeting from the persons with disposing capacity, and reappointment is acceptable if re-elected.

Among the aforesaid seats of directors, the number of independent directors shall be at

least two and no less than one-fifth of the total seats of directors. The qualification, shareholding, concurrent position restriction, nomination, election methods, and other matters of compliance shall be subject to relevant requirements of the competent authority of securities. Independent directors and non-independent directors shall be elected concurrently, and the election quota will be calculated separately.

Independent directors and non-independent directors shall be elected concurrently, and the election quota will be calculated separately.

The total shareholding ratio of

Article 15-1: For the election of directors, every share shall have the right to vote equivalent to the number of directors that should be elected, it may elect one person intensively or elect several persons respectively, and the ones representing votes will be elected.

Article 16: When the director's number of vacancies reaches to one-third of the total number or all independent directors are removed, the Board of Directors shall convene the extraordinary Shareholders' Meeting within thirty days for the by-election, and the term of office thereof is limited to make up the term of office of the original directors.

The Company may buy liability insurance for the directors within their term of office for the compensation liability borne within their scope of business execution.

When the term of the directors expires, and by-election may be arranged in time, extend the director's term of office until the assuming of office by the re-elected directors.

Article 17: The Board of Directors may elect a Director as Chairman and a Director as Vice Chairman at a meeting attended by more than two-thirds of the Directors after being approved by the majority of the Directors present. For external affairs, Chairman shall serve as the representative of the Company. Absence of Chairman due to personal leave or whatever reason shall be handled in accordance with Article 208 of the Company Act.

The members of the Board of Directors shall be notified of the meeting in writing, by e-mail, by fax, or through messaging software.

Where a director is unable to attend the meeting of the Board of Directors for whatever reason, he/she may appoint another director as his/her agent by preparing a letter of authorization specifying the scope of authority in regard to the cause of the convention. However, a Director may only represent one other Director.

Directors who attend a meeting through video conferencing shall be deemed to have been present in person.

Article 18: Unless otherwise prescribed by Company Act, the resolution of the Board of Directors shall be agreed upon by the majority of attending shareholders at a meeting attended by the majority of shareholders.

Article 19: The Company established its Audit Committee according to Article 14-4 of the Securities and Exchange Act, which comprised all Independent Directors. The Committee is responsible for executing the function of supervisors required by the Company Act, the Securities and Exchange Act, and other laws and regulations. Members, the exercise of functions, and other matters of the Audit Committee to be observed shall comply with relevant laws and regulations, and the organization regulation shall be otherwise formulated by the Board of Directors.

To strengthen the supervisory function and reinforce the management mechanisms, other functional committees may be established in due course according to the requirements of the Company.

Article 20: For the execution of duties of the Company by directors of the Company, regardless of operating profit or loss, the Company shall pay regular compensations such as transportation allowance and remuneration, etc., and the Board of Directors is

authorized to determine their remuneration based on their degree of participation in and value of the contribution to the Company operation and by referring to the normal standard of the industry. When surplus is available, compensation will be otherwise distributed according to the provisions of Article 24 hereof.

#### **Chapter 5 Managers**

Article 21: The Company may have managers whose appointment, dismissal and remuneration will be subject to the regulations of Article 29 of the Company Act.

Article 22: The Company may employ a consultant through Board resolution.

#### **Chapter 6 Accounting**

Article 23: At the end of each fiscal year, the Board of Directors of the Company shall prepare the following book of tables or forms, and submit the same to the annual shareholders' meeting for acknowledgment according to the legal process.

- (1) Business report.
- (2) Financial statements.
- (3) Proposal for surplus distribution or loss off-setting.

Article 24: If profits are available upon final settlement every year, the Company shall allocate no less than five percent as employee's compensation and no more than five percent as director's compensation, after distribution per resolution of the Board of Directors, taxes shall be paid pursuant to law, and then ten percent shall be allocated as the statutory surplus reserve, but it may be exempted if the statutory surplus reserve has already reached the total paid-up capital of the company; after the balance thereof has been allocated or revolved as special surplus reserve pursuant to laws and decrees or regulations of the competent authority, then it will be accumulated into the undistributed surplus, and Board of Directors may prepare surplus distribution proposal to propose to Shareholders' Meeting for distribution of reservation per resolution. to be utilized as the dividends that can be distributed to the preferred and ordinary shareholders

If the Company had accumulated losses in the previous year, if profits are available in the current year and before allocating employee's compensation and director's compensation, the losses shall be covered first, and the balance thereof will be allocated according to the proportions mentioned in preceding paragraph; besides, when employee's compensation is distributed by stock or in cash, the objects of distribution include the employees of affiliated companies meeting certain conditions.

The dividend policy shall focus on the shareholders' interest and consider the current and future status of the industry in which the Company operates, the growth stage, future financial planning, capital requirements, the satisfaction of shareholders' cash planning, and other factors. Under the principles of the balanced dividend, cash bonuses of shareholders shall be no less than ten percent of the total shareholder bonuses, and the actual distribution amount shall be subject to the distribution amount resolved by the shareholders' meeting. However, the total dividend distribution of the year shall not be lower than 10% of the earnings after tax of the year..

The Board is authorized to distribute the entire or partial distributable dividends and bonuses in cash through a resolution agreed by more than half of the attending directors at a meeting attended by more than two-thirds of the directors, and the resolution shall be reported at the upcoming shareholders' meeting.

When the Company has no loss, the Board is authorized to distribute the entire or partial legal reserve (the part exceeding 25% of the paid-in capital) and capital reserve fulfilling the requirements under the Company Act in cash through a resolution agreed by more than half of the attending directors at a meeting attended by more than two-thirds of the directors, and the



resolution shall be reported at the upcoming shareholders' meeting.

### **Chapter 7 Supplemental Provisions**

Article 25: The articles of organization and working rules of the Company shall be otherwise formulated by the Board of Directors.

Article 26: Matters not covered herein shall be handled pursuant to the Company Act and relevant laws and decrees.

Article 27: The conclusion or amendment of these Articles of Association shall be carried out with the approval of the competent authority.

Article 28: These Articles of Association were concluded on August 21, 1996.

The first amendment was made on December 9, 2002.

The second amendment was made on December 24, 2002.

The third amendment was made on June 30, 2003.

The fourth amendment was made on June 30, 2004.

The fifth amendment was made on August 1, 2005.

The sixth amendment was made on September 3, 2007.

The seventh amendment was made on November 15, 2012.

The eighth amendment was made on December 7, 2012.

The ninth amendment was made on May 13, 2013.

The tenth amendment was made on May 15, 2015.

The eleventh amendment was made on June 21, 2016.

The twelfth amendment was made on June 10, 2019.

The thirteenth amendment was made on June 24, 2020.

The fourteenth amendment was made on July 22, 2021.

The fifteenth amendment was made on June 27, 2022.

The sixteenth amendment was made on June 6, 2023.

EZconn Corporation

Chairman: Chen, Steve

## Appendix 2

# **EZconn Corporation**

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

Article 1 To establish a strong governance system and sound supervisory capabilities for the Company's shareholders' meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies. Laws and regulations referred to in the Rules are laws and regulations of the Republic of China.

Article 2 The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by law, regulation, or the Articles of Association, shall be as provided in these Rules.

Article 3 Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the Board.

To convene an annual shareholders' meeting, a meeting handbook shall be prepared, and shareholders shall be notified 30 days in advance; for shareholders holding less than 1,000 registered shares, the Company may make an announcement on MOPS 30 days before the meeting. To convene an extraordinary shareholders' meeting, shareholders shall be notified 15 days in advance; for shareholders holding less than 1,000 registered shares, the Company may make an announcement on MOPS 30 days before the meeting.

The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in the electronic form.

Election or dismissal of Directors, amendments to the Articles of Association, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Company by Directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion. The major content may be uploaded to the website designated by the competent authority of securities or the Company, and the link may be set out in the notice.

Where the re-election of all Directors, as well as their inauguration date, is stated in the notice of the reasons for convening the shareholders' meeting after the completion of the re-election in said meeting, such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding 1% or more of the total number of issued shares may submit to the Company a proposal for discussion at an annual shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of paragraph 4, Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the Board may exclude it from the agenda. A shareholder may propose a

recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before an annual shareholders' meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than ten days. Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders' meeting and take part in the discussion of the proposal.

Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting the Board shall explain the reasons for the exclusion of any shareholder proposals not included in the agenda.

- Article 4 For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

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

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

- Article 5 The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m., and no later than 3 p.m. Full consideration shall be given to the opinions of the Independent Directors with respect to the place and time of the meeting.

- Article 6 The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders or proxies of shareholders (hereinafter, "shareholders") may hand in a sign-in card in lieu of signing in. The number of attending shares shall be calculated based on the attendance book or the sign-in cards, plus the number of shares exercising voting rights in writing or through electronic means.

The Company shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders will be accepted, the place to register for attendance, and other matters for attention. The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked, and a sufficient number of suitable personnel should be assigned to handle the registrations.

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

Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

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

Article 7 If a shareholders' meeting is convened by the Board, the meeting shall be chaired by the Chairman. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the Vice Chairman shall act in place of the Chairman; if there is no Vice Chairman or the Vice Chairman also is on leave or for any reason unable to exercise the powers of the Vice Chairman, the Chairman shall appoint one of the Managing Directors to act as chairperson, or, if there are no Managing Directors, one of the Directors shall be appointed to act as chairperson. Where the Chairman does not make such a designation, the Managing Directors or the Directors shall select from among themselves one person to serve as chairperson.

When a Managing Director or a Director serves as the chairperson, 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 corporate Director that serves as the chairperson.

A shareholders' meeting convened by the Board shall be attended by a majority of the Directors. If a shareholders' meeting is convened by a party with the power to convene but other than the Board, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chairperson from among themselves.

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

Article 8 The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures. The recorded materials shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9 Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, plus the number of shares whose voting rights are exercised by correspondence or electronically. The chairperson shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and the number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairperson 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 chairperson shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to paragraph 1, Article 175 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.

When, prior to the conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairperson may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10 If a shareholders' meeting is convened by the Board, 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 power to convene that is not the Board.

The chairperson may not declare the meeting adjourned prior to the completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. If the chairperson declares the meeting adjourned in violation of the rules of procedure, the other members of the Board 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 chairperson 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 chairperson is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairperson may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairperson.

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

Except with the consent of the chairperson, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed five minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairperson may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chairperson and the shareholder that has the floor; the chairperson shall stop any violation.

When a corporate 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 chairperson may respond in person or direct relevant personnel to respond.

Article 12 Voting at a shareholders' meeting shall be calculated based on the number of shares.

With respect to resolutions of shareholders' meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

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

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

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 a proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% 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 13 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When the Company holds a shareholders' meeting, it shall adopt the exercise of voting rights by electronic means and may adopt the 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, advisable the Company shall avoid the submission of extraordinary motions and amendments to original proposals.

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

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to

attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's Articles of Association, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chairperson or a person designated by the chairperson shall announce the total number of voting rights represented by the attending shareholders. When there is no dissenting opinion raised by all attending shareholders after the chairperson has made inquiries, the proposal shall be deemed approved, and the validity shall be the same as a vote by ballot. If there is any dissenting opinion, adopt a vote by ballot according to the requirements in the preceding paragraph. A poll of the shareholders shall be performed for each proposal. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the number 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 chairperson shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to the vote. When anyone among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chairperson, 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. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 14 The election of Directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as Directors and the numbers of votes with which they were elected.

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 15 Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairperson of the meeting, and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairperson's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights) and disclose the number of voting rights won by each candidate in the event of an election of Directors. The minutes shall be retained for the duration of the existence of the Company.

Article 16 On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders' meeting.

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

Article 17 Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or armbands.

The chairperson may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chairperson may prevent the shareholder from so doing.

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

Article 18 When a meeting is in progress, the chairperson may announce a break based on time considerations. If a force majeure event occurs, the chairperson may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

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

Article 19 The Rules were implemented after being approved by the shareholders' meeting; the same shall apply upon any amendment.

Article 20: Amendment dates of the Rules

The rules were established on June 24, 2012.

The 1<sup>st</sup> amendment was made on June 30, 2014.

The 2<sup>nd</sup> amendment was made on June 22, 2017.

The 3<sup>rd</sup> amendment was made on Jun 24, 2020.

The 4<sup>th</sup> amendment was made on July 22, 2021.



## Appendix 3

### EZconn Corporation

#### Shareholding of Directors

1. As of March 30, 2025, the total outstanding shares of the Company is 76,000,203 shares; pursuant to the regulations of “Implementation Rules for Equity Percentage of Directors and Supervisors of Public Companies and Auditing,” the statutory number of shares held by all Directors is 6,080,016 shares.
2. As of the book closure date of the annual shareholders’ meeting, the shareholding of individual and all Directors recorded in the register of shareholders is as follows:

Book closure date: March 30, 2025

Title	Name	Shareholding upon appointment		Shareholding in the register of shareholders as of the book closure date	
		Number of shares	Proportion (%)	Number of shares	Proportion (%)
Chairman	SHC Consolidated Investors LLC Representative: Chen, Steve	2,175,812	3.28	2,166,812	2.85
Director	eGtran Corporation Representative: Chang, Ying-Hua	3,565,741	5.38	3,565,741	4.69
Director	Jia Jiu Investment Co., Ltd. Representative: Pan, Bo-chang	840,000	1.27	928,371	1.22
Director	Transnational Investment Limited Representative: Lan, Chin-Yin	1,562,602	2.36	1,562,602	2.06
Independent Director	Peng, Xie-Ru	9,683	0.01	10,701	0.01
Independent Director	Chiou, Er-De	0	0	0	0
Independent Director	Huang, Hui-Wen	0	0	0	0
Total shareholding of Directors		8,153,838	12.30	8,243,227	10.83