

Stock code: 6261



2024 Annual Shareholders' Meeting

Meeting Handbook

June 19, 2024

I.	Meeting Procedure	2
II.	Meeting Agenda	3
	1. Management Presentation	4
	2. Ratifications	5
	3. Discussions	5
	4. Election Matters	10
	5. Other Proposals	13
	6. Extempore Motions	14
III.	Attachments	
	Attachment 1: 2023 Business Report	15
	Attachment 2: Audit Committee's Review Report	19
	Attachment 3: Independent Company Only Financial Statements Independent Auditors' Report	20
	Attachment 4: Independent Balance Sheet, Independent Statement of Comprehensive Income, Independent Statement of Changes in Equity, Independent Statement of Cash Flows	24
	Attachment 5: Consolidated Financial Statements Independent Auditors' Report	28
	Attachment 6: Consolidated Balance Sheet, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows	33
	Attachment 7: 2023 Earnings Distribution Statement	37
	Attachment 8: Procedures for Financial Derivatives Transactions (Before revision)	38
	Attachment 9: Articles of Incorporation	43
	Attachment 10: Rules for Election of Directors	48
	Attachment 11: Rules and Procedures of Shareholders' Meeting	50
IV.	Shareholding of Directors	53

YoungTek Electronics Corp.
2024 Annual Shareholders Meeting
Procedure

1. Call the Meeting to Order
2. Chairman's Remarks
3. Management Presentation
4. Ratifications
5. Discussions
6. Election Matters
7. Other Proposals
8. Extempore Motions
9. Adjournment

YoungTek Electronics Corp.

2024 Annual Shareholders' Meeting Agenda

Date: June 19, 9:00a.m., 2024

Location: 4th Floor, No. 5, Keji Road, Hsinchu Science Park (The YTEC's Restaurant)

Form of Shareholders' Meeting: Physical Shareholders' Meeting

1. Call the Meeting to Order(Reported Attendance Shares)
2. Chairman's Remarks
3. Management Presentation
 - (1) 2023 Business Report
 - (2) Audit Committee's Review Report on the Company's 2023 Financial Statements.
 - (3) 2023 Distribution of Directors' and Employees' Compensation Report
 - (4) 2023 Cash Dividend Distribution Report
4. Ratifications
 - (1) 2023 Business Report and Financial Statements
 - (2) 2023 Profit Distribution Proposal
5. Discussions
 - (1) Enumerate the Procedures for Financial Derivatives Transactions
6. Election Matters
 - (1) Board of Directors Re-election Resolution
7. Other Proposals
 - (1) Deliberation on the matter concerning the removal of restrictions for new directors and their representatives regarding involvement in competing enterprises
8. Extempore Motions
9. Adjournment

I. Management Presentation

Case Report One

Subject: 2023 Business Report

Remarks: See pages 15-18 of the meeting handbook for details.

Case Report Two

Subject: Audit Committee's Review Report on the Company's 2023 Financial Statements.

Remarks: See pages 19 of the meeting handbook for details.

Case Report Three

Subject: 2023 Distribution of Directors' Remuneration and Employee Compensation Report

Remarks: According to Article 23 of the Company's Articles of Incorporation, the Company's profit for 2023 is NT\$636,940,140 (the profit before tax for the year, excluding the impact of the provision for directors' remuneration and employees' remuneration, etc.). 0.8352% of which, or NT\$5,320,000, is allocated for directors' remuneration, and 9.2630%, or NT\$59,000,000, is allocated for employees' remuneration, both to be distributed in cash.

Case Report Four

Subject: 2023 Cash Dividend Distribution Report

Remarks:

1. In accordance with Article 23-1 of the Company's Articles of Incorporation, the authorization for distributing dividends and bonuses in cash requires a resolution passed by a minimum of two-thirds of the directors present at a meeting attended by a majority of the directors. Subsequently, this resolution must to report to the shareholders' meeting
2. The Board of Directors of our company has approved the cash dividends for the year 112, with the amount and distribution date as follows:

2023	Ex-dividend Date	Payment Date	Cash Dividends per Share (NT\$)	Total Cash Dividends (NT\$)
First Half	No distribution	-	-	-
Second Half	Authorized by the Chairman	Authorized by the Chairman	4.00	513,991,956

3. Cash dividends are calculated to the nearest dollar, with any fractional amount less than one dollar discarded. The combined fractional amounts are included in the company's other income.

II. Ratifications

Ratification One

Proposed by the Board of Directors

Subject: Acknowledged 2023 Business Report and Financial Statements

Remarks:

1. The Company's individual financial statements and consolidated financial statements for 2023 have been approved by the 15th meeting of the 11th Board of Directors and audited by Deloitte & Touche, together with the business report, which have been reviewed by the Audit Committee and an audit report has been issued.
2. Please find the aforementioned book table and auditor's report attached, as detailed on pages 15-18 and 20-36 of the agenda handbook.

Resolution:

Ratification Two

Proposed by the Board of Directors

Subject: Acknowledged 2023 Profit Distribution Proposal

Remarks:

1. The after-tax profit of the company for the year 2022 was NT\$526,018,337, minus the legal surplus reserve of 10% of NT\$52,657,934 and plus the reversal of special surplus reserve of NT\$14,910,082. The remaining amount of NT\$488,270,485, together with the unappropriated retained earnings of previous years of NT\$1,277,598,565 and the addition of actuarial gain on defined benefit plans of NT\$561,000 to retained earnings adjustment, resulted in a total distributable surplus of NT\$1,766,430,050. The proposed shareholder dividend distribution is NT\$513,991,956, with NT\$1,252,438,094 to be retained.
2. For the distribution of surplus for fiscal year 2023, please refer to page 37 of the agenda handbook.

Resolution:

III. Discussions

Discussion One

Proposed by the Board of Directors

Subject: Enumerate the Procedures for Financial Derivatives Transactions

Remarks: In accordance with regulatory requirements and operational needs, it is proposed to amend certain provisions of the Company's "Procedures for Financial Derivatives Transactions." The table comparing the amended provisions is as follows. For the provisions before amendment, please refer to pages 38-42 of the meeting handbook. Please review and approve.

Comparison Table for the Procedures for Financial Derivatives Transactions Before and After Revision

Article	Articles before amendment	Articles after amendment	Amendment description
Article 2	<p>III. Segregation of Duties</p> <p>1. Finance Department: Responsible for foreign exchange operations management, collecting foreign exchange market information, judging trends and risk assessment, familiar with financial products, regulations and operating skills, and managing foreign exchange positions according to company policies and authorized authority to avoid foreign exchange risks.</p> <p>2. Accounting Department: Manage the company's overall foreign exchange positions, periodically settle realized and unrealized exchange gains and losses, and provide information to the finance department for hedging operations.</p> <p>IV. Performance Evaluation Guidelines The performance of hedging operations is based on the assessment of the gains or losses arising from the difference between the foreign exchange costs recorded in the company's books and the derivative transactions undertaken. A regular assessment should be conducted every two weeks, and the assessment report should be submitted to the senior executive officer authorized by the board of directors.</p>	<p>III. Segregation of Duties Finance Department:</p> <p>(1) Responsible for foreign exchange operations management, collecting foreign exchange market information, judging trends and risk assessment, familiar with financial products, regulations and operating skills, and managing foreign exchange positions according to company policies and authorized authority to avoid foreign exchange risks.</p> <p>(2) Manage the company's overall foreign exchange positions, and periodically settle realized and unrealized exchange gains and losses.</p> <p>(3) <u>Periodical public announcement and filing</u></p> <p>IV. Performance Evaluation Guidelines The performance of hedging operations is based on the assessment of the gains or losses arising from the difference between the foreign exchange costs recorded in the company's books and the derivative transactions undertaken.</p>	Amend in accordance with laws and regulations
Article 3	<p>I. Authorized Amount Level The company's authorized traders must conduct transactions based on the company's net foreign exchange position arising from business operations, and only after the evaluation and approval of the financial manager. After each transaction is completed, the finance department will present the type and content of the derivative product transaction to the Chairman for approval, completing the internal written sign-off.</p> <p>II. Responsible Departments The supervision and decision-making for derivative product trading is led by the Chairman as the highest executive, and the Finance Department is the actual executor. The personnel involved in the trading, confirmation, and settlement of derivative products must have at least 2 people responsible.</p>	<p>I. Authorized Amount Level <u>Our company's credit limit for derivative products is approved by the Board of Directors, and the actual drawdown is authorized by the General Manager's Office.</u></p> <p>II. Responsible Departments The Finance Department is the actual executor, and transaction confirmation and settlement personnel are appointed as needed. Transaction, confirmation, and settlement personnel are appointed by the Chief Financial Officer as needed.</p>	Amend in accordance with laws and regulations
Article 4	<p>Article 4: Description</p> <p>I. Treasury personnel conduct transactions within the authorized scope.</p> <p>II. According to the bank's transaction report, the Treasury traders need to fill out the foreign exchange transaction form and have it confirmed by the authorized personnel to validate the effectiveness of the transaction.</p>	<p>Article 4: Description</p> <p>I. Treasury personnel conduct transactions within the authorized scope.</p> <p>II. According to the bank's transaction reports, the trading staff of the Finance Department needs to fill out the foreign exchange contract and have it confirmed by the confirming personnel to validate the transaction.</p>	Consistent use of terminology

Article	Articles before amendment	Articles after amendment	Amendment description
	<p>III. When bank foreign exchange transaction confirmation documents are stamped, an approved foreign exchange transaction slip must be attached.</p> <p>IV. When foreign exchange transactions generate exchange gains or losses upon settlement, the settlement personnel should confirm and handle the settlement matters based on the approved foreign exchange transaction slip, which serves as the basis for accounting entries.</p> <p>V. The Finance Department compiles a monthly report on foreign exchange transactions and submits it to the Accounting Department as a basis for accounting evaluation.</p>	<p>II. When the bank's foreign exchange transaction confirmation document is stamped, an approved foreign exchange contract must be attached.</p> <p>III. When foreign exchange transactions generate exchange gains or losses upon settlement, the settlement personnel should confirm and handle the settlement matters based on the approved foreign exchange transaction slip, which serves as the basis for accounting entries.</p> <p>V. The Finance Department consolidates the bank's foreign exchange risk assessment daily report on a monthly basis as the basis for accounting valuation.</p>	
Article 6	<p>I. Risk Management Measures</p> <p>1. Credit risk management The counterparties are limited to banks with business dealings or able to provide professional information with the company.</p> <p>2. Market risk management: The Finance Department should continually manage the risks arising from the market price fluctuations of derivative products due to changes in interest rates, exchange rates, or other factors.</p> <p>3. Liquidity Risk Management To ensure liquidity, the trading bank must have adequate facilities, information, and trading capabilities, and be able to trade in any market.</p> <p>4. Cash flow risk management To ensure the stability of the company's operating capital turnover, the funds for the company's derivative product transactions are limited to its own funds, and the operating amount should take into consideration the cash inflow and outflow projections for the next six months to one year.</p> <p>5. Operational risk management: Clearly define the authorization limit levels, operating procedures, and operating instructions to avoid operational risks.</p> <p>6. Legal risk management: The documents signed with the counterparties are primarily standard market contracts, and any unique contracts must be reviewed by internal legal staff or legal advisors before they can be formally executed</p>	<p>I. Risk Management Measures</p> <p>(1) Credit risk management The counterparties are limited to banks with business dealings or able to provide professional information with the company.</p> <p>(2) Market risk management: The Finance Department should continually manage the risks arising from the market price fluctuations of derivative products due to changes in interest rates, exchange rates, or other factors.</p> <p>(3) Liquidity Risk Management To ensure liquidity, the trading bank must have adequate facilities, information, and trading capabilities, and be able to trade in any market.</p> <p>(4) Cash flow risk management To ensure the stability of the company's operating capital turnover, the funds for the company's derivative product transactions are limited to its own funds, and the operating amount should take into consideration the cash inflow and outflow projections for the next six months to one year.</p> <p>(5) Operational risk management: Clearly define the authorization limit levels, operating procedures, and operating instructions to avoid operational risks.</p> <p>(6) Legal risk management: The documents signed with the counterparties are primarily standard market contracts, and any unique contracts must be reviewed by internal legal staff or legal advisors before they can be formally executed.</p> <p>II. <u>Internal Control</u></p> <p>(1) <u>Personnel engaged in trading derivative products and those involved in operations such as confirmation and settlement must not hold concurrent positions.</u></p>	Consistent use of terminology, coordinating with revised laws

Article	Articles before amendment	Articles after amendment	Amendment description
	<p>II. The board of directors should supervise management in accordance with the following principles:</p> <ol style="list-style-type: none"> 1. Designated senior managers shall pay constant attention to supervising and controlling the risks involved in derivative product transactions. 2. Regularly evaluate whether the performance of derivative transactions conforms to the established operating strategy and whether the risks undertaken are within the company's acceptable range. <p>III. Senior executives authorized by the Board of Directors should manage derivative transactions in accordance with the following principles:</p> <ol style="list-style-type: none"> 1. The finance department manager shall regularly evaluate whether the currently used risk management procedures are appropriate and are actually handled in accordance with these Procedures. 2. Supervise the transactions and profit/loss situations, and take necessary measures when any abnormality is found. Report to the board of directors immediately, and the board of directors should have independent directors present and express their opinions. 	<p><u>(2) Our company is engaged in derivative product trading. Senior executives authorized by the Board of Directors are responsible for measuring, monitoring, and controlling related risks, and they should belong to a different department from the personnel mentioned in the previous paragraph.</u></p> <p><u>III. Periodical evaluation</u></p> <p><u>(1) The board of directors should supervise management in accordance with the following principles:</u></p> <ol style="list-style-type: none"> 1. Designated senior managers shall pay constant attention to supervising and controlling the risks involved in derivative product transactions. 2. Regularly evaluate whether the performance of derivative transactions conforms to the established operating strategy and whether the risks undertaken are within the company's acceptable range. <p><u>(2) Senior executives authorized by the Board of Directors should manage derivative transactions in accordance with the following principles:</u></p> <ol style="list-style-type: none"> 1. The finance department manager shall regularly evaluate whether the currently used risk management procedures are appropriate and are actually handled in accordance with these Procedures. 2. Supervise the transactions and profit/loss situations, and take necessary measures when any abnormality is found. Report to the board of directors immediately, and the board of directors should have independent directors present and express their opinions. <p><u>(3) The finance department should assess hedging transactions conducted for business needs at least twice a month, and the assessment report should be submitted to the senior executive authorized by the board of directors.</u></p>	
Article 7	<p>Internal audit system</p> <p>The internal auditors should review the appropriateness of the internal controls for derivative transactions on a monthly basis, and perform monthly audits on the compliance of the trading department with these procedures. They should analyze the trading cycle, prepare audit reports, and submit them to the supervisors and independent directors for review by the end of the following month. If a major violation or risk of significant damage to the company is discovered, a report should be immediately prepared for review and approval, and all supervisors and independent directors should be notified.</p>	<p>Internal audit system</p> <p><u>Internal audit personnel should regularly understand the appropriateness of internal controls over derivative transactions, conduct monthly audits of the transaction department's compliance with procedures for engaging in derivative transactions and analyze the transaction cycle, and prepare an audit report. If any major violations are found, they should notify the audit committee in writing.</u></p>	Amend in accordance with laws and regulations

Article	Articles before amendment	Articles after amendment	Amendment description
Article 8:	<p>Declaration procedure</p> <p>II. Our company engages in derivative product transactions. When the amount of losses reaches the overall or individual contract loss limit standards stipulated in Article 2 of these Procedures, or when there are any changes, terminations, or cancellations of the relevant contracts originally entered into for the transactions, we shall make a public announcement and report within two days from the date of occurrence in accordance with the regulations.</p>	<p>Declaration procedure</p> <p>II. Our company is engaged in the trading of derivative products. When the amount of loss reaches the overall or individual contract loss limit stipulated in Article 2 of these procedures, or when there is a change, termination or cancellation of the relevant contracts originally signed, <u>or when there is a change in the originally announced and reported content</u>, we shall announce and report in accordance with the regulations within two days of the occurrence of the fact.</p>	Amend in accordance with laws and regulations
Article 9	<p>Others</p> <p>II. After being approved by the Board of Directors, this program shall be submitted to each supervisor and proposed for approval at the shareholders' meeting. The same shall apply to any amendments. If any director expresses dissent and it is recorded or stated in writing, the dissenting opinion of the director shall be sent to each supervisor, and the clear opinion of the independent director agreeing or dissenting and the reasons for dissent shall be fully considered and recorded in the minutes of the board of directors' meeting.</p>	<p>Others</p> <p>II. <u>This program shall be implemented after being approved by the Audit Committee and the Board of Directors, and agreed upon by the Shareholders' Meeting</u>; the same applies to any amendments. If any director expresses dissent, and this is recorded or in writing, the director's dissenting information shall be submitted to the audit committee, and the opinions of the independent directors shall be fully considered, with their express opinions for or against and the reasons for their opposition stated in the meeting minutes.</p>	Amend in accordance with laws and regulations
Article 11	<p>This program was established on May 24, 2002. This program was first revised on June 25, 2003. This program was revised for the second time on January 15, 2004. This program was revised for the third time on June 12, 2015.</p>	<p>This program was established on May 24, 2002. This program was first revised on June 25, 2003. This program was revised for the second time on January 15, 2004. This program was revised for the third time on June 12, 2015. <u>This program was revised for the second time on June 19, 2024.</u></p>	Last updated date added

Resolution:

I. Election Matters

Subject: The case of re-election of the company's directors is proposed for election.

Remarks:

1. The 11th term of the Board of Directors of this company will expire on August 11, 2024 plan to re-elect the entire board at this shareholders meeting. According to the Company Act, all directors will be dismissed after the re-election at the shareholders' meeting.
2. According to the provisions of the company's articles of incorporation, it is proposed to elect 9 directors. (Board seats: 6 general directors, 3 independent directors.) Directors shall be elected by adopting candidates nomination system as specified in Article 192-1 of the Company Law.
3. The term of office for the newly appointed directors shall commence from June 19, 2024 and end on June 18, 2027, with a tenure of 3 years, and they are eligible for re-election.
4. The voting method adopted by this company is the single non-transferable vote cumulative voting system.
5. The 11th meeting of the 16th Board of Directors passed the "List of Director (Including Independent Director) Candidates", and the reasons for nominating independent director candidates whose term has reached three terms (please refer to the notes in the table below), for election.

Type of Position	Name	Education	Experience	Shares Held
Director	Representative, IN & OUT Bio Beauty Corp. Wang, Ping-Lung	1. Bachelor's degree in Aeronautical Engineering, National Chiao Tung University	1. Factory Manager, Unimicron Technology Corp. 2. Manager, United Microelectronics Corp. 3. Founder of YoungTek Electronics Corp.	8,475,617
Director	Chang, Cheng-Kuang	1. Bachelor's degree in Aeronautic, National Cheng Kung University	1. Vice Manager, United Microelectronics Corp. 2. Manager, Mosel Vitelic Inc. 3. Founder of YoungTek Electronics Corp.	392,880
Director	Chen, Kuei-Piao	1. Bachelor of Electronic Engineering, National Taiwan Institute of Technology	1. Manager, Hualon Microelectronics Corp. 2. Deputy Manager, First International Computer 3. Founder of YoungTek Electronics Corp.	321,960
Director	Yao, Te Chang	1. Master of Finance, National Taiwan University 2. Master of Electrical Engineering, University of Southern California	1. Deputy General Manager, Hsu Pang Investment Consultants 2. General Manager, Ta Ya Venture Capital Co., Ltd.	0
Director	Wang, Jung	1. Bachelor's degree in Information Management and Finance from	1. Manager of Huacheng Capital Co., Ltd.	206,695

Type of Position	Name	Education	Experience	Shares Held
		<p>National Chiao Tung University</p> <p>2. Master's degree in Economics from the University of Southern California</p>		
Independent Director	Representative, IN & OUT Bio Beauty Corp. Wang, Ming-Tsung	<p>1. Bachelor's degree in Electronic Engineering from National Chiao Tung University</p> <p>2. Ph.D. in Electrical Engineering from State University of New York</p>	<p>1. Associate Vice President of Process Integration Development at United Microelectronics Corp.</p> <p>2. Associate Professor at Ming Chi University of Technology</p> <p>3. Vice President and Head of Communication Business Center at MACRONIX INTERNATIONAL CO., LTD.</p> <p>4. Founder and CEO of Sentelic Corporation</p> <p>5. Founder and CEO of HOMEYOUNG TECH CO., LTD</p> <p>6. Chairman of AFFINITY SENSING TECHNOLOGY CO., LTD</p> <p>7. Special Assistant of YoungTek Electronics Corp.</p>	8,475,617
Independent Director	Huang, Meng Hua	<p>1. Master of Business Administration, Tulane University of Louisiana, USA</p> <p>2. EMBA, National Taiwan University of Science and Technology</p>	<p>1. Manager of Technical Service for Electronics, Inc., Taiwan Branch</p> <p>2. Director of General Manager's Office (Deputy General Manager), Shine Light Lighting Ltd.</p> <p>3. Senior General Manager, LITEON Technology Corporation</p> <p>4. General Manager, Leotek Electronics Corporation</p> <p>5. Chinese Taipei Olympic Committee. Committee member</p> <p>6. Sino-American Silicon Products Inc. Independent Director, Audit Committee Member, and Remuneration Committee Member</p> <p>7. GLOBAL PROSPERITY SOCIAL ENTERPRISE TAIWAN CO., LTD. Supervisor</p>	0
Independent Director	Liu, Chun Ting	<p>1. Master of Business Administration, Thunderbird School of Global</p>	<p>1. Senior Director, TSMC</p> <p>2. Vice President of Industrial Technology Research Institute</p>	0

Type of Position	Name	Education	Experience	Shares Held
		<ul style="list-style-type: none"> Management, Arizona, USA 2. Ph.D. in Electrical Engineering from Princeton University, USA 3. Bachelor of Electrical Engineering, National Taiwan University 	<ul style="list-style-type: none"> 3. Chairman, Industrial Technology Investment Corporation. 4. Vice President of Monte Jade Science & Technology Association of Taiwan 5. Chief Operating Officer of World Vision Taiwan 6. Senior Advisor at Delta Electronics Ltd. 7. Senior Advisor at Everlight Chemical 8. Business Group General Manager at AUO Corporation 9. Academician of Chinese Society For Management Of Technology 10. Adjunct Professor at National Tsing Hua University 11. Adjunct Professor at National Chiao Tung University 12. Department Manager at Nokia Bell Labs 	
Independent Director	Yang, Chien-Kuo	<ul style="list-style-type: none"> 1. Bachelor of International Trade, Tamkang University 	<ul style="list-style-type: none"> 1. CPA at Ernst & Young Global Limited 2. Independent Director at SPIROX - Delivering Smarter Solutions 3. Independent Director at M31 Technology Corporation 4. Supervisor at YoungTek Electronics Corp. 	0

Note: Ms. Huang, Meng Hua has professional experience in finance, accounting, and corporate governance practices. She has made significant contributions to the operation of the company's board of directors and the company's operations. Although she has served as an independent director of the company for three terms, the company still needs to leverage her professional capabilities and her ability to exercise independent oversight over the board of directors. Therefore, in this election, it is proposed to continue nominating Ms. Huang, Meng Hua as an independent director of the company.

Election results:

II. Other Proposals

Subject: Deliberation on the matter concerning the removal of restrictions for new directors and their representatives regarding involvement in competing enterprises

Remarks:

1. Pursuant to Article 209 of the Company Act, a director who does an act for himself or on behalf of another person that is within the scope of the company's business, shall explain to the shareholders meeting the important facts concerning such an act and secure its approval.
2. To diversify operations and enhance operational performance, the Board of Directors may engage in activities within or beyond the scope of the Company's business, as deemed necessary for themselves or on behalf of others. It is proposed to request this year's annual general meeting of shareholders to lift the non-competition restriction on the newly appointed directors of the Company and their representatives as listed in the table below.

Type of Position	Name	Current Concurrent Positions at Other Companies
Director	Yao, Te Chang	1. Chairman of YONG,DA Investment Co., Ltd. 2. Chairman of YONG,CHUANG Investment Co., Ltd. 3. Chairman of Success Innovations Management Consulting Co., Ltd. 4. Chairman of Phoenix Innovation Entrepreneurial Investment Co., Ltd. 5. Chairman of HUA,CHEN Investment Co., Ltd. 6. Director of ASIX Electronics Corporation 7. Director of GIGASTONE CORPORATION 8. Director of TAITIEN ELECTRONICS CO., LTD. 9. Director of SYNC-TECH SYSTEM CORP. 10. Independent Director of EUREKA MICROELECTRONICS, INC. 11. Independent Director of Jentech Precision Industrial Co., Ltd. 12. Corporate Director Representative of ACTi 13. Corporate Director Representative of NCKU Venture Capital Co., Ltd. 14. Corporate Director Representative of Ledlink Optics, Inc. 15. Corporate Director Representative of Yong, De Electronics Co., Ltd.
Director	Wang, Jung	1. Edison Opto Corporation
Director	Representative, IN & OUT Bio Beauty Corp.	Alfaplus Semiconductor AI artificial intelligence development chief consultant

Type of Position	Name	Current Concurrent Positions at Other Companies
	Wang, Ming-Tsung	
Independent Director	Huang, Meng Hua	Formerica Optoelectronics Inc. Supervisor
Independent Director	Liu, Chun Ting	The Mustard Seed Mission Director
Independent Director	Yang, Chien-Kuo	<ol style="list-style-type: none"> 1. Diwan & Company Certified Public Accountants, Managing Partner 2. Chairman of ZHI,YUAN International Management Consultants Co., Ltd. 3. Chairman of Tien Da Investment Co., Ltd. 4. Independent Director of Leadtrend Technology Corporation 5. Independent Director of Andes Technology Corporation 6. Independent Director of Macronix Pte. Ltd.

Resolution:

III. Extempore Motions

IV. Adjournment

YoungTek Electronics Corp.
2023 Business Report

Dear shareholders,

In 2023, YoungTek Electronics Corp. celebrates its 20th year since listing on the over-the-counter market. Supported and encouraged by all shareholders, and through the collective efforts of all employees, the company achieved consolidated and individual after-tax profits of NT\$524 million and NT\$526 million, respectively. This resulted in an annual EPS of NT\$4.09 after tax. The primary driver behind its profitability, in addition to the ongoing success of its in-house manufactured machines within the contract manufacturing and equipment sales sectors, is the collaborative endeavors of the company's proficient R&D technology team. Coupled with the influence of its diversified business strategy, YoungTek has begun to see the fruits of its labor in related industries. This dynamic stands as the pivotal factor in enhancing YoungTek's profitability in the foreseeable future.

Reviewing 2023, the semiconductor industry gradually recovered from the impact of the Covid-19 pandemic. However, due to the company's highly focused product line on consumer electronics, its operational recovery was relatively slower compared to its peers. In recent years, the company has been actively developing automotive and third-generation semiconductor products, as well as expanding its overseas customer base. It is expected that through diversifying its customer base and product offerings, the company can mitigate the impact of geopolitical factors and combat economic fluctuations. Additionally, in response to climate change and energy conservation issues, the company will continue to focus on green and sustainable initiatives, actively implementing corporate governance, developing a sustainable environment, and promoting social welfare in line with the three pillars of ESG.

Starting from semiconductor dicing and inspection, YoungTek aims to provide integrated back-end IC foundry services, primarily engaged in semiconductor and optoelectronics products dicing, grinding, inspection, testing, and other foundry services, as well as the manufacture and sales of optoelectronic and semiconductor equipment. For thirty-two. decades since its establishment, the company has embraced the 'owner's management philosophy' and the principle of 'treating every project as if it were for the client.' Every member of the team approaches their responsibilities with a sense of ownership, fostering a strong sense of unity towards the company. They actively refine work processes at their workstations to meet customer needs with optimal cost-effectiveness and efficiency, thereby delivering top-notch service quality. As a result, YoungTek has achieved outstanding performance in recent years, both in terms of operational growth and cost control, earning consistent recognition from customers.

The etiquette values upheld by YoungTek include: Those who succeed seek solutions, while those who don't, seek excuses. Find ways to succeed, not excuses for failure. Those who find ways to

solve problems are definitely successful people; Those who make excuses for procrastination are bound to be failures; In every challenge, numerous solutions exist, and those who identify and implement these solutions ultimately achieve success and triumph. Embracing the principle of 'Tracing the root cause and striving for the best' entails comprehensively understanding the underlying factors of every situation, resolving issues at their core, continuously enhancing processes, and maintaining a mindset of continuous improvement. Through this approach, the goal is to attain the pinnacle of excellence. It is our aspiration that enterprises evolve from mere excellence to extraordinary performance, ensuring sustainable operations, generating employment opportunities, and making meaningful contributions to society.

In addition to providing OEM services, our company dedicates considerable resources to the development of proprietary products. We maintain a high level of autonomy in testing technology and exert effective control over production costs. Moreover, we proactively leverage our existing technologies and resources to drive innovation and research and development initiatives, with the objective of delivering products of enhanced value. Additionally, the company has obtained multiple patents in the field of semiconductors, especially in the research and development as well as manufacturing of testing equipment. Not only does it provide the necessary equipment for testing outsourcing services, thereby saving substantial production costs, but it also has a track record of selling self-developed equipment to companies in the semiconductor industry. The full-function IC tester developed by YoungTek has received project funding from the Industrial Development Bureau of the Ministry of Economic Affairs, and has gained recognition and affirmation from the competent authority and experts. It has become the industry standard test platform and a crucial milestone for the SoC product test solution, which is a milestone for the industry.

YoungTek has always adhered to pragmatic operations and a step-by-step working attitude, continuously developing innovative and high value-added products. Through overall revenue and profit growth, we seek to provide shareholders with a stable investment return rate. We are delighted that YoungTek's operating philosophy has been recognized by shareholders. At the same time, we received affirmation and support from many customers and manufacturers. Additionally, we promoted ATE testing platforms and AOI automation equipment for semiconductor, LED optoelectronics, passive components, and other related products. The results have gradually taken effect, enhancing international competitiveness and creating advantages, allowing our core values to extend and contribute to business performance.

Due to the continued growth of related industries such as semiconductors, optoelectronics, communications, passive components, the Internet of Things, and the Internet of Vehicles, the demand for back-end outsourcing services for these products has been increasing. Therefore, in the future market, YoungTek will continue to focus on expanding its outsourcing services and developing new products, with the following main directions:

1. Semiconductor foundry services: Besides fulfilling the diverse specifications of existing

OEM services for PC peripherals such as logic, mixed-signal, non-volatile memory, MCU, USB, touch, wireless remote control, and analog power products, our company has extended its offerings. We now provide testing services for emerging technologies including CIS, MEMS, fingerprint sensors, and RF communication products. Additionally, we offer integrated testing and dicing/packaging services for LCD driver ICs. These enhancements cater to evolving market demands and augment our industrial competitiveness by broadening the spectrum of our OEM services.

2. Optoelectronic foundry services: In response to market demand, we continuously provide foundry services for optoelectronics, automotive products, optical communication products, Flip Chip, RFID, passive component SMD, Mini LED, and more. We have been timely providing tangible benefits for business growth, and have successively been validated and received mass production orders from many renowned foreign manufacturers, contributing to the company's revenue growth.
3. IC test system and QFN test package machine development: Successfully developed a 100MHz 512/768 pin full-function IC tester for testing multimedia, Digital TV, and high-speed logic SoC products, and implementing it for mass production. Higher-end models will also be launched successively. In addition, the developed QFN test packaging machine can be applied to IC product testing and production, with a three-in-one function (testing, appearance inspection, and packaging). Another newly developed 100MHz Upgrade to 1,536 pin full-function IC tester and RF test module, LCDD test solution, and higher-speed test system have been completed to enhance the competitive advantage of IC testing service.
4. Development of CIS, CCM, AOI, inspection equipment, Mini LED backlight equipment, etc.: The development of CIS (CMOS Image Sensor System) and CCM (Camera Module Test Equipment) has resulted in the provision of high-speed image processing and comprehensive electrical testing solutions. Our systems boast a maximum test pattern generation frequency of 100MHz, the fastest image acquisition rate reaching 100MIPS, and support for up to 16M pixels. These capabilities make them ideal for verifying and conducting mass production testing of products with over one million pixels. To address market demand, we've expanded our sales of AOI (Automated Optical Inspection System) six-sided inspection machines, resulting in a significant increase in revenue from AOI equipment sales. The development of AOI equipment focuses on solving visual blind spots in inspection for semiconductor, optoelectronic, and passive component industries, which can significantly save manpower. It has successfully integrated optoelectronic technology with image analysis and automated equipment design to develop various types of appearance inspection machines, such as 2D AOI inspection machines (Auto Load/Unload) for LED and passive component heat sink substrates, photomask inspection machines, solar panel dark crack inspection machines, innovative silicon through-hole critical dimension measurement technology and system development, X-Ray Taping AOI, IC die bonders, IC inspection machines, RFID, and Mini

LED backlight equipment. Therefore, the outlook is optimistic.

Finally, on behalf of the management team of YoungTek, we would like to express our sincere gratitude to all shareholders. Looking ahead to the new year, the company will continue to strive relentlessly, upholding the consistent philosophy of sustainable operation, pursuing excellence, and fulfilling everyone's expectations for YoungTek.

Best regards,

may your health prosper and your aspirations be fulfilled.

Chairman: Ping-Lung Wang



General Manager: Wei-Tang Hsiao



Chief Accountant: Chiao-Fen Chen



Attachment 2

YoungTek Electronics Corp.
Audit Committee's Review Report

For the fiscal year 2023, the consolidated financial statements and individual financial statements of YoungTek have been audited and completed by Deloitte & Touche, and an unqualified audit report has been issued (included in the aforementioned financial statements, some of the financial statements of the invested companies evaluated using the equity method were audited by other accountants instead of the accountants appointed by the Company), recognizing that they fairly present the Company's financial position, financial performance, and cash flows. Together with the business report and the surplus distribution table, the Audit Committee has reviewed and found no irregularities. Therefore, in accordance with relevant laws and regulations, the report is hereby submitted.

To

YoungTek Electronics Corp.

Audit Committee Convener: Huang, Meng Hua

A handwritten signature in blue ink, consisting of three vertical characters: '黄', '梦', and '华'.

March 13, 2024

Independent Auditors' Report

To: YoungTek Electronics Corp.,

Audit Opinion

The parent company only balance sheets of YoungTek Electronics Corp. as of December 31, 2023 and 2022, the parent company only statements of comprehensive income, parent company only statements of changes in equity, and parent company only statements of cash flows for the years ended December 31, 2023 and 2022, and notes to the parent company only financial statements (including a summary of significant accounting policies) have been audited by us.

In our opinion, based on our audit results and the audit reports of other auditors (please refer to the Other Matters section), the above parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and present fairly, in all material respects, the parent company only financial position of YoungTek Electronics Corp. as of December 31, 2023 and 2022, and their parent company only financial performance and parent company only cash flows for the years ended December 31, 2023 and 2022.

Basis of Audit Opinion

We have performed the audit work in accordance with the Regulations Governing the Auditing and Certification of Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the parent company only financial statements section. The personnel of our firm subject to the independence rules have maintained independence from YoungTek Electronics Corp. in accordance with the Norm of Professional Ethics for Certified Public Accountant, and have fulfilled other responsibilities under the Code. The accountant believes that sufficient and appropriate audit evidence has been obtained to provide a basis for the audit opinion.

Key audit matter

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 YoungTek Electronics Corp. for the year 2023. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This describes the key audit matters relating to the parent company only financial statements of YoungTek Electronics Corp. for the year 2023 as follows:

Recognition of Revenue

YoungTek Electronics Corp. and its subsidiaries have significant sales revenue, mainly from testing and processing, cutting and sorting processing, and machine assembly product sales. Please refer to Note 23 for details. Its self-developed products have higher gross margins. YoungTek Electronics Corp. is a listed company in Taiwan, and there may be an incentive to overstate revenue due to pressure from investors to grow its core business revenue. Therefore, the occurrence of the aforementioned sales is considered a key audit matter.

The auditor's audit procedures include (but are not limited to the following) evaluating the appropriateness of the revenue recognition accounting policies of YoungTek Electronics Corp. and its subsidiaries, understanding and testing the effectiveness of internal controls over the shipping process, and selecting samples to verify sales revenue related vouchers and checking for any abnormalities between sales targets and receipts or other documentation subjects.

Other matters

Included in the aforementioned parent company only financial statements, the financial statements of some investees valued using the equity method were not audited by us but by other auditors. Therefore, with respect to the above parent company only financial statements, the opinion expressed by this accountant regarding the investments using the equity method in the aforementioned investee companies and their related shares of profits or losses was based on the audit reports of other accountants. As of December 31, 2023 and 2022, the investments using the equity method in the aforementioned investee companies were NT\$27,566 thousand and NT\$32,135 thousand, respectively, accounting for 0.35% and 0.40% of total assets, respectively. The shares of profit or loss of associates recognized using the equity method for the periods from January 1, 2023 to December 31, 2023 and from January 1, 2022 to December 31, 2022 were (NT\$4,388) thousand and (NT\$1,788) thousand, respectively, accounting for (0.77)% and (0.16)% of pre-tax net income, respectively.

Management's and Those Charged with Governance's Responsibilities for the Parent Company Only Financial Statements

The responsibility of management is to prepare parent company only financial statements that give a true and fair view in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and to maintain such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is also responsible for assessing the ability of YoungTek Electronics Corp. to continue as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting unless management intends to liquidate YoungTek Electronics Corp. or to cease operations, or has no realistic alternative but to do so.

The governance units of YoungTek Electronics Corp. (including the Audit Committee) are responsible for overseeing the parent company only financial reporting process.

Auditor's responsibility for auditing parent company only financial statements

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

The accountant applies professional judgment and maintains professional skepticism in accordance with auditing standards during the audit. The accountant also performs the following tasks:

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

The matters communicated with those charged with governance include the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

The accountant also provides the governance entity with a statement that the personnel of the firm to which the accountant belongs have complied with the independence requirements of the Code of Ethics for Professional Accountants, and communicates with the governance entity about all relationships and other matters (including relevant safeguards) that could reasonably be thought to bear on the accountant's independence.

From the matters communicated with those charged with governance, we determine the key audit matters for the audit of the parent company only financial statements of YoungTek Electronics Corp. for the year 2023. We describe these matters in our auditor's report unless the law precludes public disclosure about the matter or, 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 & Touche

Accountant Ya-Yun Chang

Accountant Tung-Hui Yeh

The approval document number from the
Financial Supervisory Commission is:
Financial Supervisory Commission
Securities Examination No. 1110348898
March 14, 2024

The approval document number from the
Financial Supervisory Commission is:
Financial Supervisory Commission Securities
Examination No. 0980032818

Notice to Reader

For the convenience of readers, this report has been translated into English from the original Chinese version. The English version has not been audited or reviewed by independent auditors. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

YOUNGTEK ELECTRONICS CORP.
PARENT COMPANY ONLY BALANCE SHEETS

December 31, 2023 and 2022

Unit: NT\$ thousands

Code	Assets	December 31, 2023		December 31, 2022		Code	Liabilities and equities	December 31, 2023		December 31, 2022	
		Amount	%	Amount	%			Amount	%	Amount	%
	Current assets						Current liabilities				
1100	Cash and cash equivalents (Note 4 and 6)	\$ 1,940,309	25	\$ 2,479,380	31	2130	Current contract liability (Note 4 and 23)	\$ 117,436	2	\$ 59,075	1
1120	Current financial assets measured at fair value through other comprehensive income (Note 4 and 8)	62,204	1	39,898	-	2170	Notes and accounts payable (Note 18)	287,423	4	279,780	4
1170	Notes and accounts receivable (Note 4, 5, 10 and 23)	648,698	8	454,443	6	2180	Accounts payable to related parties (Note 31)	179	-	-	-
1180	Accounts receivable due from related parties (Note 4 and 31)	805,950	10	154,611	2	2219	Other payables (Note 19 and 31)	410,438	5	460,535	6
1200	Other receivables (Note 10)	3,513	-	3,831	-	2230	Current tax liabilities (Note 4 and 25)	158,437	2	150,694	2
1210	Other receivables from related parties (Note 31)	85	-	83,142	1	2250	Current provisions (Note 4 and 20)	5,974	-	25,399	-
130X	Inventories (Note 4, 5, 11 and 28)	719,222	9	902,510	11	2280	Current lease liabilities (Note 4, 14 and 31)	17,950	-	17,971	-
1470	Other current assets (Note 17)	203,628	3	118,864	2	2399	Other current liabilities (Note 19 and 31)	11,007	-	12,703	-
11XX	Total amount of current assets	4,383,609	56	4,236,679	53	21XX	Total amount of current liabilities	1,008,844	13	1,006,157	13
	Non-current assets						Non-current liabilities				
1510	Non-current financial assets measured at fair value through profit or loss (Note 4 and 7)	14,824	-	-	-	2580	Non-current lease liabilities (Note 4, 14 and 31)	149,788	2	119,420	1
1517	Non-current financial assets measured at fair value through other comprehensive income (Note 4 and 8)	425,733	6	423,530	5	2670	Guarantee deposits received	7,084	-	7,084	-
1535	Non-current financial assets measured at amortized cost (Note 4, 9 and 32)	20,950	-	17,595	-	25XX	Total amount of non-current liabilities	156,872	2	126,504	1
1550	Investments accounted for using equity method (Note 4, 12 and 27)	640,414	8	821,054	11	2XXX	Total liabilities	1,165,716	15	1,132,661	14
1600	Property, plant and equipment (Note 4, 13, 28, 31 and 32)	2,064,240	26	2,142,683	27		Equity (Note 4 and 22)				
1755	Right-of-use asset (Note 4, 14 and 28)	172,853	2	144,391	2		Share capital				
1760	Net amount of investment property (Note 4, 15 and 28)	1,687	-	21,971	-	3110	Ordinary share	1,284,980	16	1,284,980	16
1780	Intangible assets (Note 4, 16 and 28)	29,901	1	30,177	1	3200	Capital surplus	2,439,724	31	2,454,456	31
1840	Deferred income tax assets (Note 4 and 25)	75,401	1	82,115	1	3310	Retained earnings	1,155,550	15	1,067,713	13
1915	Prepayments for business facilities	5,363	-	9,423	-	3320	Legal reserve	32,695	-	-	-
1975	Net defined benefit asset (Note 4 and 21)	26,977	-	15,001	-	3350	Special reserve	1,804,178	23	2,040,620	26
1990	Other non-current assets (Note 17 and 31)	3,106	-	3,116	-	3300	Undistributed earnings	2,992,423	38	3,108,333	39
15XX	Total amount of non-current assets	3,481,449	44	3,711,056	47	3400	Total amount of retained earnings	(17,785)	-	(32,695)	-
							Other equity interest				
						3XXX	Total equity	6,699,342	85	6,815,074	86
1XXX	Total assets	\$ 7,865,058	100	\$ 7,947,735	100		Total liabilities and equities	\$ 7,865,058	100	\$ 7,947,735	100

The accompanying notes are an integral part of these parent company only financial statements.
(Please refer to the audit report of Deloitte & Touche on March 14, 2024)

Chairman: Ping-Lung Wang

Manager: Wei-Tang Hsiao

Chief Accountant: Chiao-Fen Chen

YOUNGTEK ELECTRONICS CORP.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022

Unit: NT\$ thousands, except earnings per share which is NT\$

Code		2023		2022	
		Amount	%	Amount	%
4000	Operating revenue (Note 4, 23 and 31)	\$ 3,413,268	100	\$ 3,920,554	100
5000	Operating costs (Note 11, 16, 21, 24 and 31)	<u>2,329,227</u>	<u>68</u>	<u>2,426,640</u>	<u>62</u>
5900	Gross profit	1,084,041	32	1,493,914	38
5910	Unrealized (or realized) profits from subsidiaries and associates	(<u>73,934</u>)	(<u>2</u>)	<u>19,081</u>	<u>1</u>
5950	Realized gross profit	<u>1,010,107</u>	<u>30</u>	<u>1,512,995</u>	<u>39</u>
	Operating expenses (Note 10, 16, 21, 24 and 31)				
6100	Selling expenses	99,206	3	132,547	3
6200	Administrative expenses	137,300	4	156,618	4
6300	Research and development expense	288,676	8	338,804	9
6450	Gain on reversal of expected credit losses	(<u>3,954</u>)	-	(<u>38,070</u>)	(<u>1</u>)
6000	Total amount of operating expenses	<u>521,228</u>	<u>15</u>	<u>589,899</u>	<u>15</u>
6500	Net other revenue and cost (Note 4, 24 and 31)	<u>107,843</u>	<u>3</u>	<u>85,640</u>	<u>2</u>
6900	Net operating income	<u>596,722</u>	<u>18</u>	<u>1,008,736</u>	<u>26</u>
	Non-operating income and expenses				
7100	Interest revenue (Note 4, 24 and 31)	26,104	1	16,917	-
7010	Other revenue (Note 4, 24 and 31)	19,265	-	21,032	1
7020	Other gains and losses (Note 4 and 24)	(16,832)	(1)	152,004	4
7050	Financial costs (Note 24 and 31)	(\$ 4,898)	-	(\$ 3,759)	-
7060	Share of profit or loss of subsidiaries and associates accounted for using equity method (Note 4, 12 and 27)	(<u>47,740</u>)	(<u>1</u>)	(<u>103,298</u>)	(<u>3</u>)
7000	Total non-operating income and expenses	(<u>24,101</u>)	(<u>1</u>)	<u>82,896</u>	<u>2</u>
7900	Profit before tax	572,621	17	1,091,632	28
7950	Income tax expense (Note 4 and 25)	<u>46,602</u>	<u>2</u>	<u>237,452</u>	<u>6</u>
8200	Net profit for the year	<u>526,019</u>	<u>15</u>	<u>854,180</u>	<u>22</u>
	Other comprehensive income (Note 21 and 22)				
8310	Items that will not be reclassified to profit or loss:				
8311	Re-measurement of the defined benefit plans	561	-	20,832	1
8316	Unrealized valuation gains and losses from investment in equity instrument measured at fair value through other comprehensive income	24,509	1	(114,215)	(3)
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of foreign financial statements	(<u>9,599</u>)	-	<u>11,730</u>	-
8300	Total amount of other comprehensive income	<u>15,471</u>	<u>1</u>	(<u>81,653</u>)	(<u>2</u>)
8500	Total comprehensive income for the year	<u>\$ 541,490</u>	<u>16</u>	<u>\$ 772,527</u>	<u>20</u>
	Earnings per Share (Note 26)				
9750	Basis point	<u>\$ 4.09</u>		<u>\$ 6.65</u>	
9850	Dilution	<u>\$ 4.05</u>		<u>\$ 6.53</u>	

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

(Please refer to the audit report of Deloitte & Touche on March 14, 2024)

Chairman: Ping-Lung Wang

Manager: Wei-Tang Hsiao

Chief Accountant: Chiao-Fen Chen

YOUNGTEK ELECTRONICS CORP.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2023 and 2022

Unit: NT\$ thousands, except earnings per share which is NT\$

Code	Equity attributable to owners of the Company					Other equity interest items		Total equity	
	Share capital	Capital surplus	Retained earnings			Exchange differences on translation of foreign financial statements	Unrealized gains and losses from financial assets measured at fair value through other comprehensive income		
			Statutory reserves	Special reserve	Undistributed earnings				
A1	Balance on January 01, 2022	\$ 1,284,980	\$ 2,461,818	\$ 958,416	\$ 18,360	\$ 1,895,681	(\$ 93,532)	\$ 166,676	\$ 6,692,399
	2021 surplus allocation:								
B1	Legal reserve	-	-	109,297	-	(109,297)	-	-	-
B3	Special reserve	-	-	-	(18,360)	(18,360)	-	-	-
B5	The Company's cash dividend for shareholders	-	-	-	-	(642,490)	-	-	(642,490)
C3	Recipient of a gift	-	39	-	-	-	-	-	39
C7	Amount of changes recognized using the equity method for associates	-	(7,401)	-	-	-	-	-	(7,401)
D1	Net profit from January 1, 2022 to December 31, 2022	-	-	-	-	854,180	-	-	854,180
D3	Other comprehensive income from January 1, 2022 to December 31, 2022	-	-	-	-	20,832	11,730	(114,215)	(81,653)
D5	Total comprehensive income from January 1, 2022 to December 31, 2022	-	-	-	-	875,012	11,730	(114,215)	772,527
Q1	Disposal of current equity investments measured at fair value through other comprehensive income	-	-	-	-	3,354	-	(3,354)	-
Z1	Balance on December 31, 2022	1,284,980	2,454,456	1,067,713	-	2,040,620	(81,802)	49,107	6,815,074
	2022 surplus allocation:								
B1	Legal reserve	-	-	87,837	-	(87,837)	-	-	-
B3	Special reserve	-	-	-	32,695	(32,695)	-	-	-
B5	The Company's cash dividend for shareholders	-	-	-	-	(642,490)	-	-	(642,490)
C3	Recipient of a gift	-	143	-	-	-	-	-	143
C7	Amount of changes recognized using the equity method for associates	-	(14,872)	-	-	-	-	-	(14,872)
C17	Distribution of overdue dividends that have been capitalized from capital surplus	-	(3)	-	-	-	-	-	(3)
D1	Net profit from January 1, 2023 to December 31, 2023	-	-	-	-	526,019	-	-	526,019
D3	Other comprehensive income from January 1, 2023 to December 31, 2023	-	-	-	-	561	(9,599)	24,509	15,471
D5	Total comprehensive income from January 1, 2023 to December 31, 2023	-	-	-	-	526,580	(9,599)	24,509	541,490
Z1	Balance on December 31, 2023	\$ 1,284,980	\$ 2,439,724	\$ 1,155,550	\$ 32,695	\$ 1,804,178	(\$ 91,401)	\$ 73,616	\$ 6,699,342

The accompanying notes are an integral part of these parent company only financial statements.
(Please refer to the audit report of Deloitte & Touche on March 14, 2024)

Chairman: Ping-Lung Wang

Manager: Wei-Tang Hsiao

Chief Accountant: Chiao-Fen Chen

YOUNGTEK ELECTRONICS CORP.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended December 31, 2023 and 2022

Unit: NT\$ thousands

<u>Code</u>		<u>2023</u>	<u>2022</u>
	Cash flows from operating activities		
A10000	Net profit before tax for the year	\$ 572,621	\$ 1,091,632
A20010	Revenue expense and loss items:		
A20100	Depreciation expense	561,312	522,341
A20200	Amortization expense	10,991	8,214
A20300	Gain on reversal of expected credit losses	(3,954)	(38,070)
A20400	Net losses on financial assets measured at fair value through profit or loss	176	-
A20900	Financial costs	4,898	3,759
A21200	Interest revenue	(26,104)	(16,917)
A21300	Dividend revenue	(16,344)	(16,153)
A22400	Share of profit or loss of subsidiaries and associates accounted for using equity method	47,740	103,298
A22500	Gains on disposals of property, plant and equipment	(77,010)	(48,292)
A23700	Impairment loss recognized in profit or loss, property, plant and equipment	-	19,602
A23700	Loss for market price decline and obsolete and slow-moving inventories	25,408	21,182
A24000	Unrealized profits (losses) of subsidiaries and associated companies	73,934	(19,081)
A24100	Net foreign exchange loss (gain)	25,115	(84,475)
A29900	Disposal of losses from subsidiaries accounted for using the equity method	343	-
A29900	Lease modification gains	-	(508)
A30000	Net changes in operating assets and liabilities		
A31150	Notes and accounts receivable	(218,324)	537,932
A31160	Notes and accounts receivable due from related parties	(568,282)	73,103
A31180	Other receivables	798	(149)
A31190	Other receivables from related parties	-	59,267
A31200	Inventories	124,583	(333,478)
A31240	Other current assets	(84,764)	(11,673)
A32125	Contract liability	58,361	23,051
A32150	Notes and accounts payable	12,895	(183,363)
A32160	Accounts payable to related parties	179	(1,516)
A32180	Other payables	(18,461)	(92,290)
A32200	Provisions for liabilities	(19,425)	(5,527)
A32230	Other current liabilities	(1,696)	7,399
A32240	Net defined benefit liability	(11,415)	(10,666)
A33000	Cash flow from operations	473,575	1,608,622
A33100	Interest received	\$ 25,624	\$ 14,220
A33200	Dividend received	21,739	40,431
A33300	Interest paid	(4,898)	(3,759)
A33500	Income tax paid	(32,145)	(318,981)
AAAA	Net cash inflow from operating activities	<u>483,895</u>	<u>1,340,533</u>
	Cash flows from investing activities		
B00020	Sales of current financial assets measured at fair value through other comprehensive income	-	18,673
B00040	Acquisition of financial assets at amortized cost	(3,355)	(17)
B00100	Acquisition of financial assets measured at fair value through profit or loss	(15,000)	-
B01800	Disposal of long-term investments accounted for using equity method	336	-
B02700	Purchase of property, plant and equipment	(439,834)	(285,954)
B02800	Proceeds from disposal of non-current assets, plant and equipment	106,442	31,646
B03700	Increase of refundable deposit	(100)	(100)
B03800	Decrease of refundable deposit	110	-
B04500	Purchase of intangible assets	(9,057)	(7,036)
B07100	Decrease (increase) in prepaid equipment fees	4,060	(2,079)
BBBB	Net cash outflow from investing activities	<u>(356,398)</u>	<u>(244,867)</u>
	Cash flows from financing activities		
C04020	Principal repayment of lease liabilities	(21,874)	(21,896)
C04500	Distributing cash dividends	(642,490)	(642,490)
C09900	Recipient of a gift	143	39
C09900	Payment of cash dividends transferred to capital surplus	(3)	-
CCCC	Net cash outflow from financing activities	<u>(664,224)</u>	<u>(664,347)</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	(2,344)	71,810
EEEE	Net (decrease) increase in cash and cash equivalents	(539,071)	503,129
E00100	Beginning balance of cash and cash equivalents	<u>2,479,380</u>	<u>1,976,251</u>
E00200	Ending balance of cash and cash equivalents	<u>\$ 1,940,309</u>	<u>\$ 2,479,380</u>

The accompanying notes are an integral part of these parent company only financial statements.
(Please refer to the audit report of Deloitte & Touche on March 14, 2024)

Chairman: Ping-Lung Wang

Manager: Wei-Tang Hsiao

Chief Accountant: Chiao-Fen Chen

Independent Auditors' Report

To: YoungTek Electronics Corp.,

Audit Opinion

The consolidated balance sheets of YoungTek Electronics Corp. and Its Subsidiaries as of December 31, **2023** and 2022, the consolidated statements of comprehensive income, consolidated statements of changes in equity, and consolidated statements of cash flows for the years ended December 31, 2023 and 2022, and notes to the consolidated financial statements (including a summary of significant accounting policies) have been audited by us.

In our opinion, based on our audit results and the audit reports of other auditors (please refer to the Other Matters section), the above consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretative Announcements approved and issued into effect by the Financial Supervisory Commission, and present fairly, in all material respects, the consolidated financial position of YoungTek Electronics Corp. and Its Subsidiaries as of December 31, 2023 and 2022, and their consolidated financial performance and consolidated cash flows for the years ended December 31, 2023 and 2022.

Basis of Audit Opinion

We have performed the audit work in accordance with the Regulations Governing the Auditing and Certification of Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the consolidated financial statements section. The personnel of our firm subject to the independence rules have maintained independence from YoungTek Electronics Corp. and Its Subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant, and have fulfilled other responsibilities under the Code. The accountant believes that sufficient and appropriate audit evidence has been obtained to provide a basis for the audit opinion.

Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of YoungTek Electronics Corp. and Its Subsidiaries for the year 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This describes the key audit matters relating to the consolidated financial statements of YoungTek Electronics Corp. and Its Subsidiaries for the year 2023 as follows:

Recognition of Revenue

YoungTek Electronics Corp. and Its Subsidiaries have significant sales revenue, mainly from testing and processing, cutting and sorting processing, and machine assembly product sales. Please refer to Note 25 for details. Its self-developed products have higher gross margins. YoungTek Electronics Corp. is a listed company in Taiwan, and there may be an incentive to overstate revenue due to pressure from investors to grow its core business revenue. Therefore, the occurrence of the aforementioned sales is considered a key audit matter.

The auditor's audit procedures include (but are not limited to the following) evaluating the appropriateness of the revenue recognition accounting policies of YoungTek Electronics Corp. and Its Subsidiaries, understanding and testing the effectiveness of internal controls over the shipping process, and selecting samples to verify sales revenue related vouchers and checking for any abnormalities between sales targets and receipts or other documentation subjects.

Other matters

YoungTek Electronics Corp. has prepared the individual financial statements for 2023 and 2022, which have been audited by our certified public accountants and an unqualified opinion report with other matters paragraph has been issued for reference.

The consolidated financial statements included above were partially evaluated using the equity method based on the unaudited financial statements of invested companies, which were audited by other accountants. Therefore, with respect to the above consolidated financial statements, the opinion expressed by this accountant regarding the investment balances of the aforementioned companies evaluated using the equity method and their related shares of profit or loss was based on the audit reports of other accountants. As of December 31, 2023 and 2022, the investment balances of the aforementioned companies evaluated using the equity method were NT\$27,566 thousand and

NT\$32,135 thousand, respectively, accounting for 0.33% and 0.37% of total consolidated assets, respectively. The shares of profit or loss of associates recognized using the equity method for the periods from January 1, 2023 to December 31, 2023 and from January 1, 2022 to December 31, 2022 were (NT\$4,388) thousand and (NT\$1,788) thousand, respectively, accounting for (0.78)% and (0.16)% of consolidated pre-tax net income, respectively.

Management's and Those Charged with Governance's Responsibilities for the Consolidated Financial Statements

The responsibility of management is to prepare consolidated financial statements that give a true and fair view in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretive Announcements endorsed and issued into effect by the Financial Supervisory Commission, and to maintain such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is also responsible for assessing the ability of YoungTek Electronics Corp. and Its Subsidiaries to continue as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting unless management intends to liquidate YoungTek Electronics Corp. and Its Subsidiaries or to cease operations, or has no realistic alternative but to do so.

YoungTek Electronics Corp. and Its Subsidiaries' governance units (including the Audit Committee) are responsible for overseeing the consolidated financial reporting process.

Auditor's responsibility for auditing consolidated financial statements

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

The accountant applies professional judgment and maintains professional skepticism in accordance with auditing standards during the audit. The accountant also performs the following tasks:

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

The matters communicated with those charged with governance include the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

The accountant also provides the governance entity with a statement that the personnel of the firm to which the accountant belongs have complied with the independence requirements of the Code of Ethics for Professional Accountants, and communicates with the governance entity about all relationships and other matters (including relevant safeguards) that could reasonably be thought to bear on the accountant's independence.

From the matters communicated with those charged with governance, we determine the key audit matters for the audit of the consolidated financial statements of YoungTek Electronics Corp. and Its Subsidiaries for the year 2023. We describe these matters in our auditor's report unless the law precludes public disclosure about the matter or, 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 & Touche

Accountant Ya-Yun Chang

Accountant Tung-Hui Yeh

The approval document number from the
Financial Supervisory Commission is:

Financial Supervisory Commission
Securities Examination No. 1110348898

March 14, 2024

The approval document number from the
Financial Supervisory Commission is:

Financial Supervisory Commission Securities
Examination No. 0980032818

Notice to Reader

For the convenience of readers, this report has been translated into English from the original Chinese version. The English version has not been audited or reviewed by independent auditors. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

December 31, 2023 and 2022

Unit: NT\$ thousands

Code	Assets	December 31, 2023		December 31, 2022		Code	Liabilities and equities	December 31, 2023		December 31, 2022	
		Amount	%	Amount	%			Amount	%	Amount	%
	Current assets						Current liabilities				
1100	Cash and cash equivalents (Note 4 and 6)	\$ 2,640,259	32	\$ 3,088,125	36	2100	Short-term borrowings (Note 19)	\$ -	-	\$ 149,280	2
1120	Current financial assets measured at fair value through other comprehensive income (Note 4 and 8)	62,204	1	39,898	-	2130	Current contract liability (Note 4 and 25)	171,960	2	71,031	1
1136	Current financial assets measured at amortized cost (Note 4, 9 and 34)	-	-	165,314	2	2170	Notes and accounts payable (Note 20)	326,257	4	422,286	5
1170	Notes and accounts receivable (Note 4, 5, 10 and 25)	1,071,862	13	782,543	9	2180	Accounts payable to related parties (Note 33)	15	-	-	-
1180	Notes and accounts receivable due from related parties (Note 4 and 33)	93,208	1	63,580	1	2219	Other payables (Note 21 and 33)	393,749	5	513,067	6
1200	Other receivables (Note 10)	15,765	-	8,458	-	2230	Current tax liabilities (Note 4 and 27)	158,437	2	150,694	2
1210	Other receivables – related parties (Note 33)	-	-	988	-	2250	Current provisions (Note 4 and 22)	5,974	-	25,399	-
130X	Inventories (Note 4, 5, 11 and 30)	990,387	12	986,959	11	2280	Current lease liabilities (Note 4, 15 and 33)	20,818	-	18,320	-
1470	Other current assets (Note 18)	226,391	2	127,495	2		Current portion of long-term loans payable (Note 19)	-	-	153,549	2
11XX	Total amount of current assets	<u>5,100,076</u>	<u>61</u>	<u>5,263,360</u>	<u>61</u>	2320	Other current liabilities (Note 21)	<u>11,016</u>	<u>-</u>	<u>12,772</u>	<u>-</u>
	Non-current assets					2399	Total amount of current liabilities	<u>1,088,226</u>	<u>13</u>	<u>1,516,398</u>	<u>18</u>
1510	Financial assets measured at fair value through profit or loss (Note 4 and 7)	14,824	-	-	-	21XX	Non-current liabilities				
1517	Non-current financial assets measured at fair value through other comprehensive income (Note 4 and 8)	425,733	5	423,530	5	2540	Long-term borrowings (Note 19 and 34)	141,761	2	-	-
1535	Non-current financial assets measured at amortized cost (Note 4, 9 and 34)	20,950	-	17,595	-	2580	Non-current lease liabilities (Note 4, 15 and 33)	154,853	2	119,420	1
1550	Investments accounted for using equity method (Note 4 and 13)	163,558	2	198,118	2	2645	Guarantee deposits received	<u>7,084</u>	<u>-</u>	<u>7,084</u>	<u>-</u>
1600	Property, plant and equipment (Note 4, 14, 30, 33 and 34)	2,224,535	27	2,432,808	28	25XX	Total amount of non-current liabilities	<u>303,698</u>	<u>4</u>	<u>126,504</u>	<u>1</u>
1755	right-of-use asset (Note 4, 15 and 30)	200,226	3	165,236	2	2XXX	Total liabilities	<u>1,391,924</u>	<u>17</u>	<u>1,642,902</u>	<u>19</u>
1760	Net amount of investment property (Note 4, 16 and 30)	1,687	-	21,971	-		Equity attributable to owners of the Company (Note 24)				
1780	Intangible assets (Note 4, 17 and 30)	30,213	1	30,842	1	3110	Share capital				
1840	Deferred income tax assets (Note 4 and 27)	75,401	1	82,115	1		Ordinary share	<u>1,284,980</u>	<u>16</u>	<u>1,284,980</u>	<u>15</u>
1915	Prepayments for business facilities	20,355	-	15,771	-	3200	Capital surplus	<u>2,439,724</u>	<u>29</u>	<u>2,454,456</u>	<u>28</u>
1975	Net defined benefit asset (Note 4 and 23)	26,977	-	15,001	-	3310	Retained earnings				
1990	Other non-current assets (Note 18 and 33)	<u>3,106</u>	<u>-</u>	<u>13,619</u>	<u>-</u>	3320	Legal reserve	1,155,550	14	1,067,713	12
15XX	Total amount of non-current assets	<u>3,207,565</u>	<u>39</u>	<u>3,416,606</u>	<u>39</u>	3350	Special reserve	32,695	-	-	-
						3300	Undistributed earnings	<u>1,804,178</u>	<u>22</u>	<u>2,040,620</u>	<u>24</u>
1XXX						3400	Total amount of retained earnings	<u>2,992,423</u>	<u>36</u>	<u>3,108,333</u>	<u>36</u>
							Other equity interest	<u>(17,785)</u>	<u>-</u>	<u>(32,695)</u>	<u>(1)</u>
						31XX	Total equity of owners of the company	6,699,342	81	6,815,074	78
							Non-controlling interests (Note 12 and 24)	<u>216,375</u>	<u>2</u>	<u>221,990</u>	<u>3</u>
						36XX	Total equity	<u>6,915,717</u>	<u>83</u>	<u>7,037,064</u>	<u>81</u>
						3XXX	Total liabilities and equities	<u>\$ 8,307,641</u>	<u>100</u>	<u>\$ 8,679,966</u>	<u>100</u>
	Total assets	<u>\$ 8,307,641</u>	<u>100</u>	<u>\$ 8,679,966</u>	<u>100</u>						

The accompanying notes are an integral part of these consolidated financial statements.
(Please refer to the audit report dated March 14, 2024 by Deloitte & Touche)

Chairman: Ping-Lung Wang

Manager: Wei-Tang Hsiao

Chief Accountant: Chiao-Fen Chen

YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

January 1 to December 31, 2023 and 2022

Unit: NT\$ thousands, except earnings per share which is NT\$

Code		2023		2022	
		Amount	%	Amount	%
4000	Operating revenue (Note 4, 25 and 33)	\$ 3,710,751	100	\$ 4,600,042	100
5000	Operating costs (Note 11, 17, 23, 26 and 33)	<u>2,662,325</u>	<u>72</u>	<u>2,978,449</u>	<u>65</u>
5900	Gross profit	<u>1,048,426</u>	<u>28</u>	<u>1,621,593</u>	<u>35</u>
	Operating expenses (Note 10, 17, 23, 26 and 33)				
6100	Selling expenses	117,910	3	154,169	3
6200	Administrative expenses	171,679	5	250,692	5
6300	Research and development expense	328,373	9	361,065	8
6450	Gain on reversal of expected credit losses	(27,582)	(1)	(55,664)	(1)
6000	Total amount of operating expenses	<u>590,380</u>	<u>16</u>	<u>710,262</u>	<u>15</u>
6500	Net amount of other revenue and cost (Note 4, 26 and 33)	<u>97,554</u>	<u>3</u>	<u>132,241</u>	<u>3</u>
6900	Net operating income	<u>555,600</u>	<u>15</u>	<u>1,043,572</u>	<u>23</u>
	Non-operating income and expenses				
7100	Interest revenue (Note 4 and 26)	44,913	1	29,235	1
7010	Other revenue (Note 4, 26 and 33)	20,056	1	27,218	-
7020	Other gains and losses (Note 4 and 26)	(24,643)	(1)	55,645	1
7050	Finance costs (Note 26 and 33)	(18,476)	(1)	(11,300)	-
7060	Share of profit or loss of associates accounted for using equity method (Note 4 and 13)	(12,968)	-	2,859	-
7000	Total non-operating income and expenses	<u>8,882</u>	<u>-</u>	<u>103,657</u>	<u>2</u>
7900	Profit before tax	\$ 564,482	15	\$ 1,147,229	25
7950	Income tax expense (Note 4 and 27)	<u>40,529</u>	<u>1</u>	<u>257,188</u>	<u>5</u>
8200	Net profit for the year	<u>523,953</u>	<u>14</u>	<u>890,041</u>	<u>20</u>
	Other comprehensive income (Note 23 and 24)				
8310	Items that will not be reclassified to profit or loss:				
8311	Determine the re-measurement amount of the benefit plan	561	-	20,832	-
8316	Unrealized valuation gains and losses from investment in equity instrument measured at fair value through other comprehensive income	24,509	1	(114,215)	(2)
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of foreign financial statements	(13,148)	(1)	14,370	-
8300	Total amount of other comprehensive income	<u>11,922</u>	<u>-</u>	<u>(79,013)</u>	<u>(2)</u>
8500	Total comprehensive income for the year	<u>\$ 535,875</u>	<u>14</u>	<u>\$ 811,028</u>	<u>18</u>
	Net profit attributable to:				
8610	Owner of this company	\$ 526,019	14	\$ 854,180	18
8620	Non-controlling interests	(2,066)	-	35,861	1
8600		<u>\$ 523,953</u>	<u>14</u>	<u>\$ 890,041</u>	<u>19</u>
	Total comprehensive income attributable to:				
8710	Owner of this company	\$ 541,490	14	\$ 772,527	17
8720	Non-controlling interests	(5,615)	-	38,501	1
8700		<u>\$ 535,875</u>	<u>14</u>	<u>\$ 811,028</u>	<u>18</u>
	Earnings per Share (Note 28)				
9750	Basis point	<u>\$ 4.09</u>		<u>\$ 6.65</u>	
9850	Dilution	<u>\$ 4.05</u>		<u>\$ 6.53</u>	

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

(Please refer to the audit report of Deloitte & Touche on March 14, 2024)

Chairman: Ping-Lung Wang

Manager: Wei-Tang Hsiao

Chief Accountant: Chiao-Fen Chen

YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

January 1 to December 31, 2023 and 2022

Unit: NT\$ thousands, except earnings per share which is NT\$

Code		Equity attributable to owners of the Company					Other equity interest items		Total	Non-controlling interests	Total equity
		Share capital	Capital surplus	Statutory reserves	Special reserve	Undistributed earnings	Exchange differences on translation of foreign financial statements	Unrealized gains and losses from financial assets measured at fair value through other comprehensive income			
A1	Balance as of January 1, 2022	\$ 1,284,980	\$ 2,461,818	\$ 958,416	\$ 18,360	\$ 1,895,681	(\$ 93,532)	\$ 166,676	\$ 6,692,399	\$ 183,489	\$ 6,875,888
	2021 surplus allocation:										
B1	Legal reserve	-	-	109,297	-	(109,297)	-	-	-	-	-
B3	Special reserve	-	-	-	(18,360)	18,360	-	-	-	-	-
B5	The Company's cash dividend for shareholders	-	-	-	-	(642,490)	-	-	(642,490)	-	(642,490)
C3	Recipient of a gift	-	39	-	-	-	-	-	39	-	39
C7	Amount of changes recognized using the equity method for associates	-	(7,401)	-	-	-	-	-	(7,401)	-	(7,401)
D1	Net profit from January 1, 2022 to December 31, 2022	-	-	-	-	854,180	-	-	854,180	35,861	890,041
D3	Other comprehensive income from January 1, 2022 to December 31, 2022	-	-	-	-	20,832	11,730	(114,215)	(81,653)	2,640	(79,013)
D5	Total comprehensive income from January 1, 2022 to December 31, 2022	-	-	-	-	875,012	11,730	(114,215)	772,527	38,501	811,028
Q1	Disposal of current equity investments measured at fair value through other comprehensive income	-	-	-	-	3,354	-	(3,354)	-	-	-
Z1	Balance on December 31, 2022	1,284,980	2,454,456	1,067,713	-	2,040,620	(81,802)	49,107	6,815,074	221,990	7,037,064
	2022 surplus allocation:										
B1	Legal reserve	-	-	87,837	-	(87,837)	-	-	-	-	-
B3	Special reserve	-	-	-	32,695	(32,695)	-	-	-	-	-
B5	The Company's cash dividend for shareholders	-	-	-	-	(642,490)	-	-	(642,490)	-	(642,490)
C3	Recipient of a gift	-	143	-	-	-	-	-	143	-	143
C7	Amount of changes recognized using the equity method for associates	-	(14,872)	-	-	-	-	-	(14,872)	-	(14,872)
C17	Distribution of overdue dividends that have been capitalized from capital surplus	-	(3)	-	-	-	-	-	(3)	-	(3)
D1	Net profit from January 1, 2023 to December 31, 2022	-	-	-	-	526,019	-	-	526,019	(2,066)	523,953
D3	Other comprehensive income from January 1, 2023 to December 31, 2022	-	-	-	-	561	(9,599)	24,509	15,471	(3,549)	11,922
D5	Total comprehensive income from January 1, 2023 to December 31, 2022	-	-	-	-	526,580	(9,599)	24,509	541,490	(5,615)	535,875
Z1	Balance on December 31, 2023	\$ 1,284,980	\$ 2,439,724	\$ 1,155,550	\$ 32,695	\$ 1,804,178	(\$ 91,401)	\$ 73,616	\$ 6,699,342	\$ 216,375	\$ 6,915,717

The accompanying notes are an integral part of these consolidated financial statements.
(Please refer to the audit report of Deloitte & Touche on March 14, 2024)

Chairman: Ping-Lung Wang

Manager: Wei-Tang Hsiao

Chief Accountant: Chiao-Fen Chen

YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

January 1 to December 31, 2023 and 2022

Unit: NT\$ thousands

Code		2023	2022
	Cash flows from operating activities		
A10000	Net profit before tax for the year	\$ 564,482	\$ 1,147,229
A20010	Revenue expense and loss items:		
A20100	Depreciation expense	586,665	546,785
A20200	Amortization expense	11,340	9,359
A20300	Gain on reversal of expected credit losses	(27,582)	(55,664)
A20400	Net losses on financial assets measured at fair value through profit or loss	176	-
A20900	Financial costs	18,476	11,300
A21200	Interest revenue	(44,913)	(29,235)
A21300	Dividend revenue	(16,344)	(16,153)
A22300	Share of profit or loss of associates accounted for using equity method	12,968	(2,859)
A22500	Gains on disposals of property, plant and equipment	(51,195)	(80,611)
A23700	Impairment loss recognized in profit or loss, property, plant and equipment	-	109,616
A23700	Loss for market price decline and obsolete and slow-moving inventories	42,312	20,672
A24100	Net foreign exchange loss (gain)	19,686	(51,600)
A29900	Disposal of subsidiary losses	343	-
A29900	Lease modification gains	-	(508)
A30000	Net changes in operating assets and liabilities		
A31150	Notes and accounts receivable	(289,188)	609,046
A31160	Notes and accounts receivable due from related parties	(28,640)	(39,461)
A31180	Other receivables	(755)	15,486
A31200	Inventories	(85,808)	(313,358)
A31240	Other current assets	(99,239)	(16,973)
A32125	Contract liability	100,929	(29,530)
A32150	Notes and accounts payable	(90,777)	(151,473)
A32160	Accounts payable to related parties	15	(628)
A32180	Other payables	(78,522)	(92,159)
A32200	Provisions for liabilities	(19,425)	(5,527)
A32230	Other current liabilities	(1,756)	6,874
A32240	Net defined benefit liability	(11,415)	(10,666)
A33000	Cash flow from operations	511,833	1,579,962
A33100	Interest received	44,434	27,523
A33200	Dividend received	21,739	40,431
A33300	Interest paid	(18,379)	(11,423)
A33500	Income tax paid	(40,374)	(336,632)
AAAA	Net cash inflow from operating activities	<u>519,253</u>	<u>1,299,861</u>
	Cash flows from investing activities		
B00020	Sales of current financial assets measured at fair value through other comprehensive income	\$ -	\$ 18,673
B00040	Acquisition of financial assets at amortized cost	(3,355)	(17)
B00050	Disposal of financial assets at amortized cost	161,453	-
B00100	Acquisition of financial assets measured at fair value through profit or loss	(15,000)	-
B02700	Purchase of property, plant and equipment	(332,918)	(310,478)
B02800	Proceeds from disposal of non-current assets, plant and equipment	61,312	89,953
B03700	Increase of refundable deposit	(100)	(100)
B03800	Decrease of refundable deposit	2,113	-
B04500	Purchase of intangible assets	(9,057)	(7,573)
B06700	Decrease (increase) in other non-current assets	8,466	(8,466)
B07100	Increase (decrease) in prepaid equipment fees	(4,584)	6,510
BBBB	Net cash outflow from investing activities	<u>(131,670)</u>	<u>(211,498)</u>
	Cash flows from financing activities		
C00200	Decrease of short-term debt	(153,500)	-
C01600	Long-term borrowings	141,256	-
C01700	Repayment of long-term borrowings	(153,600)	-
C04020	Principal repayment of lease liabilities	(24,911)	(22,410)
C04500	Distributing cash dividends	(642,490)	(642,490)
C09900	Recipient of a gift	143	39
C09900	Payment of cash dividends transferred to capital surplus	(3)	-
CCCC	Net cash outflow from financing activities	<u>(833,105)</u>	<u>(664,861)</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	(2,344)	71,810
EEEE	Net (decrease) increase in cash and cash equivalents	(447,866)	495,312
E00100	Beginning balance of cash and cash equivalents	<u>3,088,125</u>	<u>2,592,813</u>
E00200	Ending balance of cash and cash equivalents	<u>\$ 2,640,259</u>	<u>\$ 3,088,125</u>

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

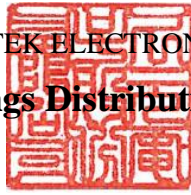
(Please refer to the audit report dated March 14, 2024 by Deloitte & Touche)

Chairman: Ping-Lung Wang

Manager: Wei-Tang Hsiao

Chief Accountant: Chiao-Fen Chen

YOUNGTEK ELECTRONICS CORP.
2023 Earnings Distribution Statement



Unit:NT\$

Items		
	Subtotal	Total
Beginning unappropriated retained earnings	1,277,598,565	1,277,598,565
Add: Actuarial gain on pension recognized in retained earnings adjustment	561,000	
Profit before tax for the year	572,620,140	
Less: Income tax expense	(46,601,803)	
Net profit after tax for the period	526,018,337	
Less: Reversal of special reserve	14,910,082	
Less: Legal reserve at 10%		
Legal reserve appropriation for the first half of 2023	(14,315,319)	
Legal reserve appropriation for the second half of 2023	(38,342,615)	
Distributable profit for the period		488,831,485
Distributable retained earnings		1,766,430,050
Cash dividends for the first half of 2023 (NT\$0.00 per share)	(0)	
Cash dividends for the second half of 2023 (NT\$4.00 per share)	(513,991,956)	
Ending unappropriated retained earnings		1,252,438,094

Chairman:



Manager:



Chief Accountant:



YoungTek Electronics Corp.

Procedures for Financial Derivatives Transactions

Article 1: Purpose

- I. To establish the company's risk management and internal control systems for derivative trading, in order to implement information disclosure and safeguard investment security.
- II. These Procedures are formulated in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies"

Article 2: Trading Principles and Policies

I. Categories

The derivative products referred to in this program are forward contracts, option contracts, swap contracts, and compound contracts composed of the aforementioned products, whose values are derived from assets, interest rates, exchange rates or other benefits. The so-called forward contract does not include insurance contracts, performance contracts, after-sales service contracts, long-term leases, and long-term sales and purchase agreements. The Company does not engage in transactions of any other derivative products other than those mentioned above.

II. Operating or Hedging Strategies

This company engages in derivative trading for the purpose of hedging, with the main goal of avoiding exchange rate risks arising from our business operations. The currencies held must match the company's actual foreign currency needs for import and export transactions. The principle is to hedge the company's overall foreign exchange position (foreign currency income and expenditures) in order to reduce the overall exchange rate risk.

III. Segregation of Duties

1. Finance Department: Responsible for foreign exchange operations management, collecting foreign exchange market information, judging trends and risk assessment, familiar with financial products, regulations and operating skills, and managing foreign exchange positions according to company policies and authorized authority to avoid foreign exchange risks.
2. Accounting Department: Manage the company's overall foreign exchange positions, periodically settle realized and unrealized exchange gains and losses, and provide information to the finance department for hedging operations.

IV. Performance Evaluation Guidelines

The performance of hedging operations is based on the assessment of the gains or losses arising from the difference between the foreign exchange costs recorded in the company's books and the derivative transactions undertaken. A regular assessment should be conducted every two weeks, and the assessment report should be submitted to the senior executive officer authorized by the board of directors.

V. Transaction

The total amount of the transaction contract shall be limited to 50% of the company's net worth. The net value for the period is based on the most recent financial statements audited or reviewed by an accountant.

VI. Maximum loss

1. Regarding foreign currency hedging forward exchange transactions, the total and individual contract loss limit is 15% of the transaction amount.
2. For other hedging transactions involving derivative products, the maximum loss for all contracts and individual contracts is limited to 10% of the transaction amount.

Article 3: Procedures

I. Authorized Amount Level

The company's authorized traders must conduct transactions based on the company's net foreign exchange position arising from business operations, and only after the evaluation and approval of the financial manager. After each transaction is completed, the finance department will present the type and content of the derivative product transaction to the Chairman for approval, completing the internal written sign-off.

II. Responsible Departments

The supervision and decision-making for derivative product trading is led by the Chairman as the highest executive, and the Finance Department is the actual executor. The personnel involved in the trading, confirmation, and settlement of derivative products must have at least 2 people responsible.

III. Record

The types, amounts, and dates of approval by the board of directors of derivative product transactions, as well as related matters that should be carefully evaluated, shall be recorded in the reference book.

Article 4: Description

I. Treasury personnel conduct transactions within the authorized scope.

II. According to the bank's transaction report, the Treasury traders need to fill out the foreign exchange transaction form and have it confirmed by the authorized personnel to validate the effectiveness of the transaction.

III. When bank foreign exchange transaction confirmation documents are stamped, an approved foreign exchange transaction slip must be attached.

IV. When foreign exchange transactions generate exchange gains or losses upon settlement, the settlement personnel should confirm and handle the settlement matters based on the approved foreign exchange transaction slip, which serves as the basis for accounting entries.

V. The Finance Department compiles a monthly report on foreign exchange transactions and submits it to the Accounting Department as a basis for accounting evaluation.

Article 5: Accounting treatment

Our company is engaged in derivative product trading, and the accounting procedures should be handled in accordance with the Statements of Financial Accounting Standards and the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" and relevant laws and regulations.

Article 6: Internal Control System

I. Risk Management Measures

1. Credit risk management

The counterparties are limited to banks with business dealings or able to provide professional information with the company.

2. Market risk management:

The Finance Department should continually manage the risks arising from the market price fluctuations of derivative products due to changes in interest rates, exchange rates, or other factors.

3. Liquidity Risk Management

To ensure liquidity, the trading bank must have adequate facilities, information, and trading capabilities, and be able to trade in any market.

4. Cash flow risk management

To ensure the stability of the company's operating capital turnover, the source of funds for derivative transactions conducted by the company is limited to its own funds, and the transaction amount should take into account the funding needs based on the cash inflow and outflow forecast for the next year.

5. Operational risk management:

Clearly define the authorization limit levels, operating procedures, and operating instructions to avoid operational risks.

6. Legal risk management:

The documents signed with the counterparties are primarily standard market contracts, and any unique contracts must be reviewed by internal legal staff or legal advisors before they can be formally executed.

II. The board of directors should supervise management in accordance with the following principles:

1. Designated senior managers shall pay constant attention to supervising and controlling the risks involved in derivative product transactions.

2. Regularly evaluate whether the performance of derivative transactions conforms to the established operating strategy and whether the risks undertaken are within the company's acceptable range.

III. Senior executives authorized by the Board of Directors should manage derivative transactions in accordance with the following principles:

1. The finance department manager shall regularly evaluate whether the currently used risk management procedures are appropriate and are actually handled in accordance with these Procedures.

2. Supervise the transactions and profit/loss situations, and take necessary measures when any abnormality is found. Report to the board of directors

immediately, and the board of directors should have independent directors present and express their opinions.

Article 7: Internal audit system

The internal auditors should review the appropriateness of the internal controls for derivative transactions on a monthly basis, and perform monthly audits on the compliance of the trading department with these procedures. They should analyze the trading cycle, prepare audit reports, and submit them to the supervisors and independent directors for review by the end of the following month. If a major violation or risk of significant damage to the company is discovered, a report should be immediately prepared for review and approval, and all supervisors and independent directors should be notified.

Article 8: Declaration procedure

- I. The Company shall, before the 10th day of each month, publicly announce and report the derivative transactions conducted by the Company and its non-domestic publicly issued subsidiaries for the preceding month, in accordance with the regulations.
- II. Our company engages in derivative product transactions. When the amount of losses reaches the overall or individual contract loss limit standards stipulated in Article 2 of these Procedures, or when there are any changes, terminations, or cancellations of the relevant contracts originally entered into for the transactions, we shall make a public announcement and report within two days from the date of occurrence in accordance with the regulations.

Article 9: Others

- I. If the subsidiary of this company intends to engage in derivative product transactions, this company shall order the subsidiary to formulate procedures for engaging in derivative product transactions in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", and shall conduct the transactions in accordance with the established procedures. If the subsidiaries of the company engage in derivative transactions, they should regularly provide relevant information to the company for review.
- II. After being approved by the Board of Directors, this program shall be submitted to each supervisor and proposed for approval at the shareholders' meeting. The same shall apply to any amendments. If any director expresses dissent and it is recorded or stated in writing, the dissenting opinion of the director shall be sent to each supervisor, and the clear opinion of the independent director agreeing or dissenting and the reasons for dissent shall be fully considered and recorded in the minutes of the board of directors' meeting.

Article 10: Penal Provisions

If the company's managers and relevant personnel violate the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" or the provisions of these procedures, they shall be punished or have their duties adjusted according to the relevant

regulations of the competent authority and the company, depending on the severity of the circumstances.

Article 11: This program was established on May 24, 2002.

This program was first revised on June 25, 2003.

This program was revised for the second time on January 15, 2004.

This program was revised for the third time on June 12, 2015.

YoungTek Electronics Corp.

Articles of Incorporation

Chapter 1 General Provisions

- Article 1 The Company is organized under the provisions of the Company Act and is named YOUNGTEK ELECTRONICS CORP. with the English name YOUNGTEK ELECTRONICS CORP.
- Article 2 The business operations of the Company are as follows:
1. CC01080 Electronic Parts and Components Manufacturing
 2. CB01010 Machinery and Equipment Manufacturing
 3. F401030 Electroplating Manufacturing and Exports
 4. F213060 Retail Sale of Telecommunication Apparatus
 5. F113070 Wholesale of Telecommunication Apparatus
 6. CC01070 Wireless Communication Machinery and Equipment Manufacturing
 7. ZZ99999 In addition to the permitted business operations, the Company may engage in any business not prohibited or restricted by law.
- Article 3 The Company is headquartered in Hsinchu City, Taiwan Province. When necessary, the Company may establish branch offices domestically or overseas after a resolution by the Board of Directors and approval from the competent authority.
- Article 4 The Company shall make public announcements in accordance with Article 28 of the Company Act.
- Article 4-1 The Company is not subject to the investment limit set forth in Article 13 of the Company Act.
- Article 4-2 The Company may provide endorsements and guarantees for its business or investment needs.

Chapter 2 Shares

- Article 5 The total capital of the Company is set at NT\$1.5 billion, divided into 150 million shares with a par value of NT\$10 per share. Of this, NT\$50 million is reserved for issuing employee stock options. The Board of Directors is authorized to issue the unissued shares in installments.
- Article 6 The Company's share certificates are issued in registered form, affixed with the signatures or seals of the directors representing the Company, and authenticated by the competent authority or its certified issuance registration institution before issuance. The Company may be exempted from printing share certificates for the shares issued

and shall register the issue with a centralized securities depository enterprise.

Article 7 Matters relating to the Company’s stock affairs shall be handled in accordance with the “Regulations Governing Handling of Stock Affairs by Public Companies” issued by the competent authority.

Article 8 (Deleted)

Article 9 (Deleted)

Article 10 (Deleted)

Chapter 3 Shareholders’ Meeting

Article 11 Shareholders’ meetings of the Company are of two types: annual general meetings and extraordinary meetings. The annual general meeting shall be convened by the Board of Directors within six months after the close of each fiscal year. Extraordinary meetings shall be convened in accordance with the law when necessary.

Article 11-1 The shareholders' meeting of this Company may be held by video conference or any other method announced by the competent authority. The conditions, operating procedures, and other compliance requirements for video-assisted shareholders' meetings shall be subject to the regulations prescribed by the competent authority.

Article 12 Each share is entitled to one vote at the shareholders’ meeting. However, shares held by the Company in accordance with Article 179 of the Company Act have no voting rights.

Article 12-1 Unless otherwise provided by applicable laws and regulations, a resolution of the shareholders’ meeting shall be adopted by a majority vote of the shareholders present, who represent a majority of the total number of voting shares. The Company’ s shareholders may exercise voting rights by electronic means in accordance with regulations of the competent authority. Shareholders who exercise voting rights by electronic means are deemed present in person, and their related matters shall be handled in accordance with applicable laws and regulations.

Chapter 4 Directors and Supervisors

Article 13 The Company shall have 5 to 11 directors and 3 supervisors, who shall be elected through the nomination system provided by the Company Act. The directors and supervisors shall have a term of office of 3 years and may be re-elected. They shall be elected from among persons with legal capacity at the shareholders’ meeting. The total shareholding ratio of all directors and supervisors shall comply with regulations of the securities authority after the Company’s shares are publicly listed. The Company may purchase liability insurance for directors to reduce the risk of being sued by shareholders or other stakeholders for performing their duties in accordance with the

law. Supervisors may also be insured in the same manner.

- Article 13-1 In accordance with Article 14-2 of the Securities and Exchange Act, the number of independent directors on the Board of Directors shall not be less than two and shall not be less than one-fifth of the total number of directors. Matters concerning the professional qualifications, shareholding, concurrent position restrictions, nomination and election methods, and other requirements for independent directors shall be handled in accordance with relevant regulations of the securities authority.
- Article 13-2 The company's board of directors shall, in accordance with the law, establish a Remuneration Committee and an Audit Committee, and may establish other necessary functional committees as required for business operations; the Audit Committee shall be composed of all independent directors.
- Article 14 The election of the Chairman of the Board and the acting procedures shall be handled in accordance with Article 208 of the Company Act.
- Article 15 The Board of Directors shall determine the Company's business policies and important matters, and convene meetings, except as otherwise provided by law, which shall be convened by the Chairman of the Board.
- Article 15-1 In calling a meeting of the Board of Directors, a notice setting forth the subjects to be discussed at the meeting shall be given to each director and supervisor no later than 7 days prior to the scheduled meeting date. However, in the case of emergency, the meeting may be convened at any time.
- The notice set forth in the preceding paragraph may be effected by means of electronic transmission, after obtaining a prior consent from the recipients thereof.
- Article 16 If a director is unable to attend a Board of Directors meeting for any reason, they may appoint another director to attend as a proxy by issuing a written proxy. A director may accept the appointment to act as a proxy from one other director only. Directors attending the meeting by video conference are deemed present in person.
- Article 17 (Deleted)
- Article 18 The remuneration of directors and supervisors shall be determined by the Board of Directors based on their degree of participation in the Company's operations and the value of their contribution, with reference to industry standards.
- Directors and supervisors may receive transportation allowances, the amount of which shall be determined by the Board of Directors.

Chapter 5 Managers

- Article 19 The Company may appoint a Chief Technical Officer and one or more General Managers, whose appointment and dismissal shall be handled in accordance with the

Company Act.

Chapter6 Accounting

Article 20 The fiscal year of the Company shall begin on January 1 and end on December 31 of each year.

Article 21 After the annual settlement of accounts of this Company, the Company shall prepare the statements and books as required by Article 228 of the Company Act, which shall be submitted to the Annual General Meeting of Shareholders for acceptance after examination by the Board of Directors.

The Company may distribute profits or cover losses semi-annually after the end of each semi-fiscal year.

Article 22 (Deleted)

Article 23 (Employee and Director/Supervisor Compensation)

If the Company makes a profit in a year, it shall set aside no less than 2% as employee compensation and no more than 5% as director and supervisor compensation, as determined by resolution of the Board of Directors. The recipients may include employees of the Company's subsidiaries who meet certain conditions, which shall be prescribed by the Board of Directors. The compensation shall be distributed in the form of shares or cash. The distribution of employee and director/supervisor compensation shall be reported at the shareholders' meeting.

However, if the Company has accumulated deficits, an amount shall be reserved in advance to cover the deficits before setting aside the compensation based on the aforementioned ratios.

Article 23-1 (Shareholder Dividends and Dividend Policy)

The Company may distribute surplus earnings or make up for losses at the end of each semi-fiscal year.

If there is surplus after the semi-fiscal year settlement, the Company should first appropriate taxes and make up for accumulated losses, then set aside 10% of the surplus as legal reserve. However, when the legal reserve has reached the total paid-in capital, this provision shall not apply. The Company shall set aside or reverse special reserve in accordance with relevant laws or regulations. If there is still surplus, the Board of Directors shall draft a proposal for surplus distribution in accordance with the Company's dividend policy and the accumulated undistributed earnings. If the distribution is made by issuing new shares, it shall be resolved by the shareholders' meeting.

If the aforementioned surplus, legal reserve, and capital reserve are distributed in cash, the Board of Directors is authorized to make such distribution with the approval of more than two-thirds of the directors present at a meeting attended by a majority of the

directors, and report to the shareholders' meeting.

Considering future capital requirements and long-term financial planning, as well as meeting shareholders' demand for cash inflow, the Board of Directors shall draft a distribution plan for the abovementioned distributable surplus each year in accordance with the law and report it to the shareholders' meeting for resolution. Shareholders' dividends may be distributed in cash or stock, provided that the cash dividend distribution shall not be less than 20% of the total dividend amount.

Chapter 6 Supplementary Provisions

Article 24 The organizational rules and operational procedures of the Company shall be prescribed by the Board of Directors.

Article 25 Matters not covered in these Articles of Incorporation shall be handled in accordance with the Company Act and other applicable laws and regulations.

Article 26 These Articles of Incorporation were established on October 17, 1991.
This Charter was established on October 17, 1991.
The first amendment was made on April 7, 1994.
The second amendment was made on July 19, 1997.
The third amendment was made on February 5, 1998.
The fourth amendment was made on June 12, 1998.
The fifth amendment was made on October 12, 1999.
The sixth amendment was made on March 25, 2000.
The seventh amendment was made on April 19, 2000.
The eighth amendment was made on June 30, 2000.
The ninth amendment was made on July 5, 2000.
The tenth amendment was made on June 29, 2001.
The eleventh amendment was made on May 24, 2002.
The twelfth amendment was made on June 25, 2003.
The thirteenth amendment was made on January 15, 2004.
The fourteenth amendment was made on June 25, 2004.
The fifteenth amendment was made on June 17, 2005.
The sixteenth amendment was made on June 13, 2006.
The seventeenth amendment was made on June 13, 2007.
The eighteenth amendment was made on June 18, 2008.
The nineteenth amendment was made on June 16, 2009.
The twentieth amendment was made on June 14, 2010.
The twenty-first amendment was made on June 7, 2016.
The twenty-second amendment was made on June 16, 2017.
The twenty-third amendment was made on June 12, 2020.
The twenty-fourth amendment was made on August 12, 2021.
The twenty-fifth amendment was made on June 15, 2022.
The twenty-sixth amendment was made on June 13, 2023.
This Charter shall become effective after being amended and approved by the Shareholders' Meeting.

**YoungTek Electronics Corp.
Rules for Election of Directors**

- Article 1 To ensure a fair, just, and open selection of directors and supervisors, these regulations are formulated in accordance with Articles 21 and 41 of the "Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies".
- Article 2 Unless otherwise provided by law or the Articles of Incorporation, the election of directors and supervisors of the Company shall be conducted in accordance with these regulations.
- Article 3 The election of directors of the Company shall take into account the overall composition of the Board of Directors. Members of the Board shall possess the knowledge, skills, and qualities required to perform their duties. The overall capabilities that the Board shall possess are as follows:
1. Operational judgment
 2. Accounting and financial analysis
 3. Business management
 4. Crisis management
 5. Industry knowledge
 6. International market perspective
 7. Leadership
 8. Decision-making
- Article 4 Deleted.
- Article 5 The qualifications of independent directors of the Company shall comply with Articles 2, 3, and 4 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".
- The election of independent directors shall comply with Articles 5, 6, 7, 8, and 9 of the aforementioned regulations and shall be conducted in accordance with Article 24 of the "Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies".
- Article 6 The election of directors and supervisors of the Company shall follow the candidate nomination system as stipulated in Articles 192-1 of the Company Act.
- The elections of independent and non-independent directors shall be conducted concurrently, and the respective numbers of elected directors shall be calculated separately, with those receiving the highest number of votes being elected in order.
- Article 7 The election of directors of the Company shall adopt a cumulative voting method, where each share shall have voting rights equal to the number of directors to be elected, and may be cast for a single candidate or divided among multiple candidates.
- Article 8 The Board of Directors shall prepare ballots equal to the number of directors and supervisors to be elected, with voting rights marked on the ballots, and distribute them to shareholders attending the shareholders' meeting. The voter's name may be represented by the attendance card number printed on the ballot.

- Article 9 For the number of directors according to the Company's Articles of Incorporation, the voting rights for independent directors and non-independent directors are calculated separately. Those receiving the highest number of voting rights shall be elected in sequence. If there are two or more persons with the same number of voting rights exceeding the prescribed number of positions, those with the same voting rights shall draw lots to determine the outcome, with the chairperson drawing lots on behalf of any absentees.
- Article 10 Before the election begins, the chairperson shall appoint several scrutineers and vote counters from among the shareholders to carry out their respective duties. The ballot boxes shall be prepared by the Board of Directors and publicly inspected by the scrutineers before voting commences.
- Article 11 The elector shall fill in the name or household name of the candidate in the candidate column on the ballot. However, if the government or a corporate shareholder is the candidate, the household name column for the candidate on the ballot should be filled with the name of the government or corporation, or the name of the government or corporation and the name of its representative may also be filled in; if there are multiple representatives, the names of the representatives shall be filled in separately.
- Article 12 A ballot shall be deemed invalid under any of the following circumstances:
1. Not using the ballot prepared by the Board of Directors.
 2. Casting a blank ballot into the ballot box.
 3. Illegible or altered writing.
 4. Those whose entries for the elected persons do not match the list of director candidates upon verification.
 5. Those who write anything other than the name or household name of the elected person.
 6. Those who list two or more elected persons on the same ballot.
- Article 13 After voting is completed, the ballots shall be counted on-site, and the chairperson shall announce the list of elected directors and supervisors.
- Article 14 The elected directors and supervisors shall receive a notice of election from the Company's Board of Directors.
- Article 15 These regulations shall be implemented after being approved by the shareholders' meeting. The same shall apply to any amendments.

YoungTek Electronics Corp.

Rules and Procedures of Shareholders' Meeting

1. Unless otherwise provided by applicable laws and regulations, this Company's shareholders' meetings shall be conducted in accordance with these Rules.
2. The Company shall prepare a sign-in book for attending shareholders to sign in or have the attending shareholders submit attendance cards in lieu of signing in. The number of shares in attendance shall be calculated based on the sign-in book or the attendance cards submitted.
3. Attendance and voting at shareholders' meetings shall be based on the number of shares held.
4. The venue for shareholders' meetings of this Company shall be the premises of the Company, or a place convenient for shareholders' attendance and suitable for holding such meetings. The meeting shall not begin earlier than 9:00 a.m. or later than 3:00 p.m.
5. If a shareholders' meeting is convened by the Board of Directors, the Chairman of the Board shall preside at the meeting. If the Chairman is on leave or unable to exercise his/her powers for any reason, the Vice Chairman shall act in his/her place. If there is no Vice Chairman, or the Vice Chairman is also on leave or unable to exercise his/her powers for any reason, the Chairman shall appoint a Managing Director to act in his/her place. If there is no Managing Director, the Chairman shall appoint a Director to act in his/her place. If the Chairman does not appoint a representative, a Managing Director or a Director shall be elected from among themselves to act on behalf of the Chairman.

If a shareholders' meeting is convened by any person entitled to convene the meeting other than the Board of Directors, the convener shall preside at the meeting.

6. The Company may designate its appointed attorneys, certified public accountants, or relevant persons to attend the shareholders' meeting.

Personnel handling affairs of the meeting shall wear identification badges or arm bands.

7. The Company shall record the entire proceedings of the shareholders' meeting in audio or video and retain the recording for at least one year.
8. If the shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Relevant proposals (including extraordinary motions and amendments to the original proposals) shall be voted on case by case. The

meeting shall proceed in accordance with the scheduled agenda, which shall not be changed without a resolution adopted by the shareholders' meeting.

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

9. Before the meeting agenda (including extraordinary motions) is concluded, the chair shall not announce adjournment of the meeting without a resolution adopted by the shareholders' meeting. If the chair violates the rules of procedure and announces adjournment of the meeting, the attending shareholders may elect another person to serve as chair and continue the meeting with the consent of a majority of the voting rights represented by the attending shareholders.

After the meeting is adjourned, the shareholders shall not elect another chair and resume the meeting at the original venue or any other venue.

10. Before speaking at the meeting, an attending shareholder shall fill out a speaker's slip specifying the essentials of the speech, account number (or attendance card number), and account name. The order of speeches by shareholders shall be determined by the chair.

An attending shareholder who merely submits a speaker's slip but does not speak shall be deemed as not having spoken. If the content of the speech is inconsistent with the contents of the speaker's slip, the actual speech shall prevail.

11. Each shareholder shall not speak more than twice on the same proposal without the chair's consent, and each speech shall not exceed 5 minutes.

If a shareholder violates the above provision or speaks outside the scope of the agenda item, the chair may stop the speech.

12. When a juristic person is appointed to attend a shareholders' meeting as a proxy, the juristic person shall designate only one representative to attend the meeting.
13. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

14. The chair shall provide sufficient opportunity for explanation and discussion of proposals and amendments or extraordinary motions proposed by shareholders. When the chair considers that the discussion has reached the level for a vote, the chair may announce the discussion closed, call for a vote, and arrange an adequate voting time.

15. The chair shall appoint scrutineers and vote counters for voting on proposals. However, the scrutineers shall be shareholders.

16. During the meeting, the chair may, at his/her discretion, set the time for intermission.
17. Except as otherwise provided by the Company Act and the Articles of Incorporation, a proposal shall be approved by a majority of the voting rights represented by the attending shareholders.
18. If there are amendments or substitute proposals for the same proposal, the chair shall determine their order of voting. If one of the proposals has been approved, the others shall be deemed rejected and no further voting shall be required.
19. The chair may direct sergeants-at-arms or security personnel to assist in maintaining order at the meeting venue. When assisting in maintaining order at the meeting, they shall wear armbands bearing the word "Sergeant-at-Arms."
20. These Rules shall be effective after approval at the shareholders' meeting. The same applies to any amendments.
21. These Rules were established on May 24, 2002.

The first amendment to these Rules was made on April 25, 2003.

The second amendment to these Rules was made on June 12, 2020.

YoungTek Electronics Corp.

Management Presentation

1. As of the book closure date (April 21, 2024) for this shareholders' meeting, the Company's paid-in capital amounted to NT\$1,284,979,890, with 128,497,989 issued shares.
2. According to Article 26 of the Securities and Exchange Act, the minimum number of shares that all directors should hold is 8,000,000 shares.
3. The number of shares held by all directors as at the book closure date of this shareholders meeting (April 21, 2024) as recorded in the roster of shareholders is as follows: It meets the numeracy standards stipulated in Article 26 of the Securities and Exchange Act.

Title	Account Name	Shares Held
Chairman	IN & OUT Bio Beauty Corp. Representative: Wang, Ping-Lung	8,475,617
Director	Chang, Cheng-Kuang	392,880
Director	Chen, Kuei-Piao	321,960
Director	Yao, Te Chang	0
Independent Director	Huang, Meng Hua	0
Independent Director	Liu, Chun Ting	0
Independent Director	Tsai, Ya Hsien	0
Total Shareholding of All Directors		9,190,457