

Stock Code: 3141

ULTRACHIP

2025 Annual General Shareholders' Meeting

Meeting Handbook

Convention Method: Physical Convention of Annual General
Shareholders' Meeting

Date and Time: June 11, 2025 (Wednesday) 9:00 a.m.

Location: No. 327, Sec. 1, Tiding Blvd., Neihu Dist., Taipei City
(Lily Conference)

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ULTRA CHIP, INC.

2025 Annual General Shareholders' Meeting Agenda

Convention Method: Physical Convention of Annual General Shareholders' Meeting

Date and Time: June 11, 2025(Wednesday) 9:00 a.m.

Location: No. 327, Sec. 1, Tiding Blvd., Neihu Dist., Taipei City (Lily Conference)

One. Call Meeting to Order

Two. Chairperson's Remarks

Three. Report Items:

- I. 2024 Business Report.
- II. Audit Committee's Review Report on the 2024 Financial Statements.
- III. Report on 2024 Remunerations of Directors and Employees.
- IV. Report on 2024 Implementation of Private Placement of Common Shares.
- V. Report on the Issuance of Domestic Unsecured Convertible Bonds
- VI. Report on Share Repurchase Execution Status

Four. Ratification Items:

- I. Adoption of 2024 Business Report and Financial Statements.
- II. Adoption of 2024 Earnings Distribution Proposal.

Five. Discussion Items:

- I. Amendments to "The Procedures for the Loaning of Funds"
- II. Amendments to "The Articles of Incorporation"

Six. Elections Items:

- I. Election of the Directors.

Seven. Other Items:

- I. Removal of restrictions on directors' participation in completing business.

Eight. Extraordinary Motions

Nine. Meeting Adjourned.

Report Items

I. 2024 Business Report, submitted for review.

Explanation: Please refer to Attachment 1 on pages 8~9 of this Handbook for 2024 Business Report.

II. Audit Committee's Review Report on the 2024 Financial Statements, submitted for review.

Explanation: Please refer to Attachment II on Page 10 of this Handbook for the Audit Committee's Review Report.

III. Report on 2024 Remunerations of Directors and Employees, submitted for review

Explanation: For the Company's profit in 2024, according to the provisions of the Article of Incorporation, remuneration of directors at an amount of NT\$2,606,121 is proposed for distribution, and remunerations of employees at an amount of NT\$15,636,728 proposed to be distributed in cash. Such amounts are consistent with the account estimates.

IV. Report on 2024 Implementation of Private Placement of Common Shares, submitted for review.

Explanation: On May 16, 2024, the shareholders' meeting resolved to authorize the board of directors to conduct a private placement for Common Shares for a total amount of up to 10,000,000 shares. The private placement may be carried out by installments within one year of the date of the resolution of the shareholders meeting. Because the issuance period is about to expire, it is planned not to continue to handle this private placement within the remaining period, and resolution by the Board of Directors.

V. Report on the Issuance of Domestic Unsecured Convertible Bonds, submitted for review.

Explanation: The Company, in order to repay bank loans and enhance operational funds, issue the 3rd Domestic Unsecured Convertible Bonds in the domestic market. The total issuance amount was NT\$ 800 million. In accordance with Article 246 of the Company Act, reporting the reason and the related things of the bonds. Please refer to Attachment III on Page 11 of this Handbook.

VI. Report on the Share Repurchase Execution Status, submitted for review.

Explanation: Please refer to Attachment IV on Page 12 of this Handbook for the execution status of the share repurchase of our company.

Ratification Items

Proposal 1

Proposed by the Board of Directors

Proposal: 2024 Business Report and Financial Statements, submitted for ratification.

Explanation: I. The Company's 2024 consolidated financial statements, parent company only financial statements) and business report have been approved by the Board of Directors through resolution and have also been submitted to the Audit Committee for review.

II. For 2024 business report and financial statements (including consolidated financial statements), please refer to Attachment I on pages 8~9 and Attachment V on pages 13~33 of this Handbook, submitted for ratification.

Resolution:

Proposal 2

Proposed by the Board of Directors

Proposal: 2024 Earnings Distribution proposal, submitted for ratification.

Explanation: I. The Company's 2024 distributable earnings is NT\$1,086,532,719. According to the provisions of the Company Act and the Articles of Incorporation, it is proposed to distribute shareholders' cash dividends at an amount of NT\$38,000,000, and the undistributed earnings at the end of the period after distribution is NT\$1,048,532,719.

II. For the present shareholders' cash dividends, the earnings of 2024 are to be distributed in priority. For the insufficient amount, the distributable balances from other years are to be deferred for distribution. The cash dividend is calculated to the integer dollar value, and the numbers after the decimal places are truncated. For the total amount of the odd numbers less than one dollar, the Chairman is authorized to assign specific personnel to make adjustments.

III. After this proposal is approved by the general shareholders' meeting, for the ex-dividend date, issuance date and other relevant matters, the Chairman is authorized to specify such dates and matters for the distribution thereof.

IV. For the distribution of dividends, in case of subsequent change in the share capital of the Company and the number of outstanding shares is affected such that the shareholders' dividend ratio needs to be adjusted, the Chairman is authorized to handle such matter with full discretion.

V. For the 2024 earnings distribution table established, please refer to Attachment VI on page 34 of this Handbook. This proposal has been approved by the Audit Committee, and is hereby submitted for approval.

Resolution:

Discussion Items

Proposal 1

Proposed by the Board of Directors

Proposal: Amendments to "The Procedures for the loaning of funds." is submitted for review.

Explanation: I. To meet the requirements of the actual operating needs of the Company, it is proposed to amend part of the provisions of the Company's Procedures for the loaning of funds.

II. For the Comparison Table for the Procedures for the loaning of funds. Before and After Amendment, Please refer to Attachment VII on page 35 of the handbook.

Resolution:

Proposal 2

Proposed by the Board of Directors

Proposal: Amendments to "The Articles of Incorporation" is submitted for review.

Explanation: I. To meet the requirements of the law and the actual operating needs of the Company, it is proposed to amend part of the provisions of the Company's Procedures for The Articles of Incorporation.

II. For the Comparison Table for the procedures for the Articles of Incorporation. Before and After Amendment, Please refer to Attachment VIII on page 37~38 of the handbook.

Resolution:

Elections Items

Proposal 1

Proposed by the Board of Directors

Proposal: Election of the directors, is submitted for election.

Explanation: I. The term of the directors conclude as of May 11, 2025. An election of the directions will be held.

II. According to the Articles of Incorporation, the term shall elect 7 directors (including 4 independent directors) at this year's Annual Shareholders' Meeting.

III. The new directors shall serve three years beginning with the date of their election in this year's Annual Shareholders' Meeting from June 11, 2025 to June 10, 2028 and can be re-elected if run for election continuously. The term of office of the former directors shall expire upon the completion of this annual shareholders' meeting

IV. The election of directors shall use a candidate nomination system in accordance with Article 192-1 of the Company Act.

V. List of Directors (including Independent Directors) Candidates and the related Information, Please refer to Attachment IX on page 39 of the handbook.

V. The election shall be conducted in accordance with the Company's rules for the Election of Directors, is submitted for election.

Election Results:

Other Items

Proposal 1

Proposed by the Board of Directors

Proposal: Removal of restrictions on Directors' participation in completing business, is submitted for review

Explanation: I. In accordance with Article 209 of the Company Act: A director who does anything for himself or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.

II Without prejudice to the interests of the Company, if the newly elected directors and their representatives invest in other companies with the same or similar business scope as the Company, the Company proposed to lift the competition restrictions on such directors and their representatives.

III. The positions concurrently held by the new directors (including independent directors) in other companies is submitted for review.

Directors (including independent directors)	Concurrent position currently
Yu-Tung Hsu	Chairman and Corporate Director Representative of Ultradisplay Inc., Chairman and Corporate Director Representative of Ultra Capteur Co., Ltd. Chairman and Corporate Director Representative of Jinghong Electronics (Shanghai) Inc., Chairman and Corporate Director Representative of Dongguan Ultra Chip Inc.
Hsueh-Jen Chien	Chairman of Fu-Chu Investment Co., Ltd., Chairman of Fu-Chu General Contractor Co., Ltd., Director of Yong Cheng Construction Co., Ltd., Independent Director of Wistron Corporation, Independent Director of Nan Ya Printed Circuit Board Corporation, Independent Director of ION electronic materials Co.,Ltd.
Chiu-Yung Huang	Chairman of Ichia Technologies Co., Ltd., Chairman of Ferrari Investment Co., Ltd., Chairman of Creative Investment Co., Ltd., Director of Ichia Technologies(Malaysia) Co., Ltd., Chairman of ICHIA USA Inc, Director of ICHIA RUBBER INDUSTRY (M) SDN BHD.
Chien-Hua Hsu	Chairman and CEO of Corporate Director Representative of Episil Holding Inc., Chairman and CSO of Corporate Director Representative of Episil Technologies Inc., Chairman and President of Corporate Director Representative of Wellknown Holding Company Ltd.
He-Wei Wang	Chairman of Sulfurscience Technology Co.,Ltd.
Tasy-Lin Lin	Director of Wpg Holdings Limited, Director of Fantasystory Inc., Director of M2 Communication Inc., Director of H Bank Biopharma Corp., Director of H Bank Technology Inc., Independent Director of Simple Mart Art Retail Co.,Ltd.

Directors (including independent directors)	Concurrent position currently
Meng-Ling Wu	Vice president and Director and Partner of Darwin Venture Management Corporation, Director of Darjiun Ventrue Corporation, Director of Darjun Ventrue Corporation, Director of Wison Technology Corp., Independent Director of Asolid Technology Corp., Corporate Director Representative of Smart Ageing Tech Co., Ltd., Corporate Director Representative of Spirit Scientific Co., Ltd., Corporate Director Representative of Sino Applied Technology Taiwan Co., Ltd.

Resolution:

Extraordinary Motions

Meeting Adjourned

2024 Business Report

I.2024 operating results

1. Planned implementation results for operating

Unit: NT\$ 1,000

Accounting items	2023	2024	Difference in amount	Growth rate %
Operating revenue	1,852,883	1,507,390	(345,493)	(18.65)
Gross profit	639,855	580,253	(59,602)	(9.31)
Net amount after tax (excluding non-controlling interests)	84,169	87,023	2,854	3.39

In 2024, driven by AI technologies, new applications, and the recovery of markets, such as 5G and automotive electronics, shipments of industrial control and automotive products remained stable. However, electronic paper-related products experienced a decline in both shipment volume and revenue compared to 2023, due to price declines from market competition and delays in new product mass production. As a result, overall revenue and gross profit margin in 2024 decreased by 18.65% and 9.31%, respectively, compared to 2023. Nevertheless, thanks to product mix optimization and the depreciation of the New Taiwanese dollar against the U.S. dollar in 2024, the gross profit margin improved by approximately 3.96% compared to 2023. Additionally, supported by non-operating exchange gains, after-tax net profit grew by 3.39% compared to 2023.

2. Analysis of financial revenue and expenditure as well as profitability

Items		2023	2024
Financial structure	Percentage of liabilities to assets (%)	28.90	32.65
	Percentage of long-term funds to fixed assets (%)	596.68	867.93
Solvency	Current ratio (%)	244.35	584.87
	Quick ratio (%)	123.56	421.15
Profitability	Return on assets (%)	2.97	1.78
	Return on shareholders' equity (%)	4.15	2.07
	Net profit margin (%)	5.41	3.32
	Earnings per share (NT\$)	1.13	1.16

3. Research and development status

In terms of research and development, NT\$ 360,840 thousand was paid for research and development in 2024, accounting for about 24% of the turnover of NT\$ 1,507,390 thousand. In the future, the Company will continue to invest in the development of new display technologies in addition to continuously optimizing existing products to expand new application fields. It is estimated that the investment and expenses on research and development of new products and technologies will maintain 15%~25% of the total turnover in the future.

II. The future of company

Post-pandemic shifts in consumption patterns and the global ESG trend toward energy conservation and carbon reduction have rapidly popularized electronic shelf labels (ESLs) in the retail industry worldwide. ESLs not only enhance automation and operational efficiency but also enable retailers to reduce recurring costs and efficiently adjust prices, product assortments, and promotion campaigns, making them a major trend in retail automation technology. The Company's have developed four-color electronic paper products and is progressively putting them into mass production and shipment. Moving forward, to meet diverse environmental demands, the Company will focus on improving product yield and optimizing cost structures while actively exploring new application markets beyond shelf labels to enhance the competitiveness of its electronic paper driver ICs. Since integrating touch technology, STN products have seen steady growth in applications, such as industrial control, home appliances, and automotive dashboards. Amid the global ESG trend, the Company will develop more energy-efficient products and actively introduce solutions for new energy vehicles, to maintain stable production capacity to meet customer order demands.

Looking ahead to 2025, the Company will continue to monitor the impact of U.S.-China trade war, international tariff policies, and geopolitical factors, while appropriately adjusting production capacity allocations across various manufacturing processes to ensure product quality, to reduce production costs, enhance capacity stability, and achieve the most efficient production mix. Simultaneously, the Company will actively invest in R&D of new products and technologies to boost product competitiveness, strengthen the stability of its R&D workforce, and provide customers with sustainable and smart diverse solutions. The Company aims to seize new opportunities in the green technology market, achieve outstanding revenue and profit performance when the global economy recovers in the future.

Under the rapidly changing global economy, the sustainable management is still our goal. The Company will actively invest in the research and development of new display technologies, and pursue the driver IC with higher quality and saving energy and electricity, to hope to create maximum benefits for all shareholders!

Chairman Yu-Tung Hsu

President Yu-Tung Hsu

Accounting Officer Sheng-Fang Wang

ULTRA CHIP, INC.
Audit Committee's Review Report

The Board of Directors have prepared the Company's 2024 consolidated financial statements and parent company only financial statements, which have been audited by CPAs Hai-Yueh Huang and Cheng-Chuan Yu of Deloitte Taiwan, and audit reports of unqualified opinion with emphasized paragraphs or paragraphs of other matters and of unqualified opinion have been issued respectively. Accordingly, we have reviewed the aforementioned financial statements and the audit reports along with the business report and earnings distribution proposal, to which we have found no misstatement, and we hereby issue a review report as presented above in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Submitted to

The Company's 2025 Annual General Shareholders' Meeting

Audit Committee Convener: Chien-Hua Hsu

February 21, 2025

ULTRA CHIP, INC.**The Issuance of Domestic Unsecured Convertible Bonds**

Name	The 3rd Domestic Unsecured Convertible Bonds
Approval date	The letter FinancialSupervisory-Securities-Corporate-1130339873 on April 26, 2024.
Reason of fund	To repay bank loan and increase working capital.
Issuance amount	Total issued amount is NTD 800 million (Face value of per bond is NTD 100 thousand , Issue price is 101% of par value.)
Date of Issue	May 20, 2024.
Issuance period	3 years. The due date is on May 20, 2027.
Issuance rate	The coupon rate is 0%
Repayment Method	Except for the early conversion by bondholders or the early redemption by the Company, the early reverse resale by bondholders, or the redemption by the Company for cancellation, the bonds will be repaid in cash at the par value in one time after the maturity date.
Issuance price	NTD 94.5 dollars.
The condition of convertible and Buyback	Due to cooperation with shareholder meeting procedures, the conversion period for our company's bonds was from April 13, 2025 to June 11, 2025, and conversion procedures began on May 13, 2025.As of the publication date of the handbook, the 3rd domestic unsecured convertible bonds hasn't been converted with 0 share.

ULTRA CHIP, INC.

Share Repurchase Execution Status

The publication date of handbook : 2025/04/30

The number of repurchase	The fifth time
Purpose of the share repurchase	To transfer shares to employees
Type of shares to be repurchased	Common shares
Scheduled period for the repurchase	2025/04/09~2025/06/08
Repurchase price range	NTD 37.50~100.00
No.of shares to be repurchased	2,000,000 shares
Accumulated number of company shares held	160,000 shares
Value of shares repurchased	NTD 8,590,111 dollars
Quantity of repurchased shares as a percentage of total shares to be repurchased (%)	8.00%
Average of repurchase price	The repurchase has not been completed as of the publication date.
Accumulated number of company shares held (shares)	
Percentage of total company's stock (%)	
Reason for non-completion of the share repurchase	

Note : The repurchase has not been completed as of the publication date of the handbook, and that the actual repurchase shares and amount will be reported at the shareholders' meeting.

Independent Auditors' Report

To the Board of Directors and Shareholders of Ultra Chip, Inc.,

Audit Opinion

We have audited the accompanying consolidated balance sheets of Ultra Chip, Inc. (the "Company") and its subsidiaries (collectively, the "Group") for the years ended December 31, 2024 and 2023 and the relevant consolidated statements of comprehensive income, changes in equity, and cash flows for the years then ended, and relevant notes, including a summary of significant accounting policies (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 conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We have conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Auditing Standards in 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. The auditors of the firm subject to the independence regulations have maintained independent from the Group in accordance with the Code of Ethics and perform other obligations of such Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the Group for the year 2024. Such matters have been reflected in the entirety of the consolidated financial statements audited

and throughout the process of the opinion formation. We do not provide opinions separately for such matters.

Key audit matters for the Group's 2024 consolidated financial statements for the year are stated as follows:

Authenticity of operating revenue from key audit customers

The operating revenue of the Group mainly comes from the design and sale of display driver IC, and the customers (referred to as “key audit customers”) with operating revenue fluctuations greater than the Group’s overall average level of change who are among the top 10 sales customer groups in 2024, their operating revenues are considered material to the consolidated financial statements. Whether the income actually occurred is the significant risk predefined in the Statements of Auditing Standards. Accordingly, we have listed whether the operating revenue from some of the key audit customers actually occurred as a key audit matter of the current year.

Please refer to Note 4 (12) of the consolidated financial statements for detailed accounting policy on the income recognition. Please refer to Notes 24 and 40 of the consolidated financial statements for relevant disclosure of the operating revenue.

Through understanding of relevant internal control procedures, we have designed relevant internal control audit procedures to cope with such risk, in order to verify and assess whether relevant internal control operations during sales transactions are effective, and we have also obtained the income statements of key audit customers for the whole year from the Group. After checking, adjustment and verification of data integrity, appropriate samples were selected from the statement, and the transaction party’s basic information, credit terms were examined and inquired, orders and shipping documents were randomly inspected, and the payment receipt party and transaction party were verified for consistency, in order to understand whether there has been any abnormality in the transactions. In addition, we have also reviewed whether there has been any subsequent major sales return and allowance, in order to determine whether there is any material misstatement in the income of key audit customers.

Other Matters

Ultra Chip, Inc. has prepared the parent company only financial statements for the years ended 2024 and 2023, to which we have also issued an independent auditor's report with unqualified opinion and provided for reference.

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

The 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 IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the FSC of the Republic of China, and for such internal control as the 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, the responsibilities of the management include 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.

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

The purpose of our audit of the consolidated statements is to obtain reasonable assurance on whether the entirety of the consolidated financial statements contain any material misstatement caused by fraud or error, and to issue the audit report. The term of "reasonable assurance" refers to high level of assurance. Nevertheless, the audit performed according to the Auditing Standards cannot guarantee the discovery of material misstatement in the consolidated financial statements. Misstatements can arise from fraud or error. Misstatements 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 the consolidated financial statements.

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

1. Identify and assess the risk of material misstatement of the consolidated financial statements due to fraud or error, design and adopt appropriate countermeasures for the risks assessed, and obtain sufficient and appropriate audit evidence in order to be used as the basis for the 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 a necessary understanding of internal control concerning the inspection in order to design appropriate inspection procedures that are appropriate for the time being. The purpose, however, is not to effectively express opinions on the internal control of the Group.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management level.
4. According to the audit evidence obtained, evaluate the appropriateness of the continuous operation accounting basis and whether events or circumstances possibly generating material concerns on the continuous operation ability of the Group have significant uncertainty, and provide conclusion thereto. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. Nevertheless, future events or circumstances may cause the Group to have no ability for continuous operation.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including relevant notes, 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 for the financial information of individual entities of the Group and provide opinion on the consolidated financial statements. We handle the guidance, supervision and execution of the audit on the Group and are responsible for preparing the opinion for the Group.

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 the governance units with statements that we have complied with relevant matters that may reasonably be thought to bear on our independence, and we have also communicated with the governance units on all relationships and other matters (including relevant protective measures) that may be considered to affect the independence of auditors.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Group's 2024 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte Taiwan

CPA Hai-Yueh Huang

CPA Cheng-Chuan Yu

Securities and Futures Commission
Approval Document No.

Tai-Cai-Zheng-Liu-Zi No. 0920131587

Securities and Futures Commission Approval
Document No.

Tai-Cai-Zheng-Liu-Zi No. 0930128050

February 21, 2025

Ultra Chip, Inc. and Subsidiaries
Consolidated Balance Sheet
December 31, 2024 and 2023

Unit: NT\$ thousand

Code	Assets	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 6)	\$ 1,331,043	34	\$ 590,086	17
1110	Financial assets at fair value through profit or loss - current (Note 7)	21,400	1	20,520	1
1136	Financial assets at amortized cost - current (Notes 9 and 35)	121,144	3	166,494	5
1170	Accounts receivable (Notes 10 and 24)	181,544	5	217,455	6
1220	Current income tax assets (Note 26)	518	-	92	-
130X	Inventories (Note 11)	641,817	17	910,647	27
1478	Refundable deposits - current (Note 16)	97,099	2	18,921	1
1479	Other current assets (Note 16)	45,958	1	90,224	3
11XX	Total current assets	<u>2,440,523</u>	<u>63</u>	<u>2,014,439</u>	<u>60</u>
	Non-current assets				
1510	Financial assets at fair value through profit or loss - non-current (Note 7)	102,617	3	76,104	2
1517	Financial assets at fair value through other comprehensive income - non-current (Note 8)	68,873	2	30,137	1
1600	Property, plant and equipment (Note 13)	385,452	10	413,602	12
1755	Right-of-use assets (Note 14)	10,760	-	11,950	-
1780	Intangible assets (Note 15)	20,720	-	20,898	1
1840	Deferred income tax assets (Note 26)	264,920	7	225,826	7
1920	Refundable deposits - non-current (Note 16)	489,889	13	556,797	17
1990	Other non-current assets (Note 16)	72,373	2	13,830	-
15XX	Total non-current assets	<u>1,415,604</u>	<u>37</u>	<u>1,349,144</u>	<u>40</u>
1XXX	Total assets	<u>\$ 3,856,127</u>	<u>100</u>	<u>\$ 3,363,583</u>	<u>100</u>
	Liabilities and equity				
	Current liabilities				
2100	Short-term borrowings (Note 17)	\$ 100,000	3	\$ 395,000	12
2120	Financial liabilities at fair value through profit or loss - current (Note 7)	4,400	-	-	-
2130	Contract liabilities - current (Note 24)	993	-	25,363	1
2170	Accounts payable (Note 19)	106,455	3	169,665	5
2200	Other payables (Note 20)	138,651	4	125,953	4
2230	Current income tax liabilities (Note 26)	22,208	-	50,669	2
2280	Lease liabilities - current (Note 14)	6,637	-	8,946	-
2320	Long-term borrowings due in one year and corporate bonds payable (Note 17 and 18)	35,476	1	45,118	1
2399	Other current liabilities (Note 21)	2,454	-	3,695	-
21XX	Total current liabilities	<u>417,274</u>	<u>11</u>	<u>824,409</u>	<u>25</u>
	Non-current liabilities				
2530	Corporate bonds payable (Note 18)	757,532	20	-	-
2540	Long-term borrowings (Note 17)	59,263	2	133,308	4
2570	Deferred income tax liabilities (Note 26)	19,124	-	11,032	-
2580	Lease liabilities - non-current (Note 14)	4,390	-	3,470	-
2600	Other non-current liabilities (Note 21)	1,451	-	-	-
25XX	Total non-current liabilities	<u>841,760</u>	<u>22</u>	<u>147,810</u>	<u>4</u>
2XXX	Total liabilities	<u>1,259,034</u>	<u>33</u>	<u>972,219</u>	<u>29</u>
	Equity attributable to shareholders of the parent (Notes 23 and 28)				
	Capital				
3110	Common share capital	751,193	19	750,616	22
3140	Share capital collected in advance	1,177	-	124	-
3100	Total share capital	<u>752,370</u>	<u>19</u>	<u>750,740</u>	<u>22</u>
3200	Capital surplus	<u>403,797</u>	<u>10</u>	<u>356,529</u>	<u>11</u>
	Retained earnings				
3310	Statutory reserves	212,660	6	204,243	6
3320	Special reserves	16,155	-	24,750	1
3350	Unappropriated earnings	1,077,381	28	1,045,161	31
3300	Total retained earnings	<u>1,306,196</u>	<u>34</u>	<u>1,274,154</u>	<u>38</u>
3400	Other equity	<u>20,063</u>	<u>1</u>	<u>(16,156)</u>	<u>(1)</u>
3500	Treasury shares	<u>(3,544)</u>	<u>-</u>	<u>(3,544)</u>	<u>-</u>
31XX	Total equity attributable to owners of the parent company	<u>2,478,882</u>	<u>64</u>	<u>2,361,723</u>	<u>70</u>
36XX	Non-controlling interests (Notes 12 and 23)	<u>118,211</u>	<u>3</u>	<u>29,641</u>	<u>1</u>
3XXX	Total equity	<u>2,597,093</u>	<u>67</u>	<u>2,391,364</u>	<u>71</u>
	Total liabilities and equity	<u>\$ 3,856,127</u>	<u>100</u>	<u>\$ 3,363,583</u>	<u>100</u>

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

Chairman: Yu-Tung Hsu

Managerial Officer: Yu-Tung Hsu

Accounting Officer: Sheng-Fang Wang

Ultra Chip, Inc. and Subsidiaries
Consolidated Statement of Comprehensive Income

January 1 to December 31, 2024 and 2023

Unit: Expressed in NT\$ thousand, except for earnings per share in NT\$

Code		2024		2023	
		Amount	%	Amount	%
4000	Operating revenue (Notes 24)	\$ 1,507,390	100	\$ 1,852,883	100
5000	Operating costs (Notes 11 and 25)	<u>927,137</u>	<u>61</u>	<u>1,213,028</u>	<u>65</u>
5900	Gross profit	<u>580,253</u>	<u>39</u>	<u>639,855</u>	<u>35</u>
	Operating expenses (Note 25)				
6100	Selling and marketing expenses	92,010	6	83,118	4
6200	Administrative expenses	120,225	8	121,694	7
6300	Research and development expenses	<u>360,840</u>	<u>24</u>	<u>336,337</u>	<u>18</u>
6000	Total operating expenses	<u>573,075</u>	<u>38</u>	<u>541,149</u>	<u>29</u>
6500	Net other income and expenses (Notes 25)	(<u>4,512</u>)	<u>-</u>	(<u>312</u>)	<u>-</u>
6900	Operating profit	<u>2,666</u>	<u>1</u>	<u>98,394</u>	<u>6</u>
	Non-operating income and expenses (Notes 25 and 29)				
7100	Interest income	16,539	1	12,928	1
7190	Net miscellaneous income	4,897	-	5,656	-
7020	Other gains and losses	(5,908)	-	3,936	-
7050	Finance costs	(17,740)	(1)	(14,268)	(1)
7630	Net foreign exchange gain or loss	<u>63,792</u>	<u>4</u>	<u>8,339</u>	<u>1</u>
7000	Total non-operating incomes and expenses	<u>61,580</u>	<u>4</u>	<u>16,591</u>	<u>1</u>
7900	Net income before tax	64,246	5	114,985	7
7950	Income tax expenses (Notes 4 and 26)	(<u>14,175</u>)	(<u>1</u>)	(<u>14,797</u>)	(<u>1</u>)
8200	Current net profit	<u>50,071</u>	<u>4</u>	<u>100,188</u>	<u>6</u>

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Code		2024		2023	
		Amount	%	Amount	%
	Other comprehensive income				
8310	Items not reclassified subsequently to profit or loss				
8316	Unrealized valuation gain or loss on investments in equity instruments at fair value through other comprehensive income (Note 23)	\$ 31,063	2	\$ 5,880	-
	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of the financial statements of foreign operations (Note 23)	2,275	-	(1,003)	-
8399	Income tax related to items may be reclassified into profit or loss (Notes 23 and 26)	(455)	-	200	-
8360		1,820	-	(803)	-
8300	Total Other comprehensive income of the year	32,883	2	5,077	-
8500	Total comprehensive income (loss) for the year	\$ 82,954	6	\$ 105,265	6
	Net income attributable to:				
8610	Owners of the parent company	\$ 87,023	6	\$ 84,169	4
8620	Non-controlling interests	(36,952)	(3)	16,019	1
8600		\$ 50,071	3	\$ 100,188	5
	Total comprehensive income attributable to:				
8710	Owners of the parent company	\$ 119,906	8	\$ 89,246	5
8720	Non-controlling interests	(36,952)	(2)	16,019	1
8700		\$ 82,954	6	\$ 105,265	6
	Earnings per share (Note 27)				
9710	Basic	\$ 1.16		\$ 1.13	
9810	Diluted	\$ 1.15		\$ 1.12	

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

Chairman: Yu-Tung Hsu Managerial Officer: Yu-Tung Hsu Accounting Officer: Sheng-Fang Wang

Ultra Chip, Inc. and Subsidiaries
Consolidated Statement of Changes in Equity
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

Equity attributable to owners of the company															
Code		Common share capital	Share capital collected in advance	Share capital awaiting retirement	Capital surplus	Retained earnings			Other equity			Treasury shares	Total	Non-controlling interests	Total equity
						Statutory reserves	Special reserves	Unappropriated earnings	Exchange differences on translation of the financial statements of foreign operations	Unrealized gain or loss on investments in equity instruments at fair value through other comprehensive income	Unearned compensation of employees				
A1	Balance on January 1, 2023	\$ 750,263	\$ 1,528	(\$ 240)	\$ 356,199	\$ 152,168	\$ -	\$ 1,237,817	(\$ 6,839)	(\$ 9,571)	(\$ 8,340)	(\$ 3,544)	\$ 2,469,441	\$ 13,598	\$ 2,483,039
	2022 Appropriation and distribution of retained earnings (Note 23(3))														
B1	Statutory reserves	-	-	-	-	52,075	-	(52,075)	-	-	-	-	-	-	-
B3	Special reserves	-	-	-	-	-	24,750	(24,750)	-	-	-	-	-	-	-
B5	Shareholders' cash dividends	-	-	-	-	-	-	(200,000)	-	-	-	-	(200,000)	-	(200,000)
D1	2023 Net profit	-	-	-	-	-	-	84,169	-	-	-	-	84,169	16,019	100,188
D3	2023 Other comprehensive income (loss) after tax	-	-	-	-	-	-	-	(803)	5,880	-	-	5,077	-	5,077
I1	Repurchase of convertible bonds (Notes 18 and 23(2))	-	-	-	61	-	-	-	-	-	-	-	61	-	61
N1	Share-based payment transactions (Notes 23(1), (2) and 28)	1,033	(1,404)	(440)	(198)	-	-	-	-	-	3,517	-	2,508	-	2,508
C17	Other change of capital surplus: Changes in other capital reserves (Note 23(2))	-	-	-	89	-	-	-	-	-	-	-	89	-	89
O1	Adjustment of capital surplus of subsidiaries (Note 23(2) and 28)	-	-	-	378	-	-	-	-	-	-	-	378	24	402
T1	Cancellation of new restricted employee shares (Note 23(1))	(680)	-	680	-	-	-	-	-	-	-	-	-	-	-
Z1	Balance as of December 31, 2023	750,616	124	-	356,529	204,243	24,750	1,045,161	(7,642)	(3,691)	(4,823)	(3,544)	2,361,723	29,641	2,391,364
	2023 Appropriation and distribution of retained earnings (Notes 23(3) and (4))														
B1	Statutory reserves	-	-	-	-	8,417	-	(8,417)	-	-	-	-	-	-	-
B3	Special reserves	-	-	-	-	-	(8,595)	8,595	-	-	-	-	-	-	-
B5	Shareholders' cash dividends	-	-	-	-	-	-	(38,000)	-	-	-	-	(38,000)	-	(38,000)
C5	Issuance of convertible corporate bonds recognized for equity component (Notes 19 and 24(2))	-	-	-	53,955	-	-	-	-	-	-	-	53,955	-	53,955
C17	Changes in other capital reserves (Note 23(2))	-	-	-	390	-	-	-	-	-	-	-	390	-	390
D1	2024 Net profit	-	-	-	-	-	-	87,023	-	-	-	-	87,023	(36,952)	50,071
D3	2024 Other comprehensive income (loss) after tax	-	-	-	-	-	-	-	1,820	31,063	-	-	32,883	-	32,883
M7	Changes in ownership interest in subsidiaries (Notes 12 and 30)	-	-	-	(5,120)	-	-	(16,981)	-	-	-	-	(22,101)	124,182	102,081
N1	Share-based payment transactions (Notes 23(1), (2) and 28)	1,037	1,053	(460)	(3,149)	-	-	-	-	-	3,336	-	1,817	-	1,817
O1	Adjustment of capital surplus of subsidiaries (Note 23(2) and 28)	-	-	-	1,192	-	-	-	-	-	-	-	1,192	1,340	2,532
T1	Cancellation of new restricted employee shares (Note 23(1))	(460)	-	460	-	-	-	-	-	-	-	-	-	-	-
Z1	Balance as of December 31, 2024	<u>\$ 751,193</u>	<u>\$ 1,177</u>	<u>\$ -</u>	<u>\$ 403,797</u>	<u>\$ 212,660</u>	<u>\$ 16,155</u>	<u>\$ 1,077,381</u>	<u>(\$ 5,822)</u>	<u>\$ 27,372</u>	<u>(\$ 1,487)</u>	<u>(\$ 3,544)</u>	<u>\$ 2,478,882</u>	<u>\$ 118,211</u>	<u>\$ 2,597,093</u>

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

Chairman: Yu-Tung Hsu

Managerial Officer: Yu-Tung Hsu

Accounting Officer: Sheng-Fang Wang

Ultra Chip, Inc. and Subsidiaries
Consolidated Statement of Cash Flows
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

Code		2024	2023
	Cash flows from operating activities		
A10000	Net income before tax	\$ 64,246	\$ 114,985
A20010	Income and expense item		
A20100	Depreciation expense	81,381	81,380
A20200	Amortization expense	25,760	20,507
A20400	Net loss (gain) on financial assets at fair value through profit or loss	5,908	(2,979)
A20900	Finance costs	17,740	14,268
A21200	Interest income	(16,539)	(12,928)
A21300	Dividend income	(2,877)	(1,493)
A21900	Share-based compensation costs	1,546	2,296
A22500	Losses on disposal of property, plant and equipment	4,512	312
A23100	Gains on repurchase of corporate bonds	-	(957)
A23500	Reversal of impairment loss on refundable deposits	-	(14,980)
A24100	Foreign exchange net (gain) loss	(44,826)	6,207
A30000	Net changes in operating assets and liabilities		
A31150	Accounts receivable	45,738	(35,308)
A31200	Inventories	268,737	510,407
A31240	Other current assets	44,269	(21,602)
A31990	Other non-current assets	-	10,531
A32125	Contract liabilities - current	(24,370)	(88,111)
A32150	Accounts payable	(69,378)	(80,541)
A32180	Other payables	(16,088)	(62,704)
A32230	Other current liabilities	(1,241)	(796)
A33000	Cash provided by operating activities	384,518	438,494
A33100	Interest received	16,539	12,928
A33200	Dividends received	2,877	1,493
A33300	Interest paid	(6,652)	(3,350)
A33500	Income taxes paid	(74,592)	(61,914)
AAAA	Net cash inflow from operating activities	<u>322,690</u>	<u>387,651</u>

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Code		2024	2023
	Cash flow from Investing activities		
B00040	Acquisition of financial assets carried at amortized cost	\$ -	(\$ 30,628)
B00050	Disposal of financial assets measured at amortized cost	45,350	-
B00100	Acquisition of financial assets measured at fair value through profit or loss	(30,808)	(58,761)
B00010	Acquisition of financial assets at fair value through other comprehensive income	(7,673)	-
B02700	Proceeds from acquisition of property, plant and equipment	(125,911)	(78,370)
B02800	Net proceeds from disposal of property, plant, and	15,453	-
B03800	Decrease in refundable deposits	23,280	59,988
B04500	Acquisition of intangible assets proceeds	(<u>26,168</u>)	(<u>17,179</u>)
BBBB	Net cash outflow from investing activities	(<u>106,477</u>)	(<u>124,950</u>)
	Cash flow from financing activities		
C00100	Increase in short-term borrowings	-	316,309
C00200	Decrease in short-term borrowings	(295,000)	-
C01200	Issuance of convertible corporate bonds	808,000	-
C01300	Repurchase of corporate bonds (Note 18)	-	(769,287)
C01600	Borrowing of long-term borrowings	-	107,463
C01700	Repayments of long-term borrowings	(53,512)	-
C03100	Decrease in guarantee deposits	-	(53,326)
C04020	Repaid principal of lease liabilities	(11,398)	(10,806)
C04500	Cash dividends paid	(38,000)	(200,000)
C04800	Exercise of employee stock options	3,148	731
C05800	Change in non-controlling interests (Note 30)	102,081	-
C09900	Others (Note 23(2))	<u>390</u>	<u>89</u>
CCCC	Net cash inflow(outflow) from financing activities	<u>515,709</u>	(<u>608,827</u>)
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>9,035</u>	(<u>4,135</u>)
EEEE	Increase (decrease) in cash and cash equivalents	740,957	(350,261)
E00100	Cash and cash equivalents at the beginning of the year	<u>590,086</u>	<u>940,347</u>
E00200	Cash and cash equivalents at the end of year	<u>\$ 1,331,043</u>	<u>\$ 590,086</u>

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

Chairman: Yu-Tung Hsu Managerial Officer: Yu-Tung Hsu Accounting Officer: Sheng-Fang Wang

Independent Auditors' Report

To the Board of Directors and Shareholders of Ultra Chip, Inc.:

Audit Opinion

We have audited the accompanying parent company only balance sheets of Ultra Chip, Inc. (the "Company") for the years ended December 31, 2024 and 2023 and the relevant parent company only statements of comprehensive income, changes in equity, and cash flows for the years then ended, and relevant notes, including a summary of significant accounting policies (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 consolidated 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 conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We have conducted our audits in accordance with the Regulation Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Auditing Standards in 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. The auditors of the firm subject to the independence regulations have maintained independent from the Company in accordance with the Code of Ethics and performance other obligations of such Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

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 of the Company for the year 2024. Such matters have been reflected in the entirety of the parent company only financial statements audited and throughout the process of the opinion formation. We do not provide opinions separately for such matters.

Key audit matters for the Company's 2024 parent company only financial statements for the year are stated as follows:

Authenticity of operating revenue from key audit customers

The operating revenue of Ultra Chip, Inc. mainly comes from the design and sale of display driver ICs, and the customers (referred to as “key audit customers”) with operating revenue fluctuations greater than the Company’s overall average level of change who are among the top 10 sales customer groups in 2024, their operating revenues are considered material to the parent company only financial statements. Whether the income actually occurred is the significant risk predefined in the Statements of Auditing Standards. Accordingly, we have listed whether the operating revenue from some of the key audit customers actually occurred as a key audit matter of the current year.

Please refer to Note 4(13) of the parent company only financial statements for detailed accounting policy on the income recognition. Please refer to Note 25 of the parent company only financial statements for relevant disclosure of the operating revenue.

Through understanding of relevant internal control procedures, we have designed relevant internal control audit procedures to cope with such risk, in order to verify and assess whether relevant internal control operations during sales transactions are effective, and we have also obtained the income statements of key audit customers for the whole year from the Company. After checking, adjustment and verification of data integrity, appropriate samples were selected from the statement, and the transaction party’s basic information, credit terms were examined and inquired, orders and shipping documents were randomly inspected, and the payment receipt party and transaction party were verified for consistency, in order to understand whether there has been any abnormality in the transactions. In addition, we have also reviewed whether there has been any subsequent major sales return and allowance, in order to determine whether there is any material misstatement in the income of key audit customers.

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

The 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 the 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, the responsibilities of the management include assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting

unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

The purpose of our audit of the parent company only statements is to obtain reasonable assurance on whether the entirety of the parent company only financial statements contain any material misstatement caused by fraud or error, and to issue the audit report. The term of "reasonable assurance" refers to high level of assurance. Nevertheless, the audit performed according to the Auditing Standards cannot guarantee the discovery of material misstatement in the parent company only financial statements. Misstatements can arise from fraud or error. Misstatements 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 the parent company only financial statements.

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

1. Identify and assess the risk of material misstatement of the parent company only financial statements due to fraud or error, design and adopt appropriate countermeasures for the risks assessed, and obtain sufficient and appropriate audit evidence in order to be used as the basis for the 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 a necessary understanding of internal control concerning the inspection in order to design appropriate inspection procedures that are appropriate for the time being. The purpose, however, is not to effectively express opinions on the internal control of the Company.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management level.
4. According to the audit evidence obtained, evaluate the appropriateness of the continuous operation accounting basis and whether events or circumstances possibly generating material concerns on the continuous operation ability of the Company have significant uncertainty, and provide a conclusion thereto. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to

modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. Nevertheless, future events or circumstances may cause the Company to have no ability for continuous operation.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including relevant notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence for the financial information of individual entities of the Company and provide opinion on the parent company only financial statements. We handle the guidance, supervision and execution of the audit on the Company and are responsible for preparing the opinion for the Company.

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 the governance units with statements that we have complied with relevant matters that may reasonably be thought to bear on our independence, and we have also communicated with the governance units on all relationships and other matters (including relevant protective measures) that may be considered to affect the independence of auditors.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Company's 2024 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte Taiwan

CPA Hai-Yueh Huang

CPA Cheng-Chuan Yu

Securities and Futures Commission
Approval Document No.

Tai-Cai-Zheng-Liu-Zi No. 0920131587

Securities and Futures Commission Approval
Document No.

Tai-Cai-Zheng-Liu-Zi No. 0930128050

February 21, 2025

Ultra Chip, Inc.
Parent Company Only Balance Sheet
December 31, 2024 and 2023

Unit: NT\$ thousand

Code	Assets	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 6)	\$ 988,874	28	\$ 496,457	16
1110	Financial assets at fair value through profit or loss - current (Note 7)	21,400	1	20,520	1
1136	Financial assets at amortized cost - current (Note 9)	113,628	3	113,361	4
1170	Accounts receivable (Notes 10 and 25)	146,912	4	197,604	6
1180	Accounts receivable - related party (Notes 10, 25 and 33)	20,423	1	18,400	-
130X	Inventories (Note 11)	596,627	17	866,466	28
1478	Refundable deposits - current (Note 17)	97,099	3	18,921	1
1479	Other current assets (Notes 17, 23 and 33)	38,715	1	85,735	3
11XX	Total current assets	<u>2,023,678</u>	<u>58</u>	<u>1,817,464</u>	<u>59</u>
	Non-current assets				
1510	Financial assets at fair value through profit or loss - non-current (Note 7)	102,617	3	76,104	3
1517	Financial assets at fair value through other comprehensive income - non-current (Note 8)	68,873	2	30,137	1
1550	Investments under equity method (Note 12)	191,724	5	66,467	2
1600	Property, plant and equipment (Note 13)	274,482	8	284,537	9
1755	Right-of-use assets (Note 14)	6,766	-	9,662	-
1760	Investment property (Note 15)	68,015	2	69,024	2
1780	Intangible assets (Note 16)	10,902	-	7,806	-
1840	Deferred income tax assets (Note 27)	193,807	6	165,696	5
1920	Refundable deposits - non-current (Note 17)	489,256	14	556,190	18
1990	Other non-current assets (Notes 17 and 23)	71,757	2	12,213	1
15XX	Total non-current assets	<u>1,478,199</u>	<u>42</u>	<u>1,277,836</u>	<u>41</u>
1XXX	Total assets	<u>\$ 3,501,877</u>	<u>100</u>	<u>\$ 3,095,300</u>	<u>100</u>
	Liabilities and equity				
	Current liabilities				
2100	Short-term borrowings (Note 18)	\$ -	-	\$ 300,000	10
2120	Financial liabilities at fair value through profit or loss - current (Notes 7 and 32)	4,400	-	-	-
2130	Contract liabilities - current (Note 25)	657	-	24,551	1
2170	Accounts payable (Notes 20 and 33)	87,913	3	161,628	5
2200	Other payables (Notes 21 and 33)	122,224	3	107,157	3
2230	Current income tax liabilities (Note 27)	22,208	1	50,669	2
2280	Lease liabilities - current (Note 14)	4,486	-	7,237	-
2320	Corporate bonds payable due in one year (Note 19)	-	-	30,175	1
2399	Other current liabilities (Notes 22 and 33)	1,571	-	3,030	-
21XX	Total current liabilities	<u>243,459</u>	<u>7</u>	<u>684,447</u>	<u>22</u>
	Non-current liabilities				
25XX	Non-current liabilities				
2530	Bonds payable (Note 19)	757,532	22	-	-
2540	Long-term borrowings (Note 18)	-	-	35,000	1
2570	Deferred income tax liabilities (Note 27)	19,023	-	11,032	1
2580	Lease liabilities - non-current (Note 14)	2,366	-	2,483	-
2670	Other non-current liabilities (Notes 22 and 33)	615	-	615	-
	Total non-current liabilities	<u>779,536</u>	<u>22</u>	<u>49,130</u>	<u>2</u>
2XXX	Total liabilities	<u>1,022,995</u>	<u>29</u>	<u>733,577</u>	<u>24</u>
	Equity (Notes 24 and 29)				
	Capital				
3110	Common share capital	751,193	21	750,616	24
3140	Share capital collected in advance	1,177	-	124	-
3100	Total share capital	<u>752,370</u>	<u>21</u>	<u>750,740</u>	<u>24</u>
3200	Capital surplus	<u>403,797</u>	<u>12</u>	<u>356,529</u>	<u>12</u>
	Retained earnings				
3310	Statutory reserves	212,660	6	204,243	6
3320	Special reserves	16,155	-	24,750	1
3350	Unappropriated earnings	1,077,381	31	1,045,161	34
3300	Total retained earnings	<u>1,306,196</u>	<u>37</u>	<u>1,274,154</u>	<u>41</u>
3400	Other equity	20,063	1	(16,156)	(1)
3500	Treasury shares	(3,544)	-	(3,544)	-
3XXX	Total equity	<u>2,478,882</u>	<u>71</u>	<u>2,361,723</u>	<u>76</u>
	Total liabilities and equity	<u>\$ 3,501,877</u>	<u>100</u>	<u>\$ 3,095,300</u>	<u>100</u>

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

Chairman: Yu-Tung Hsu

Managerial Officer: Yu-Tung Hsu

Accounting Officer: Sheng-Fang Wang

Ultra Chip, Inc.
Parent Company Only Statement of Comprehensive Income
January 1 to December 31, 2024 and 2023

Unit: Expressed in NT\$ thousand, except for earnings per share in NT\$

Code		2024		2023	
		Amount	%	Amount	%
4000	Operating revenue (Notes 25 and 33)	\$ 1,352,697	100	\$ 1,530,862	100
5000	Operating costs (Notes 11, 17, 26 and 33)	<u>830,990</u>	<u>61</u>	<u>1,053,702</u>	<u>69</u>
5900	Gross profit	521,707	39	477,160	31
5910	Unrealized gain (loss) with subsidiaries	723	-	(12,188)	-
5920	Realized gain with subsidiaries	<u>12,661</u>	<u>1</u>	<u>13,738</u>	<u>1</u>
5950	Net operating gross profit realized	<u>535,091</u>	<u>40</u>	<u>478,710</u>	<u>32</u>
	Operating expenses (Notes 26 and 33)				
6100	Selling and marketing expenses	57,108	4	50,789	3
6200	Administrative expenses	89,026	7	94,005	6
6300	Research and development expenses	<u>243,087</u>	<u>18</u>	<u>204,468</u>	<u>14</u>
6000	Total operating expenses	<u>389,221</u>	<u>29</u>	<u>349,262</u>	<u>23</u>
6500	Net other income and expenses (Notes 26 and 33)	<u>4,135</u>	<u>-</u>	<u>2,884</u>	<u>-</u>
6900	Operating profit	<u>150,005</u>	<u>11</u>	<u>132,332</u>	<u>9</u>
	Non-operating income and expenses (Notes 26 and 33)				
7100	Interest income	12,061	1	12,424	1
7190	Net miscellaneous income	9,370	1	8,973	-
7020	Other gains and losses	(5,908)	-	3,936	-
7050	Finance costs	(13,928)	(1)	(11,079)	(1)
7070	Share of loss on equity method of subsidiaries (Note 12)	(99,187)	(7)	(65,440)	(4)
7630	Net foreign exchange gain or loss	<u>59,650</u>	<u>4</u>	<u>11,348</u>	<u>1</u>
7000	Total non-operating incomes and expenses	(<u>37,942</u>)	(<u>2</u>)	(<u>39,838</u>)	(<u>3</u>)

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Code		2024		2023	
		Amount	%	Amount	%
7900	Net income before tax	\$ 112,063	9	\$ 92,494	6
7950	Income tax expenses (Note 27)	(25,040)	(2)	(8,325)	-
8200	Current net profit	87,023	7	84,169	6
Other comprehensive income					
8310	Items not reclassified subsequently to profit or loss				
8316	Unrealized valuation gain or loss on investments in equity instruments at fair value through other comprehensive income	31,063	2	5,880	-
Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of the financial statements of foreign operations (Note 24)	2,275	-	(1,003)	-
8399	Income tax related to items may be reclassified into profit or loss (Notes 24 and 27)	(455)	-	200	-
8360		1,820	-	(803)	-
8300	Total Other comprehensive income of the year	32,883	2	5,077	-
8500	Total comprehensive income (loss) for the year	\$ 119,906	9	\$ 89,246	6
Earnings per share (Note 28)					
9710	Basic	\$ 1.16		\$ 1.13	
9810	Diluted	\$ 1.15		\$ 1.12	

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

Chairman: Yu-Tung Hsu Managerial Officer: Yu-Tung Hsu Accounting Officer: Sheng-Fang Wang

Ultra Chip, Inc.
Parent Company Only Statement of Changes in Equity
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

					Retained earnings			Other equity					
		Common share capital	Share capital collected in advance	Share capital awaiting retirement	Capital surplus	Statutory reserves	Special reserves	Unappropriated earnings	Exchange differences on translation of the financial statements of foreign operations	Unrealized valuation gain or loss on investments in debt instruments at fair value through other comprehensive income	Unearned compensation of employees	Treasury shares	Total equity
Code		\$	\$	(\$	\$	\$	\$	\$	(\$	(\$	(\$	(\$	\$
A1	Balance on January 1, 2023	750,263	1,528	240)	356,199	152,168	-	1,237,817	6,839)	9,571)	8,340)	3,544)	2,469,441
	2022 Appropriation and distribution of retained earnings												
B1	Statutory reserves	-	-	-	-	52,075	-	(52,075)	-	-	-	-	-
B3	Special reserves	-	-	-	-	-	24,750	(24,750)	-	-	-	-	-
B5	Shareholders' cash dividends	-	-	-	-	-	-	(200,000)	-	-	-	-	(200,000)
D1	2023 Net profit	-	-	-	-	-	-	84,169	-	-	-	-	84,169
D3	2023 Other comprehensive income (loss) after tax	-	-	-	-	-	-	-	(803)	5,880	-	-	5,077
I1	Repurchase of convertible bonds (Notes 19 and 24(2))	-	-	-	61	-	-	-	-	-	-	-	61
N1	Share-based payment transactions (Notes 24(1), (2) and 29)	1,033	(1,404)	(440)	(198)	-	-	-	-	-	3,517	-	2,508
C17	Changes in other capital reserves (Note 24(2))	-	-	-	89	-	-	-	-	-	-	-	89
O1	Adjustment of capital surplus of subsidiaries	-	-	-	378	-	-	-	-	-	-	-	378
T1	Cancellation of new restricted employee shares (Note 24(1))	(680)	-	680	-	-	-	-	-	-	-	-	-
Z1	Balance as of December 31, 2023	750,616	124	-	356,529	204,243	24,750	1,045,161	(7,642)	(3,691)	(4,823)	(3,544)	2,361,723
	2023 Appropriation and distribution of retained earnings												
B1	Statutory reserves	-	-	-	-	8,417	-	(8,417)	-	-	-	-	-
B3	Special reserves	-	-	-	-	-	(8,595)	8,595	-	-	-	-	-
B5	Shareholders' cash dividends	-	-	-	-	-	-	(38,000)	-	-	-	-	(38,000)
C5	Issuance of convertible corporate bonds recognized for equity component (Notes 19 and 24(2))	-	-	-	53,955	-	-	-	-	-	-	-	53,955
C17	Changes in other capital reserves (Note 24(2))	-	-	-	390	-	-	-	-	-	-	-	390
D1	2024 Net profit	-	-	-	-	-	-	87,023	-	-	-	-	87,023
D3	2024 Other comprehensive income (loss) after tax	-	-	-	-	-	-	-	1,820	31,063	-	-	32,883
M7	Changes in ownership interest in subsidiaries (Note 12)	-	-	-	(5,120)	-	-	(16,981)	-	-	-	-	(22,101)
N1	Share-based payment transactions (Notes 24(1), (2) and 29)	1,037	1,053	(460)	(3,149)	-	-	-	-	-	3,336	-	1,817
O1	Adjustment of capital surplus of subsidiaries	-	-	-	1,192	-	-	-	-	-	-	-	1,192
T1	Cancellation of new restricted employee shares (Note 24(1))	(460)	-	460	-	-	-	-	-	-	-	-	-
Z1	Balance as of December 31, 2024	751,193	1,177	-	403,797	212,660	16,155	1,077,381	(5,822)	27,372	(1,487)	(3,544)	2,478,882

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

Chairman: Yu-Tung Hsu

Managerial Officer: Yu-Tung Hsu

Accounting Officer: Sheng-Fang Wang

Ultra Chip, Inc.
Parent Company Only Statement of Cash Flows
January 1 to December 31, 2024 and 2023

Code		Unit: NT\$ thousand	
		2024	2023
Cash flows from operating activities			
A10000	Net income before tax	\$ 112,063	\$ 92,494
A20010	Income and expense item		
A20100	Depreciation expense	63,644	46,081
A20200	Amortization expense	16,096	10,090
A20400	Net loss (gain) on financial assets at fair value through profit or loss	5,908	(2,979)
A20900	Finance costs	13,928	11,079
A21200	Interest income	(12,061)	(12,424)
A21300	Dividend income	(2,877)	(1,493)
A21900	Compensation costs from share-based payments	(986)	1,894
A22400	Share of loss on equity method of subsidiaries	99,187	65,440
A23100	Gains on repurchase of corporate bonds	-	(957)
A23500	Reversal of impairment loss on refundable deposits	-	(14,980)
A23900	Unrealized (gain) loss from sale among affiliated companies	(723)	12,188
A24000	Realized gain from sale among affiliated companies	(12,661)	(13,738)
A24100	Foreign exchange net (gain) loss	(43,792)	3,743
A30000	Net changes in operating assets and liabilities		
A31150	Accounts receivable	59,917	(63,486)
A31160	Accounts receivable - related party	(873)	2,966
A31200	Inventories	269,839	435,635
A31240	Other current assets	47,023	30,143
A32125	Contract liabilities - current	(23,894)	(7,672)
A32150	Accounts payable	(79,756)	12,286
A32180	Other payables	(17,159)	(56,571)
A32190	Other payables - related party	(67)	67
A32230	Other current liabilities	(1,459)	(746)
A33000	Cash provided by operating activities	491,297	549,060
A33100	Interest received	12,061	12,424
A33200	Dividends received	2,877	1,493
A33300	Interest paid	(2,678)	(368)
A33500	Income taxes paid	(74,076)	(61,823)
AAAA	Net cash inflow from operating activities	<u>429,481</u>	<u>500,786</u>

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Code		2024	2023
	Cash flow from Investing activities		
B00040	Acquisition of financial assets carried at amortized cost	(\$ 267)	\$ -
B00050	Disposal of financial assets measured at amortized cost	-	38
B00100	Acquisition of financial assets and liabilities at fair value through profit and loss	(30,808)	(58,761)
B00010	Acquisition of financial assets at fair value through other comprehensive income	(7,673)	-
B02700	Proceeds from acquisition of property, plant and equipment	(105,097)	(52,026)
B04500	Acquisition of intangible assets proceeds	(21,459)	(15,244)
B03700	Decrease in refundable deposits	<u>23,306</u>	<u>59,947</u>
BBBB	Net cash outflow from investing activities	(<u>141,998</u>)	(<u>66,046</u>)
	Cash flow from financing activities		
C00100	Increase in short-term borrowings	-	300,000
C00200	Decrease in short-term borrowings	(300,000)	-
C01600	Increase in long-term borrowings	-	35,000
C01700	Repayments of long-term borrowings	(35,000)	-
C01200	Issuance of convertible corporate bonds	808,000	-
C01300	Repurchase of corporate bonds	-	(769,287)
C03100	Decrease in guarantee deposits	-	(53,326)
C04020	Repaid principal of lease liabilities	(9,129)	(8,673)
C04500	Cash dividends paid	(38,000)	(200,000)
C04800	Exercise of employee stock options	3,148	731
C05400	Subsidiary equity acquired (Note 12)	(229,694)	(12,838)
C09900	Others (Note 24(2))	<u>390</u>	<u>89</u>
CCCC	Net cash inflow(outflow) from financing activities	<u>199,715</u>	(<u>708,304</u>)
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>5,219</u>	(<u>2,603</u>)
EEEE	Increase (decrease) in cash and cash equivalents	492,417	(276,167)
E00100	Cash and cash equivalents at the beginning of the year	<u>496,457</u>	<u>772,624</u>
E00200	Cash and cash equivalents at the end of year	<u>\$ 988,874</u>	<u>\$ 496,457</u>

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

Chairman: Yu-Tung Hsu Managerial Officer: Yu-Tung Hsu Accounting Officer: Sheng-Fang Wang

ULTRA CHIP, INC.
2024 Earnings Distribution Table

		Unit: NT\$
Item	2024	Amount
Unappropriated retained earnings at beginning of the period		1,007,338,896
Net income after tax of 2024	87,023,514	
Adjusted retained earnings for investments accounted for using the equity method	(16,980,960)	
Current after-tax net profit plus other profit items included in undistributed earnings in the current year		70,042,554
Appropriation of 10% of legal reserve		(7,004,255)
Reversal of special reserve in accordance with law		16,155,524
Current distributable earnings		1,086,532,719
Distribution item		
Shareholders' bonus - cash, NT\$0.50624798 per share is proposed for distribution (Note)		(38,000,000)
Undistributed earnings at the end of the period		<u>1,048,532,719</u>

Note: The distribution of cash dividends is calculated based on the outstanding number of shares of 75,062,028 shares as of February 21, 2025.

Chairman: Yu-Tung Hsu Managerial Officer: Yu-Tung Hsu Accounting Officer: Sheng-Fang Wang

ULTRA CHIP, INC.

Comparison Table for the " Procedures for the loaning of funds " Before and After Amendment

After Amendment	Before Amendment	Description
<p>Article 5 Loan Term and Interest Calculation Method</p> <p>1. Loan Term: The term for which the Company provides financing shall be determined by the Board of Directors based on the individual financing recipient and financing limit, provided that the maximum term shall not exceed one year.</p> <p>2. Interest calculation method: omitted</p>	<p>Article 5 Loan Term and Interest Calculation Method</p> <p>1. Loan Term: The term for which the Company provides financing shall be determined by the Board of Directors based on the individual financing recipient and financing limit, provided that the maximum term shall not exceed one year.</p> <p><u>In special circumstances, it may be carried out with approval of the Board of Directors.</u></p> <p>2. Interest calculation method: omitted.</p>	To meet the requirements of the actual operating.
<p>Article 6 The Approval and level of Authorization</p> <p>When the Company intends to lend funds to others, a careful evaluation of compliance with relevant regulations shall be conducted, and the evaluation results as per Article 7, Paragraph 1 shall be submitted to the Board of Directors for resolution. No individual shall be authorized to make such decisions. <u>During</u> the Board of Directors' discussion, the opinions of all independent directors shall be fully considered, and their explicit opinions of agreement or opposition, along with reasons for opposition, shall be recorded in the board meeting minutes. Loans of funds between the Company and its subsidiaries, or between its subsidiaries, shall be submitted for a resolution by the Board of Directors pursuant to the preceding paragraph, and the Chairman may be authorized, for a specific borrowing counterparty, within a certain monetary limit resolved by the Board of Directors, and within a period not to exceed one year, to give loans in installments or to make a revolving credit line available for the counterparty to draw down.</p>	<p>Article 6 The Approval and level of Authorization</p> <p>When the Company intends to lend funds to others, a careful evaluation of compliance with relevant regulations shall be conducted, and the evaluation results as per Article 7, Paragraph 1 shall be submitted to the Board of Directors for resolution. No individual shall be authorized to make such decisions. <u>If the Company has appointed independent directors,</u> their opinions shall be fully considered during the Board of Directors' discussion, and their explicit opinions of agreement or opposition, along with reasons for opposition, shall be recorded in the board meeting minutes. Loans of funds between the Company and its subsidiaries, or between its subsidiaries, shall be submitted for a resolution by the Board of Directors pursuant to the preceding paragraph, and the Chairman may be authorized, for a specific borrowing counterparty, within a certain monetary limit resolved by the Board of Directors, and within a period not to exceed one year, to give loans in installments or to make a revolving credit line available for the</p>	To meet the requirements of the actual operating.

After Amendment	Before Amendment	Description
<p>The "certain monetary limit" mentioned in the preceding paragraph on authorization for loans extended to any single entity by the Company or its subsidiary shall not exceed 10% of the net worth on the most current financial statements of the Company or its subsidiary.</p> <p><u>Each inter-company loan of funds between foreign companies in which the Company holds 100% of voting shares directly or indirectly except Article 3, shall not exceed 40% of the past year's accountant's financial statements for auditing the net worth of the Company. The amount of an individual loan shall not exceed 50% of the amount of the Company's loanable funds. The term of loan is no longer than three year and is extendable up to two times.</u></p>	<p>counterparty to draw down.</p> <p>The "certain monetary limit" mentioned in the preceding paragraph on authorization for loans extended to any single entity by the Company or its subsidiary shall not exceed 10% of the net worth on the most current financial statements of the Company or its subsidiary.</p>	

ULTRA CHIP, INC.

Comparison Table for the "Articles of Incorporation "Before and After Amendment

After Amendment	Before Amendment	Description
Article 1 The Company shall be incorporated in accordance with the regulations related to company limited by shares specified in the Company Act, and its name shall be " <u>ULTRA CHIP, INC.</u> ".	Article 1 The Company shall be incorporated in accordance with the regulations related to company limited by shares specified in the Company Act, and its name shall be "ULTRACHIP INC".	To meet the requirements of the actual operating.
Article 2 The business items of the Company shall be as follows: I. CC01080 Electronics Components Manufacturing. <u>II. CC01070 Telecommunication Equipment and Apparatus Manufacturing.</u> <u>III. I301010 Information Software Services.</u> <u>IV. F218010 Retail Sale of Computer Software.</u> <u>V. F219010 Retail Sale of Electronic Materials.</u> <u>VI. F213060 Retail Sale of Telecommunication Apparatus.</u> <u>VII. F119010 Wholesale of Electronic Materials.</u> <u>VIII. F113070 Wholesale of Telecommunication Apparatus</u> <u>IX. I501010 Product Designing.</u> <u>X. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.</u>	Article 2 The business items of the Company shall be as follows: I. CC01080 Electronics Components Manufacturing. <u>II. CC01050 Data Storage Media and Processing Equipment Manufacturing.</u> <u>III. CC01070 Telecommunication Equipment and Apparatus Manufacturing.</u> <u>IV. I301010 Information Software Services.</u> <u>V. F218010 Retail Sale of Computer Software.</u> <u>VI. F219010 Retail Sale of Electronic Materials.</u> <u>VII. F213060 Retail Sale of Telecommunication Apparatus.</u> <u>VIII. F119010 Wholesale of Electronic Materials.</u> <u>IX. F113070 Wholesale of Telecommunication Apparatus</u> <u>X. I501010 Product Designing.</u> <u>XI. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.</u>	To meet the requirements of the actual operating.
Article 7 The shares of the Company shall be registered and signed or sealed by <u>corporate Director Representative</u> . In addition, the shares shall be certified by <u>law</u> for the issuance thereof. For the shares issued by the Company, consolidated share certificates may be printed or the printing of share certificates may be exempted according to the Company Act; however, the shares	Article 7 The shares of the Company shall be registered and signed or sealed by <u>at least three directors</u> . In addition, the shares shall be certified by <u>the competent authority or a registration institution approved</u> by the competent authority for the issuance thereof. For the shares issued by the Company, consolidated share	To meet the requirements of the law.

After Amendment	Before Amendment	Description
shall be under the custody or shall be registered with the Centralized Securities Depository Enterprises.	certificates may be printed or the printing of share certificates may be exempted according to the Company Act; however, the shares shall be under the custody or shall be registered with the Centralized Securities Depository Enterprises.	
Article 18 In the aforementioned roster of directors, the number of independent directors shall not be less than three and shall not be less than <u>one-third</u> of the total number of directors. Relevant matters of the professional qualification, concurrent job position limitation, nomination and election methods of the independent director as well as other necessary requirements shall comply with relevant regulations specified by the competent authority of securities.	Article 18 In the aforementioned roster of directors, the number of independent directors shall not be less than three and shall not be less than <u>one-fifth</u> of the total number of directors. Relevant matters of the professional qualification, concurrent job position limitation, nomination and election methods of the independent director as well as other necessary requirements shall comply with relevant regulations specified by the competent authority of securities.	To meet the requirements of the law.
Article 25 Where the Company has a profit in a fiscal year, it shall appropriate 5% to 18% of the profit as the employees' remuneration, <u>with at least 3% of the appropriated amount distributed as remuneration to entry-level employees</u> , and no more than 5% thereof as the remuneration of directors. However, when the Company still has accumulated losses, amount shall be reserved to compensate such losses first, followed by calculating the employees' remuneration and the remuneration of directors. The employees' remuneration may be distributed in the form of shares or cash based on the resolution of the board of directors, and the subjects for receiving the shares or cash may include employees of subordinate companies satisfying certain criteria.	Article 25 Where the Company has a profit in a fiscal year, it shall appropriate 5% to 18% of the profit as the employees' remuneration and no more than 5% thereof as the remuneration of directors. However, when the Company still has accumulated losses, amount shall be reserved to compensate such losses first, followed by calculating the employees' remuneration and the remuneration of directors. The employees' remuneration may be distributed in the form of shares or cash based on the resolution of the board of directors, and the subjects for receiving the shares or cash may include employees of subordinate companies satisfying certain criteria.	To meet the requirements of the law.
Article 29 These Article of Incorporation were duly enacted on August 3, 1999. The 1st amendment was made on August 16, 1999...., The 20th amendment was made on May 16, 2024. <u>The 21th amendment was made on June 11, 2025.</u>	Article 29 These Article of Incorporation were duly enacted on August 3, 1999. The 1st amendment was made on August 16, 1999...., The 20th amendment was made on May 16, 2024.	To add the revised date.

ULTRA CHIP, INC.**List of Director Candidates**

Title	Name	Main experience (educational background)	Number of shares	Independent director of the Company for three consecutive terms.
Director	Yu-Tung Hsu	Education : Master of Management Science, University of Massachusetts, USA Background : Marketing Manager of Intel Corporation, Sales Manager of Vanguard International Semiconductor Corporation, Sales and Marketing Assistant Vice President of Elite Semiconductor Memory Technology Inc., Sales and Marketing Vice President of SmartASIC, Technology Inc. Current adjunct positions : Chairman and president of Ultra chip, Inc., Chairman and Corporate Director Representative of Ultradisplay Inc., Chairman and Corporate Director Representative of Ultra Capteur Co., Ltd. Chairman and Corporate Director Representative of Jinghong Electronics (Shanghai) Inc., Chairman and Corporate Director Representative of Dongguan Ultra Chip Inc.	1,701,273	NA
Director	Hsueh-Jen Chien	Education : Master of Chemical Engineering, Massachusetts Institute of Technology, USA Background : Chairman of Vanguard International Semiconductor Corporation Current adjunct positions : Chairman of Fu-Chu Investment Co., Ltd., Chairman of Fu-Chu General Contractor Co., Ltd., Director of Yong Cheng Construction Co., Ltd., Supervisor of Zhu Jian Enterprise Co., Ltd., Independent Director of Wistron Corporation, Independent Director of Nan Ya Printed Circuit Board Corporation, Independent Director of ION electronic materials Co., Ltd.	0	NA
Director	Chiu-Yung Huang	Education : EMBA Program of National Taiwan University Background : Chairman of Ichia Technologies Co., Ltd. Current adjunct positions : Chairman of Ichia Technologies Co., Ltd., Chairman of Ferrari Investment Co., Ltd., Chairman of Creative Investment Co., Ltd., Director of Ichia Technologies(Malaysia) Co., Ltd., Chairman of ICHIA USA Inc, Director of ICHIA RUBBER INDUSTRY(M) SDN BHD	0	None

Title	Name	Main experience (educational background)	Number of shares	Independent director of the Company for three consecutive terms.
Independent Director	Chien-Hua Hsu	Education : Master of Chemical Engineering, National Cheng Kung University Background : Manager, Factory Director, Senior Vice President of United Microelectronics Corp. General Manager and Chairman of He-Jian Technology (Suzhou) Co., Ltd. Current adjunct positions : Chairman and CEO of Corporate Director Representative of Episil Holding Inc., Chairman and CSO of Corporate Director Representative of Episil Technologies Inc., Chairman and President of Corporate Director Representative of Wellknown Holding Company Ltd.	0	Mr. Chien-Hua Hsu has served as an independent director of the Company for three consecutive terms. In view of his expertise in academic talents in industry and experience in corporate governance, which will be of significant benefit to the Company, he was nominated as one of the independent director candidates
Independent Director	He-Wei Wang	Education : PhD. of Healthcare Services Background : President of Optoelectronics Division, TrendForce Corp. Current adjunct positions : Chairman of Sulfurscience Technology Co., Ltd.	0	Mr. He-Wei Wang has served as an independent director of the Company for three consecutive terms. In view of his expertise in risk management in legal Economics and various business regulations, which will be of significant benefit to the Company, he was nominated as one of the independent director candidates
Independent Director	Tasy-Lin Lin	Education : Department of Electrical Engineering, National Taipei Institute of Technology(Department of Electrical Engineering, National Taipei University of Technology) Background : Partner of World Peace Industrial Co., Ltd. Current adjunct positions : Director of Wpg Holdings Limited, Vice Chairman of Taiwan Industrial Holding Association, Executive Director of Taipei Electronic Components Suppliers' Association(TECSA), Director of Fantasystory Inc., Director of Cloud Creation Communications Inc., Director of H Bank Biopharma Corp., Director of H Bank Technology Inc., Independent Director /audit Committee member /remuneration committee member of Simple Mart Art Retail Co.,Ltd.	0	None

Title	Name	Main experience (educational background)	Number of shares	Independent director of the Company for three consecutive terms.
Independent Director	Meng-Ling Wu	<p>Education : M.S. in Materials Science and Engineering, Stanford University B.S. in Materials Science and Engineering, National Tsing-Hua University Background : Director of WinWay Technology Co., Ltd. Senior Project Manager and senior marketing and sales Manager of ITE Tech. Inc., Senior Manager and senior Process Integration Engineer in new business development of United Microelectronics corp., IDT (NASDAQ:IDTI) Wafer Product Engineer, Surface Technology Assistant of Industrial Technology Research Institute Current adjunct positions : Vice president and Director and Partner of Darwin Venture Management Corporation, Supervisor of Dajun Asset Management Co., Ltd, Director of Darchen Ventrue Corporation, Director of Darjun Ventrue Corporation, Director of Wison Technology Corp., Independent Director /audit Committee member /remuneration committee member of Asolid Technology Corp., Corporate Director Representative of Smart Ageing Tech Co., Ltd., Corporate Director Representative of Spirit Scientific Co., Ltd., Corporate Director Representative of Sino Applied Technology Taiwan Co., Ltd., Supervisor of Yayatech Co.,Ltd.</p>	0	None

ULTRA CHIP, INC.

Articles of Incorporation (Before Revision)

Chapter 1 General Rules

Article 1 The Company shall be incorporated in accordance with the regulations related to company limited by shares specified in the Company Act, and its name shall be “ULTRACHIP INC.”.

Article 2 The business items of the Company shall be as follows:

- I. CC01080 Electronics Components Manufacturing.
- II. CC01050 Data Storage Media and Processing Equipment Manufacturing.
- III. CC01070 Telecommunication Equipment and Apparatus Manufacturing.
- IV. I301010 Information Software Services.
- V. F218010 Retail Sale of Computer Software.
- VI. F219010 Retail Sale of Electronic Materials.
- VII. F213060 Retail Sale of Telecommunication Apparatus.
- VIII. F119010 Wholesale of Electronic Materials.
- IX. F113070 Wholesale of Telecommunication Apparatus
- X. I501010 Product Designing.
- XI. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3 The Company shall have its head office in Taipei City, and when it is determined to be necessary, upon the resolution of the Board of Directors, branch offices may be established domestically or overseas according to the laws.

Article 4 The Company's public announcements shall be made in accordance with Article 28 of the Company Act.

Article 5 The Company may provide guarantees to the external and conduct investments in other business, the investment total amount shall not be subject to the limitation under Article 13 of the Company Act that its investment shall not exceed 40% of its paid-in capital.

Chapter 2 Shares

Article 6 The total capital of the Company shall be in the amount of NT\$1.84 billion, divided into 184 million shares, at NT\$10 per share, and for the undistributed shares, the board of directors is authorized to perform share issuance at discrete times.

For the total capital described in the preceding paragraph, 11.5 million shares are reserved as the shares for the employee stock option certificates and the exercise of the share subscription right, and the board of directors is authorized to establish the procedures for actual issuance, followed by issuance at discrete times through resolution.

Where the price of employee stock option certificates issued by the Company is lower than the Company's common share price closed on the date of issuance, or treasury shares are transferred to employees at a price lower than the average price of actual repurchase of shares, such issuance and transfer of shares shall only be made when the consents of attending shareholders representing more than two-thirds of the total voting rights in a shareholders' meeting attended by shareholders representing a majority of the total issued shares.

The remuneration tools of the Company include the treasury shares repurchased, employee share subscription warrants, issuance of new shares and issuance of new restricted employee shares according to the Company Act and the Securities and Exchange Act, and the subjects for assignment, issuance or subscription employees shall include employees of controlling or subordinate companies and satisfying certain criteria. The board of directors is authorized to specify said certain criteria.

Article 7 The shares of the Company shall be registered and signed or sealed by at least three directors. In addition, the shares shall be certified by the competent authority or a registration institution approved by the competent authority for the issuance thereof.

For the shares issued by the Company, consolidated share certificates may be printed or the printing of share certificates may be exempted according to the Company Act; however, the shares shall be under the custody or shall be registered with the Centralized Securities Depository Enterprises.

Article 8 The administration of relevant shareholder services of the Company shall be handled according to the "Regulations Governing the Administration of Shareholder Services of Public Companies" announced by the competent authority.

Article 9 Registration of assignment/transfer of shares shall not be made within sixty days prior to the convening date of an ordinary shareholders' meeting of each term, or within thirty days prior to the convening date of an extraordinary shareholders' meeting, or within five days prior to the target date fixed by the Company for distribution of dividends, bonus or other benefits.

Article 10 Where the Company plans to cancel the public offering of shares, it shall be reported to the shareholders' meeting for resolution, and such clause shall not be changed during the public listing at the emerging market and TWSE (TPEX).

Chapter 3 Shareholders' Meeting

Article 11 The shareholders' meeting are classified into two types of the ordinary shareholders' meeting and the extraordinary shareholders' meeting. The ordinary shareholders' meeting shall be convened once annually, and shall be convened within six months after the closing of each fiscal year. The extraordinary shareholders' meeting shall be convened whenever necessary according to relevant laws.

A shareholders' meeting convened by the Company may be held by video conferencing or any other means as announced by the central competent authority.

Meetings adopting the video conferencing method shall comply with relevant regulations of criteria, operation procedures and other requirements. Where the competent authority of securities specify other requirements, such requirements shall also be complied.

Article 12 Where a shareholder for any reasons cannot attend the shareholders' meeting in person, he or she may appoint a proxy to attend a shareholders' meeting on his/her/its behalf by executing a power of attorney printed by the Company stating therein the scope of power authorized to the proxy and signed or sealed by the shareholder. The use of power of attorney shall comply with Article 177 of the Company Act and shall also be handled accordingly to the "Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies" announced by the competent authority of securities.

Article 13 The chairman of the board shall be the chair of the shareholders' meeting convened by the board of directors. In case where the chairman of the board is on leave due to reasons, the proxy thereof shall be handled in accordance with the regulation of Article 208 of the Company Act. Where a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. Where there are two or more such convening parties, they shall mutually select a chair from among themselves.

Article 14 Unless otherwise specified in the laws, each shareholder of the Company shall have one voting right for each share held.

Article 15 Resolutions at a shareholders' meeting, unless otherwise specified in relevant laws, shall be adopted by a majority of the shareholders presented in person, who representing more than half of the total number of the Company's outstanding shares, and shall be executed based on the majority of the voting rights of the attending shareholders.

Article 16 Resolutions of a shareholders' meeting shall be recorded in meeting minutes. The meeting minutes shall be signed or sealed by the chair of the shareholders' meeting and indicated with the year, month, date, place, name of chair, resolution method, resolution summary and result of the meeting. In addition, the meeting minutes shall be distributed to each shareholder within twenty days after the close of the meeting, and the public announcement method may be adopted.

The meeting minutes described in the preceding paragraph along with the signature book of attending shareholders and the power of attorneys of attending proxies shall be preserved at the Company according to Article 183 of the Company Act.

Chapter 4 Directors

Article 17 The Company shall have five to nine directors, and the candidate nomination system shall be adopted. The directors shall be selected by the shareholders' meeting from the candidate list, with the term of office of three years, and the directors are also eligible

for re-elections. The board of directors may purchase liability insurances for the elected directors through resolution.

The total number of registered shares held by all directors shall be handled according to the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”.

Article 18 In the aforementioned roster of directors, the number of independent directors shall not be less than three and shall not be less than one-fifth of the total number of directors. Relevant matters of the professional qualification, concurrent job position limitation, nomination and election methods of the independent director as well as other necessary requirements shall comply with relevant regulations specified by the competent authority of securities.

Article 19 The board of directors shall be formed by directors. A chairman of the board shall be elected from among the directors during a board of directors’ meeting attended by more than two-thirds of the directors and with the consents of a majority of all attending directors. In addition, a vice Chairman may also be elected from among the directors via the same method when it is considered necessary. The chairman of the board shall act as the chair of the shareholders’ meetings and board of directors’ meetings and shall represent the Company externally in order to execute all affairs of the Company according to the laws and resolutions of the shareholders’ meeting and board of directors’ meeting.

Article 20 The management policies and other important matters of the Company shall be determined by the board of directors via resolution. The board of directors may establish functional committees depending upon the need of the business operation, and it is then implemented after the responsibility and authority regulations of each committee have been approved by the board of directors.

Article 21 Unless otherwise specified in the Company Act, resolutions of board of directors’ meetings shall be executed based on the attendance of the majority of directors and the consents of a majority of the attending directors. When a director cannot attend a board of directors’ meeting due to reasons, he/she may appoint another director to attend the board of directors’ meeting as a proxy thereof, which shall be handled in accordance with Article 205 of the Company Act.

For the convention of a board of directors’ meeting, the convention reasons shall be indicated clearly in the meeting notice, and all directors shall be informed of the meeting seven days in advance. However, in case of emergencies, a meeting may be convened at any time.

The convention notices of the board of directors’ meeting described in the preceding paragraph may be made in writing, facsimile or electronic method.

Resolutions and proceedings of board of directors’ meetings shall be recorded in meeting minutes and shall be handled in accordance with Article 16 of these Article of

Incorporation.

Article 22 Directors executing duties of the Company may collect remuneration or travel allowance, and the board of directors is authorized to pay such remuneration and allowance based on the common standard adopted in the same industry. When directors of the Company attend meetings of the Company, a travel allowance of NT\$3,000 is paid to each director each time.

Chapter 5 Managerial Officers and Employees

Article 23 With regard to the managerial officers established by the Company, the appointment, discharge and remuneration of the managerial officers shall be handled in accordance with Article 29 of the Company Act.

The Company may establish the job positions of chief executive officer (CEO) and chief technology officer (CTO) according to the resolutions of the board of directors, and the appointment, discharge and remuneration of CEO and CTO shall be executed by a board of director's meeting attending by a majority of the directors and based on the consents of a majority of the attending directors through resolution.

Chapter 6 Accounting

Article 24 At the end of each fiscal year of the Company, the board of directors shall prepare the following reports and statements for submission to the ordinary shareholder's meeting to request for ratification:

- (1) Business report.
- (2) Financial statements.
- (3) Proposal for earnings distribution or deficit compensation.

Article 25 Where the Company has a profit in a fiscal year, it shall appropriate 5% to 18% of the profit as the employees' remuneration and no more than 5% thereof as the remuneration of directors. However, when the Company still has accumulated losses, amount shall be reserved to compensate such losses first, followed by calculating the employees' remuneration and the remuneration of directors.

The employees' remuneration may be distributed in the form of shares or cash based on the resolution of the board of directors, and the subjects for receiving the shares or cash may include employees of subordinate companies satisfying certain criteria.

Article 26 When the Company has a surplus earning after the final account of a fiscal year, in addition to the tax payment according to the laws and compensation of losses of previous years, 10% of the earning shall be appropriated as the legal reserve; however, when the legal reserve has reached the paid-in capital of the Company, such restriction shall not be applicable. In addition, special reserve shall also be appropriated or reversed depending upon the operational needs of the Company or according to the regulations of the competent authority. If there is still remaining balance, it shall be combined with the undistributed earnings at the beginning of the same period for the board of directors to establish a proposed for distribution of earnings, followed by

submitting to the shareholders' meeting for resolution on the distribution thereof.

For the net accumulated deduction amount of other equity recognized from the previous period, the Company shall appropriate a special reserve of the same amount from the undistributed earnings of the previous period. In case where such amount is still insufficient, the net income after tax of the current period plus the items other than the net income after tax of the current period shall be counted for the amount of undistributed earnings of the current period in order to make the appropriation.

The Company is presently under the corporate growth stage, and there will be plans for expansion of business and personnel as well as capital demands in the future years. The distribution of shareholders' dividends may be made in the form of cash or shares, wherein the cash dividends shall not be less than 10% of the total dividends. However, when the amount distributed per share for the cash dividends is less NT\$0.5, the full amount of distribution may be changed to share dividends. For the ratio of the aforementioned distribution of earnings and the ratio of share and cash dividends, the Company may determine based on the actual profit and capital status and may also consider the capital budget of next year for planning, which may be adjusted according to the resolution of the shareholders' meeting.

Chapter 7 Supplementary Provisions

Article 27 The organizational charter and operational rules Company shall be further established by the board of directors.

Article 28 Any matters not specified in these Articles of Incorporation shall be handled in accordance with the Company Act and other relevant laws and regulations.

Article 29 These Article of Incorporation were duly enacted on August 3, 1999. The 1st amendment was made on August 16, 1999. The 2nd amendment was made on January 31, 2000. The 3rd amendment was made on January 17, 2001. The 4th amendment was made on June 22, 2001. The 5th amendment was made on June 28, 2002. The 6th amendment was made on June 19, 2003. The 7th amendment was made on April 26, 2004. The 8th amendment was made on May 20, 2005. The 9th amendment was made on June 14, 2006. The 10th amendment was made on June 19, 2009. The 11th amendment was made on June 4, 2010. The 12th amendment was made on June 9, 2011. The 13th amendment was made on June 5, 2012. The 14th amendment was made on April 18, 2013. The 15th amendment was made on June 13, 2014. The 16th amendment was made on May 27, 2016. The 17th amendment was made on June 7, 2017. The 18th amendment was made on June 6, 2018. The 19th amendment was made on May 12, 2022. The 20th amendment was made on May 16, 2024.

Ultra Chip Inc.
Chairman: Yu-Tung Hsu

ULTRA CHIP, INC.

Rules of Procedure for Shareholders' Meeting

Amended by the general shareholders' meeting on May 12, 2022

Article 1 Purpose and Basis

These Rules of Procedure for Shareholders' Meetings are established to promote the successful proceedings of the shareholders' meeting of the Company. The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by laws and regulations, shall be as provided in these Rules.

Article 2 Applicable Scope

These Rules are applicable to shareholders' meeting of the Company.

Article 3 Operating Procedures and Precautions

1. The shareholders described in these Rules refer to shareholders indicated in the roster of shareholders or proxies authorized by shareholders to attend meetings on their behalf, and representatives designated by corporate shareholders.
2. Shareholders attending shareholders' meeting shall sign in or submit sign-in card in lieu of signing in. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders.

The time for accepting shareholders' attendance registrations shall be at least thirty minutes prior to the meeting commencement time. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform thirty minutes before the meeting starts. Shareholders completing registration are deemed as attending the shareholders' meeting in person.

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

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

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

The attendance and voting at a shareholders' meeting shall be calculated based 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, and the shares

checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically. 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 proxy for any other shareholder.

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

With the exception of a trust enterprise or a shareholder service agent approved by the competent authority of securities, 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.

4. 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.

When the Company convenes a virtual shareholders' meeting, the restrictions on the place of the meeting shall not apply, and both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

5. It is advisable that the shareholders' meetings convened by the board of directors be chaired by the chairman of the board in person and attended by a majority of the directors in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the shareholders' meeting minutes. In case where the chairman of the board is on leave or cannot exercise his/her power and authority due to reasons, the chairman of the board may appoint a director to act as a proxy thereof; where the chairman of the board fails to appoint a proxy, the directors shall elect one director from among themselves to act as the proxy thereof. Where a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. Where there are two or more such convening parties, they shall mutually select a chair from among themselves.

6. The Company may appoint its attorneys, certified public accountants, or related

persons retained by it to attend a shareholders' meeting. Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

7. The Company shall record on audio or video tape the entire proceedings of a shareholders' meeting and preserve the recordings for at least one year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders' meeting is held via video conferencing, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

8. The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

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

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 of 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. In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Paragraph 2 of this article.

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

9. Where a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate

proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting. The aforementioned provisions apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the aforementioned meeting agenda (including extraordinary motions), except by a resolution of the shareholders' meeting.

Changes to how the Company convenes its shareholders' meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders' meeting notice.

The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) thirty days before the date of an ordinary shareholders' meeting or fifteen days before the date of an extraordinary shareholders' meeting. In addition, the Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS twenty-one days before the date of an ordinary shareholders' meeting or fifteen days before the date of an extraordinary shareholders' meeting. If, however, the Company has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders' meeting held in the immediately preceding year, transmission of these electronic files shall be made by thirty days before an ordinary shareholders' meeting. In addition, fifteen days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.

For the meeting agenda and supplemental meeting materials described in the preceding paragraph, the Company shall provide them to the shareholders for review on the convention date of the shareholders' meeting according to the following methods:

- I. For physical shareholders' meetings, to be distributed on-site at the meeting.
- II. For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
- III. For virtual shareholders' meetings, electronic files shall be shared on the virtual

meeting platform.

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

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

The reason of convention of shareholders' meeting has indicated the re-election of directors, and the date of assuming the position is also indicated. After the re-election is completed in such session of shareholders' meeting, the date of assuming the position shall not be changed through extempore motion or other methods.

A shareholder holding 1% or more of the total number of issued shares may submit to the Company a proposal for discussion at an ordinary shareholders' meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraphs of Paragraph 4 of Article 174-1 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

A shareholder may propose a recommendation for urging the Company 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 ordinary shareholders' meeting is held, the Company shall publicly announce that it will receive shareholder proposals, 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 shall be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the ordinary shareholders' meeting and take part in 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 of directors shall explain the reasons for exclusion of any shareholders' proposals not included in the agenda.

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

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.

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

11. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed five minutes.

If the shareholder's speech violates the rules of the preceding paragraph or exceeds the scope of the agenda item, the chair may terminate the speech.

12. When a juristic person is appointed to attend a shareholders' meeting as a proxy, it shall designate only one person to represent it in the meeting. When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

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

Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The provisions of the preceding three paragraphs shall not be applied.

14. When the chair at a shareholders' meeting is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call a vote.

15. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall have the identity of shareholders of the Company. Vote counting for proposals or elections of a shareholders' meeting shall be conducted in public at the place of the shareholders' meeting. In addition, 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 record shall also be made.

16. When a meeting is in progress, the chair may announce a break based on time

considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

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.

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

When the Company convenes a virtual shareholders' meeting, after the chair declares the meeting open, shareholders attending the meeting via the video conferencing method shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced, and the results of votes and election shall be disclosed immediately on the virtual meeting platform for shareholders' meeting according to the regulations, and such disclosure shall continue at least fifteen minutes after the chair has announced the meeting adjourned.

18. When there is an amendment or alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When anyone among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
19. The chair may direct the proctors (or security personnel) to help maintain order at the meeting place. When proctors (or security personnel) assist to maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."
20. Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within twenty days after the conclusion of the meeting. The meeting minutes may be produced and distributed in

electronic form.

The aforementioned meeting minutes may be distributed 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 chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of votes won by each candidate in the event of an election of directors. The meeting minutes shall be retained for the duration of the existence of the Company.

Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the aforementioned meeting minutes, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the meeting minutes.

When convening a virtual shareholders' meeting, other than compliance with the aforementioned requirements, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.

21. On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event a virtual shareholders' meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least thirty minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During the Company's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under 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.

22. When the Company holds a shareholders' meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence.

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

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 or online, a written declaration of intent to retract the aforementioned voting rights exercised shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail.

When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

When the Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting via video conferencing method in accordance with Paragraph 2 of this article decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting via video conferencing method.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders' meeting via video conferencing method, except for extraordinary motions, they may not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

23. In the event of a virtual shareholders' meeting, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than thirty minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described above, shareholders who have not registered to participate in the affected shareholders' meeting online shall not attend the postponed or resumed session. For a meeting to be postponed or resumed according to the aforementioned provision, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders' meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders' meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders' meeting held according to the aforementioned provision, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.

When the Company convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described above, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, still meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue, and aforementioned provision for the postponement or resumption of the meeting is not required.

Under the circumstances where a meeting is required to be continued as described above, the shares represented by shareholders' attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.

When postponing or resuming a meeting according to the aforementioned provision, the Company shall handle the preparatory work based on the date of the original shareholders' meeting and the provisions of this article in accordance with the requirements listed under Paragraph 7 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

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

24. When convening a virtual shareholders' meeting, the Company shall provide

appropriate alternative measures available to shareholders with difficulties in attending the virtual shareholders' meeting online.

Article 4 These Rules shall be approved through the resolution of the board of directors and submitted to the shareholders' meeting for approval before implementation. The same requirements shall be applied to amendments thereof.

ULTRA CHIP, INC.

Rules for Directors Election

Amended by the general Shareholders' Meeting on May 27, 2016

Article 1 The purpose of establishment

In order to rules for directors election completely, the rules for election of directors was established

Article 2 The scope of range

The election of directors of the Company shall be handled in accordance with these Rules

Article 3 The procedure of rule

1. The directors of company shall be selected from the candidates who have Behavioral capability in the Regular Shareholders' Meeting.
2. The number of directors will be as specified in the Company's Articles of Incorporation.
3. Each share will have voting rights in number equal to the directors to be elected for election of the directors at the Company, and may be cast for a single candidate or split among multiple candidates.
4. The Company shall prepare ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
5. Before the election begins, the chair shall appoint a number of persons to perform the respective duties of vote monitoring and counting personnel. The vote monitoring personnel shall have the status of a shareholder.
6. For board member elections, the ballot box shall be prepared by the person having the convening right and examined by the ballot supervisor(s) in public before the voting.
7. A voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristicperson shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its

representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.

8. A ballot is invalid under any of the following circumstances:
 - I. The ballot was not prepared by the Board of Directors.
 - II. A blank ballot is placed in the ballot box.
 - III. The writing is unclear and indecipherable or has been altered.
 - IV. The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.
 - V. Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identity card number) and the number of voting rights allotted.
 - VI. No shareholder account number or account number is provided in the ballot to identify such individual.
 - VII. There are two or more than two candidates on the candidate list filled in on the same ballot.
9. Our directors elected at the same time in accordance with the quota stipulated in Articles of Incorporation and related announcements. The voting result is determined by electronic votes or ballots. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed an elected independent or non-independent director. If two or more persons obtain the same number of votes and the number of such persons exceeds the specified seats available, such persons obtaining the same votes shall draw lots to decide who should win the seats available, and the chairman shall draw lots on behalf of the candidate who is not present.
10. The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors, shall be announced by the chair on the site.
11. Each director-elect will be awarded respectively election notice by Board of Directors.
12. Matters not provided in these Rules shall be handled in accordance with the Articles of Incorporation of the Company and relevant laws and regulations

Article 4 These Rules and any amendments hereto shall be implemented and after approval by board of meeting and a shareholders meeting.

ULTRA CHIP, INC.**Shareholdings of All Directors**

The total number of issued shares of the Company is 75,200,028 shares. Up to the book closure date (April 13, 2025) of the present general shareholders' meeting, number of shares held by individual and all directors indicated in the shareholders' roster are as shown in the following table:

Statutory minimum number of shares required to be held by all directors: Since the number of elected independent directors of the Company has exceeded more than half of all directors and Audit Committee has been established according to the laws, this is not applicable.

Title	Name	Number of shares	Shareholding percentage
Chairman	Yu-Tung Hsu	1,701,273	2.26%
Director	Hsueh-Jen Chien	0	0
Director	Chih-Cheng Chou	0	0
Independent Director	Jonathan Ross	0	0
Independent Director	He-Wei Wang	0	0
Independent Director	Chiu-Yung Huang	0	0
Independent Director	Chien-Hua Hsu	0	0
Total		1,701,273	2.26%