Stock Code: 4939

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亞洲電材股份有限公司

ASIA ELECTRONIC MATERIAL Co., Ltd.

2026 Annual Shareholders' Meeting

Meeting Handbook

Date: May 20, 2026

Location: Siduo Hall (Wei Shun Business Building) 14F, No. 168, Sec. 2, Fuxing 3rd Rd., Zhubei City, Hsinchu County

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Asia Electronic Material Co., Ltd.
Agenda of the 2026 Annual General Shareholders' Meeting

I. Time: May 20, 2026 (Wednesday) at 09:00 a.m.

II. Location: Siduo Hall (Wei Shun Business Building) 14F, No. 168, Sec. 2, Fuxing 3rd Rd., Zhubei City, Hsinchu County

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I. 2025 Business Report.

Description: Please refer to Attachment 1 to the Handbook for the Company's 2025 Business Report. (Please refer to pages 10-13 for details)

II. 2025 Audit Committee's Review Report.

Description: Please refer to Attachment 2 to the Handbook for the 2025 Audit Committee's Review Report. (Please refer to Page 14 for details)

III. Report on the loans to others and guarantee/endorsement provided to subsidiaries in 2025.

Description: 1. The Company's loans to others as of December 31, 2025 are set out in the following table:

Unit: NT$000'

Lender	Borrower	Transaction item	Maximum balance of the period	Balance at the end of the period	Actual drawdown amount	Nature of loans	Amount of business transaction	Amount of allowance for bad debts	Individual limit	Loans and total limits
Kunshan Aplus Tec. Corporation	Aplus Tec. Corporation (Dongtai)	Other receivables - related parties	$268,297	$268,297	$156,506	Requirements of short-term financing	$0	$0	$491,569	$491,569

Note 1: Total limits of loans = net worth of the Company × 40%; limits of loans for individual counterparty = net worth of the Company × 40%

Note 2: The net value of equity of Kunshan Aplus Tec. Corporation on December 31, 2025 was NT$1,228,922 thousand (RMB 274,828 thousand).

Note 3: Reason for the requirements of short-term financing: operating turnover.

2. Up to December 31, 2025, the Company has not provided any endorsements/guarantees to others.

3. Handle according to the requirements in the "Procedures for Loans to Others" and "Procedures for Endorsement/Guarantee" of the Company.

Ratification

Proposal 1

Subject: The 2025 Business Report and Financial Statements of the Company are hereby proposed for ratification. 【Proposed by the Board of Directors】

Description: 1. The Company's 2025 business report, parent company only financial statements and consolidated financial statements have been prepared completely, among which the financial statements have been audited by CPA Kuo-Shuai Chen and CPA Cheng-Wei Lin of Ernst & Young, and an unqualified audit report relating thereto has been issued. The abovementioned statements and forms were also approved by the Audit Committee under a resolution and approved by the Board of Directors after discussions on February 25, 2026.

2. For the 2025 Business Report, Audit Committee's Review Report, and financial statements, please refer to Attachments 1 to 4 to the Handbook. (Please refer to Pages 10 to 34 for details)

Resolution:

Proposal 2

Subject: The proposal of the earning distribution of the Company in 2025 is hereby proposed for ratification. 【Proposed by the Board of Directors】

Description: 1. The Company reported a net loss after tax of NT$42,339,825 in 2025. After adding the beginning undistributed earnings of NT$143,562,999, the total distributable earnings amount to NT$101,223,174. It is proposed to distribute in accordance with the Company Act and the Articles of Incorporation, with cash dividends to shareholders of NT$24,550,217, representing NT$0.25 per share. Please refer to the earnings distribution table for 2025 attached as Attachment 5 to this Handbook (see page 35 for details).

2. After the Proposal of Earning Distribution is approved by the shareholders' meeting of

the year under a resolution, the Chairman is authorized to otherwise establish the ex-dividend date, distribution date, and other relevant matters. If the payout ratio changes due to changes in the total number of outstanding shares of the Company subsequently, the Chairman is fully authorized to make arrangements and adjustments.

3. The current cash dividend is calculated according to the distribution ratio and rounded up to the nearest dollar. The total amount of the odd shares less than NT$1 is adjusted from the highest to the lowest decimal point and from the top-down of the account number sequentially until it is equal to the total amount of cash dividend distribution.

Resolution:

Discussion

Subject: Proposal for the amendments to the "Procedures for the Acquisition or Disposals of Assets" of the Company is hereby proposed for discussion. 【Proposed by the Board of Directors】

Description: In order to comply with regulatory amendments, the Company has revised its Procedures for Acquisition or Disposal of Assets. For the comparison table of the amended provisions, please refer to Attachment 6 to this Handbook (see pages 36-42 for details).

Resolution:

Elections

Subject: By-election of one Independent Director of the Company.

【Proposed by the Board of Directors】

Description: 1. Mr. Hu Han-Liang, an Independent Director of the Company, resigned on February 13, 2026 due to personal planning; therefore, a by-election of one Independent Director is proposed.

2. The newly elected Independent Directors shall assume the office after the end of the election meeting, and the term of office shall be from May 20, 2026 to May 23, 2027.

3. In accordance with Article 192-1 of the Company Act and Article 20 of the Company's Articles of Incorporation, the Independent Directors shall be elected under the candidate nomination system.

4. For the candidate roster approved by the Board of Directors through resolution on February 25, 2026, please refer to Attachment 7 of this Handbook (see page 43 for details). Please proceed with the election.

Election Result:

Other Matters 【Proposed by the Board of Directors】

Subject: Proposal for cancellation of non-compete restrictions for newly elected Independent Directors of the Company, submitted for discussion.

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

2. To satisfy the actual business needs of the Company, for new Directors of the Company that may concurrently assume the position of Directors in other companies having the same or similar scope of business as those of the Company, within the scope that the Company's interests are not damaged, the cancellation of the non-compete restriction against newly elected Independent Directors is proposed in accordance with Article 209 of the Company Act for the ratification of the Shareholders' meeting. Please refer to Attachment 8 of this Handbook for details (see page 44 for details).

Resolution:

Extempore Motion

Adjournment

Attachment 1

The 2025 Business Report of Asia Electronic Material Co., Ltd.

Dear Shareholders:

I. Operating results in 2025:

(I) Implementation achievement of business plan

Unit: NT$000'

	2025	2024	YoY growth rate
Consolidated operating income	1,417,550	1,541,704	-8.05%
Net operating profit	(14,266)	35,112	-140.63%
Net profit after tax	(42,340)	19,084	-321.86%
Earnings per share after tax	(0.43)	0.19	-326.32%

In 2025, affected by a slowdown in end-market demand and intensified industry competition, revenue decreased compared to the previous year, and profitability came under pressure. In response to market changes, the Company has continued to adjust its product mix and implement cost control measures, strengthening its operating fundamentals and laying the groundwork for future recovery.

(II) Budget implementation

The Company did not disclose its financial forecast for 2025.

(III) Analysis of profitability

	2025	2024
Return on assets	(0.67%)	1.46%
Return on equity	(2.92%)	1.24%
Profit margin	(2.99%)	1.24%

(IV) R&D status

In recent years, the development trends of electronic materials have been primarily driven by advancements in artificial intelligence (AI), energy storage applications, high-performance electronic devices, 5G communications, electric vehicles, and sustainable development. The Company has been deeply engaged in this field for many years, continuously developing and expanding the sales of new products to increase its operational competitiveness. Currently, the Company focuses its R&D on fluorine-based substrates, self-developed PI cover lays, conductive adhesives, and electromagnetic shielding films (self-developed PI-type EMI). Among these, sales of electromagnetic shielding film materials are steadily increasing, contributing to the Company's revenue growth. In the future, we will continue to develop and improve high-priced and high gross-profit products, such as high-frequency materials, ultra-thin bending-resistant materials, ion-resistant migration materials, self-made substrate materials, automotive materials, and energy storage materials, etc., to create unique products, enhance the Company's competitiveness among peers, and gain a leading position in the industry. Furthermore, with increasingly stringent environmental regulations and technological breakthroughs, future electronic materials will become greener, more sustainable, and safer. In developing new products, the Company emphasizes compliance with environmental regulations starting from the selection of raw materials, thereby promoting the industry's development toward low-pollution and high-efficiency solutions. In addition to the development of the above-mentioned new products, the process focuses on improving production yield and efficiency, so as to reduce product costs and increase gross profit margin to facilitate the acquisition of orders.

II. Business plan for 2026:

(I) Management Policy

Looking ahead to 2026, the Company's business and resource allocation will focus primarily on the AI and energy storage application markets.

In the AI field, as demand for high-computing-power servers and data centers continues to grow, the Company will actively expand into applications of low-loss and high-reliability materials. In the energy storage field, driven by global net-zero carbon emission policies and the expansion of demand for energy storage systems and electric vehicles, the Company will strengthen the development of application materials for power batteries and energy storage flexible printed circuits to increase its market share.

At the same time, the Company will continue to collaborate with U.S. customers to develop new products, expand into international markets, and promote high value-added products such as conductive adhesives, EMI, and anti-ion migration cover lays, thereby broadening its customer base and expanding product sales scale. In addition, the Company's new plant in Dongtai, Jiangsu has officially commenced mass production and supply to the market, enhancing the

Group's overall capacity allocation flexibility and supply stability.

(II) Estimated sales volume and its basis

Based on past experiences and the status of market supply and demand, it is expected that the sales volume will achieve remarkable growth along with greater applications in 2026.

(III) Important production and marketing policy

1. The Company connects end customers and understands the requirements of customers to provide comprehensive products and services.
2. Optimize supply chain collaboration to improve delivery lead times and quality stability.

III. Future development strategies of the Company:

(I) Business status:

AI and energy storage are the Company's key market promotion focuses this year. As AI intelligence continues to evolve at a rapid pace, the SoC industry and high-computing-power server market have increasing design demands for ultra-low-loss and low dielectric constant materials. The Company is actively expanding into domestic and overseas markets to broaden its customer base and application scope. At the same time, it is developing PTFE and engaging in cross-industry collaboration (PCB) to enter the server market, focusing on U.S. customers and international markets with early deployment strategies. In conjunction with the development of low-loss and high-reliability materials, the Company continues to promote its products to end customers and FPC manufacturers, while advancing high-specification applications in semiconductors and displays through joint development of new materials, thereby securing a leading position within the industry.

For conductive adhesives and EMI, mass production is ongoing, and they have entered the terminal resource pool. Currently, the mainstream products in the market are from Japanese brands; however, the Company's materials have the opportunity to replace Japanese imported materials this year. PI-type EMI products are differentiated products that have been successfully adopted in medical applications. This year, the focus is on expanding into the electronic component modularization market, such as mobile phone CCD modules.

(II) R&D:

1. The Company attaches attention to the R&D of products of novelty and high gross profits; our products are divided into four categories: high-frequency materials (high-frequency covering film/high-frequency pure glue/high-frequency substrate/fluorine-based substrate),

conductive materials (conductive glue/electromagnetic masking film), covering film materials (self-made PI covering film/anti-ion migration covering film/high-Tg covering film/special specification stiffeners and composite film), substrate materials (2L/ultra-thin copper foil substrate), focusing on the development of novel projects, effectively utilizing R&D resources, improving product gross profit and increasing product uniqueness, and expanding product sales.

2. By combining our technical capacity and supplier management, we implement local procurement for chemical raw materials to minimize the costs of raw materials and improve the gross profits of products, and in turn, improve the competitive strength and profitability of products.
3. New product development emphasizes compliance with environmental regulations to promote sustainable industrial development of the industry.

IV. Impact of external competitive environment, regulatory environment, and overall business environment:

In recent years, the global economy has been affected by geopolitical risks, changes in trade policies, and the restructuring of industrial supply chains. Environmental protection and occupational safety regulations have continued to become more stringent, and corporate operations are facing higher management requirements and cost pressures.

To strengthen risk management, the Company:

1. Increase the proportion of local procurement of key chemical raw materials
2. Optimize inventory and procurement strategies
3. Diversify supply risk
4. Establish a dedicated occupational safety management team to implement environmental protection and occupational safety systems

Looking ahead, flexible printed circuit applications will continue to be primarily driven by the smartphone market, with high-end models driving demand for specification upgrades. The Company will continue to deepen its technologies in self-developed PI and EMI products, expand into specialized application fields such as automotive, energy storage, medical, and aerospace, optimize its product structure and market positioning, and enhance long-term profitability and operational stability.

Chairman: Lee Chien-Hui Manager: Lee Chien-Hui Accountant Manager: Cheng Wan-Yu

Attachment 2

Audit Committee's Review Report of Asia Electronic Material Co., Ltd.

The Board of Directors has duly prepared the Company's Business Report, consolidated financial statements, individual financial statements, and proposal for earnings distribution for 2025. The consolidated financial statements and individual financial statements have been duly audited and verified by CPAs Chen Kuo-Shuai and Cheng-Wei Lin from Ernst & Young, and they have issued the auditor's report.

We have reviewed the abovementioned Business Report, consolidated financial statements, individual financial statements, and the proposal for earning distribution, to which we have found no misstatement, and we hereby issue a review report as presented above in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please proceed to review it.

Yours sincerely

Asia Electronic Material Co., Ltd.

Audit Committee, Asia Electronic Material Co., Ltd.

Convener: Hsu Ke-Ying

February 25, 2026

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English Translation of Financial Statements and a Report Originally Issued in Chinese

INDEPENDENT AUDITORS' REPORT

To: The Board of Directors and Shareholder of
Asia Electronic Material Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Asia Electronic Material Co., Ltd. (the "Company") and its subsidiaries as of December 31, 2025 and 2024, the related consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including the summary of material accounting policies (together referred as "the consolidated financial statements").

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2025 and 2024, and its consolidated financial performance and cash flows for the years then ended, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of consolidated financial statements for the year ended December 31, 2025. 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.

Revenue recognition

Asia Electronic Material Co., Ltd. and its subsidiaries recognized NT$1,417,550 thousand as revenue for the year ended December 31, 2025. Since the sales locations including Taiwan, China and other countries and the sales conditions for major customers are varied. It is necessary for the Group to judge and determine the performance obligations of a sales order or a contract and the timing of its satisfaction. There are significant risks in the timing and amount of revenue recognition. Therefore, we determined the matter to be a key audit matter. Our audit procedures include, but not limit to, assessing the appropriateness of the accounting policy for revenue recognition, evaluating and testing the effectiveness of relevant internal controls relating to the timing of revenue recognition, performing test of details on selected samples, including obtaining major sale orders or agreements to inspect the terms and conditions, checking the consistency of the fulfillment timing and performance obligation for revenue recognition, performing analytical review procedures on monthly sale and performing cutoff testing for a period before and after the balance sheet date, etc. We also considered the appropriateness of the related disclosures of sales. Please refer to Notes 4 and Note 6 in notes to the consolidated financial statements.

Impairment of accounts receivable

As of December 31, 2025, Asia Electronic Material Co., Ltd. and its subsidiaries' gross accounts receivable and loss allowance amounted to NT$871,941 thousand and NT$(72,117) thousand, respectively. The net accounts receivable represented 30.03% of the consolidated assets and was significant to the Group's consolidated financial statements. The amount of loss allowance against accounts receivable is measured at an amount equal to lifetime expected credit losses. The measurement process needs to group the underlying accounts receivable appropriately and judge the application of related assumptions, including proper aging intervals and expected credit loss ratio for each aging interval, to be judged and analyzed. Due to the measurement of expected credit losses involves judgement, analysis and estimation and it has significant impact on carrying value of net accounts receivable, we therefore determined the matter to be a key audit matter. Our audit procedures therefore include, but not limit to, analyzing the appropriateness of the methodology for grouping of

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accounts receivable, confirming whether the customers with significantly different loss patterns (i.e. similar risk characteristics) are appropriately grouped (i.e. by historical experiences, etc.); testing the provision matrix adopted by the Group, including evaluation on reasonableness of determining aging intervals, and examining the correctness of original document for basic information; reviewing of accounts receivable subsequent collection for evaluating its recoverability, etc. We also considered the appropriateness of the related disclosures of accounts receivable. Please refer to Notes 5 and Note 6 in notes to the consolidated financial statements.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

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

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company 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 the ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company 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 accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2025 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other

We have audited and expressed an unqualified opinion on the parent-company-only financial statements of the Company as of and for the years then ended December 31, 2025 and 2024.

/s/Chen, Kuo-Shuai

/s/Lin, Cheng-Wei

Ernst & Young
February 25, 2026
Taipei, Taiwan,
Republic of China

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

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or the Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

ASIA ELECTRONIC MATERIAL CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

As of December 31, 2025 and 2024

(Amounts Expressed In Thousands of New Taiwan Dollars)

Assets			2025.12.31		2024.12.31	
Code	Accounts	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	4, 6(1)	$535,895	20.12	$602,629	21.70
1150	Notes receivable, net	4, 6(2)	245,423	9.21	219,848	7.92
1170	Accounts receivable, net	4, 6(3)	554,401	20.82	598,996	21.57
1200	Other receivables		20,782	0.78	24,792	0.89
130x	Inventories	4, 6(4)	202,765	7.61	163,571	5.89
1410	Prepayments		30,557	1.15	30,095	1.08
1470	Other current assets		1,952	0.07	2,036	0.07
11xx	Total current assets		1,591,775	59.76	1,641,967	59.12
	Non-current assets					
1517	Financial assets at fair value through OCI	4, 6(5)	43,152	1.62	144,957	5.22
1600	Property, plant and equipment, net	4, 6(6)	825,671	31.00	812,102	29.24
1755	Right-of-use assets	4, 6(16)	111,321	4.18	111,067	4.00
1780	Intangible assets	4, 6(7)	7,117	0.27	8,876	0.32
1840	Deferred income tax assets	4, 6(20)	33,637	1.26	22,939	0.83
1900	Other non-current assets	6(8)	50,859	1.91	35,247	1.27
15xx	Total non-current assets		1,071,757	40.24	1,135,188	40.88
1xxx	Total Assets		$2,663,532	100.00	$2,777,155	100.00

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

ASIA ELECTRONIC MATERIAL CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets (Continued)

As of December 31, 2025 and 2024

(Amounts Expressed In Thousands of New Taiwan Dollars)

Liabilities and Equity			2025.12.31		2024.12.31	
Code	Accounts	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term loans	6(9)	$707,890	26.58	$710,137	25.57
2130	Contract liabilities	4, 6(14)	-	-	36	-
2150	Notes payable		3,435	0.13	4,421	0.16
2170	Accounts payable		173,611	6.52	91,115	3.28
2200	Other payables		49,281	1.85	43,189	1.56
2230	Current income tax liabilities	4, 6(20)	7,100	0.26	3,422	0.12
2280	Lease liabilities	4, 6(16)	2,647	0.10	3,432	0.12
2300	Other current liabilities		344	0.01	271	0.01
2322	Current portion of long-term loans	6(11)	-	-	100,000	3.60
21xx	Total current liabilities		944,308	35.45	956,023	34.42
	Non-current liabilities					
2540	Long-term loans	6(11)	150,000	5.63	-	-
2570	Deferred income tax liabilities	4, 6(20)	165,864	6.23	219,495	7.90
2580	Lease liabilities	4, 6(16)	5,657	0.21	187	0.01
2630	Long-term deferred revenue	4, 6(10)	45,762	1.72	52,814	1.90
25xx	Total non-current liabilities		367,283	13.79	272,496	9.81
2xxx	Total liabilities		1,311,591	49.24	1,228,519	44.23
31xx	Equity attributable to shareholders of the parent					
3100	Capital					
3110	Common stock	6(13)	982,009	36.87	982,009	35.36
3200	Capital surplus	6(13)	192,899	7.24	192,899	6.95
3300	Retained earnings	6(13)				
3310	Legal reserve		74,543	2.80	72,635	2.61
3320	Special reserve		41,956	1.58	41,956	1.51
3350	Unappropriated earnings		101,223	3.80	194,572	7.01
	Total Retained earnings		217,722	8.18	309,163	11.13
3400	Other components of equity		(40,689)	(1.53)	64,565	2.33
3xxx	Total equity		1,351,941	50.76	1,548,636	55.77
	Total liabilities and equity		$2,663,532	100.00	$2,777,155	100.00

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

ASIA ELECTRONIC MATERIAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Code	Items	Notes	2025 Amount	2025 %	2024 Amount	2024 %
4000	Operating revenues	4, 6(14)	$1,417,550	100.00	$1,541,704	100.00
5000	Operating costs	6(4)	(1,110,426)	(78.33)	(1,215,999)	(78.87)
5900	Gross profit		307,124	21.67	325,705	21.13
6000	Operating expenses	6(17)				
6100	Sales and marketing		(78,413)	(5.53)	(85,908)	(5.57)
6200	General and administrative		(109,124)	(7.70)	(104,348)	(6.77)
6300	Research and development		(82,094)	(5.79)	(87,451)	(5.67)
6450	Expected credit gains (losses)	4, 6(15)	(51,759)	(3.65)	(12,886)	(0.84)
	Total operating expenses		(321,390)	(22.67)	(290,593)	(18.85)
6900	Operating (Loss) income		(14,266)	(1.00)	35,112	2.28
7000	Non-operating incomes and expenses	6(18)				
7010	Other incomes		11,514	0.81	18,188	1.18
7020	Other gains or losses		(15,779)	(1.11)	4,013	0.26
7050	Finance costs		(30,025)	(2.12)	(25,708)	(1.67)
	Total non-operating incomes and expenses		(34,290)	(2.42)	(3,507)	(0.23)
7900	Income (loss) before tax		(48,556)	(3.42)	31,605	2.05
7950	Income tax benefit(expense)	4, 6(20)	6,216	0.44	(12,521)	(0.81)
8200	Net income (losses)		(42,340)	(2.98)	19,084	1.24
8300	Other comprehensive income (loss)	6(19)				
8310	Item that not be reclassified to profit or loss					
8316	Unrealized gains (losses) on equity instrument investment at fair value through other comprehensive income		(94,761)	(6.69)	(10,033)	(0.65)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss		21,722	1.53	1,326	0.08
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of foreign operations		(40,269)	(2.84)	86,481	5.61
8399	Income tax related to components of other comprehensive income that may be reclassified to profit or loss		8,054	0.57	(17,297)	(1.12)
	Total other comprehensive income, net of tax		(105,254)	(7.43)	60,477	3.92
8500	Total comprehensive income		$(147,594)	(10.41)	$79,561	5.16
9750	Earnings (losses) per share-basic (in NTD)	6(21)	$(0.43)		$0.19	
9850	Earnings (losses) per share-diluted (in NTD)		$(0.43)		$0.19	

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

ASIA ELECTRONIC MATERIAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the Years Ended December 31, 2025 and 2024

(Amounts Expressed In Thousands of New Taiwan Dollars)

		Equity Attributable to Shareholders of the Parent							
				Retained Earnings			Others		
		Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences Arising on Translation of Foreign Operations	Unrealised Gains or Losses on Financial Assets at Fair Value Through Other Comprehensive Income	Total Equity
Code	Items	3111	3200	3310	3320	3350	3410	3420	3XXX
A1	Balance as of January 1, 2024	$982,009	$192,899	$68,474	$41,956	$228,749	$(71,265)	$75,353	$1,518,175
	Appropriation and distribution of 2023 earnings								
B1	Legal reserve			4,161		(4,161)			-
B5	Cash dividends-common shares					(49,100)			(49,100)
D1	Net income for 2024					19,084			19,084
D3	Other comprehensive income (loss), for 2024						69,184	(8,707)	60,477
D5	Total comprehensive income (loss)	-	-	-	-	19,084	69,184	(8,707)	79,561
Z1	Balance as of December 31, 2024	982,009	192,899	72,635	41,956	194,572	(2,081)	$66,646	1,548,636
	Appropriation and distribution of 2024 earnings								
B1	Legal reserve			1,908		(1,908)			-
B5	Cash dividends-common shares					(49,101)			(49,101)
D1	Net loss for 2025					(42,340)			(42,340)
D3	Other comprehensive income (loss), for 2025						(32,215)	(73,039)	(105,254)
D5	Total comprehensive income (loss)	-	-	-	-	(42,340)	(32,215)	(73,039)	(147,594)
Z1	Balance as of December 31, 2025	$982,009	$192,899	$74,543	$41,956	$101,223	$(34,296)	$(6,393)	$1,351,941

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

ASIA ELECTRONIC MATERIAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

Code	Items	2025	2024	Code	Items	2025	2024
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A00010	(Loss)Profit from continuing operations before tax	$(48,556)	$31,605	B00010	Acquisition of financial assets measured at fair value through OCI	(18,678)	(3,567)
A20000	Adjustments:			B02700	Acquisition of property, plant and equipment	(102,993)	(50,867)
A20010	Profit or loss not effecting cash flows:			B02800	Proceeds from disposal of property, plant and equipment	154	-
A20100	Depreciation (including right-of-use assets)	63,067	67,154	B03800	Decrease (increase) in refundable deposits	(368)	(36)
A20200	Amortization	1,540	1,649	BBBB	Net cash provided by (used in) investing activities	(121,885)	(54,470)
A20300	Expected credit losses (gain on recovery)	51,759	12,886				
A20900	Interest expense	30,025	25,708				
A21200	Interest income	(1,118)	(2,753)				
A21300	Dividend income	(1,561)	(389)	CCCC	Cash flows from financing activities:		
A22500	Loss on disposal of property, plant and equipment	1,251	506	C00100	Increase in (repayment of) short-term loans	(2,247)	177,070
A29900	Gain on government grants	(5,839)	(6,005)	C01600	Increase in long-term loans	150,000	-
A29900	Gain on lease modification	(16)	-	C01700	Repayment of long-term loans	(100,000)	-
A30000	Changes in operating assets and liabilities:			C04020	Cash payments for the principal portion of the lease liabilities	(3,745)	(3,813)
A31130	Decrease (increase) in notes receivable	(25,575)	(52,834)	C04500	Cash dividends	(49,101)	(49,100)
A31150	Decrease (increase) in accounts receivable	(8,382)	47,276	CCCC	Net cash provided by (used in) financing activities	(5,093)	124,157
A31180	Decrease (increase) in other receivables	3,838	4,215				
A31200	Decrease (increase) in inventories	(39,194)	43,120				
A31220	Decrease (increase) in prepayments	(2,399)	(10,897)				
A31240	Decrease (increase) in other current assets	84	(129)	DDDD	Effect of exchange rate changes on cash and cash equivalents	(16,176)	34,480
A32125	Increase (decrease) in contract liabilities	(36)	36	EEEE	Net increase (decrease) in cash and cash equivalents	(66,734)	153,633
A32130	Increase (decrease) in notes payable	(986)	(22,732)	E00100	Cash and cash equivalents at beginning of period	602,629	448,996
A32150	Increase (decrease) in accounts payable	82,496	(27,814)	E00200	Cash and cash equivalents at end of period	$535,895	$602,629
A32180	Increase (decrease) in other payables	2,591	(15,810)				
A32230	Increase (decrease) in other current liabilities	73	(16)				
A33000	Cash generated from (used in) operations	103,062	94,776				
A33100	Interest received	1,118	2,753				
A33200	Dividend received	1,561	389				
A33300	Interest paid	(26,385)	(25,557)				
A33500	Income tax paid	(2,936)	(22,895)				
AAAA	Net cash provided by (used in) operating activities	76,420	49,466				

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

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English Translation of an Audit Report Originally Issued in Chinese

INDEPENDENT AUDITORS' REPORT

To: The Board of Directors and Shareholders of
Asia Electronic Material Co., Ltd.

Opinion

We have audited the accompanying parent-company-only balance sheets of Asia Electronic Material Co., Ltd. (the "Company") as of December 31, 2025 and 2024, and the related parent-company-only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent-company-only financial statements, including the summary of significant accounting policies (together referred as "the parent-company-only financial statements").

In our opinion, the parent-company-only financial statements referred to above present fairly, in all material respects, the parent-company-only financial position of the Company as of December 31, 2025 and 2024, and their parent-company-only financial performance and cash flows for the years then ended, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent-Company-Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of parent-company-only financial statements for the year ended December 31, 2025.

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.

Revenue recognition

Asia Electronic Material Co., Ltd. recognized NT$935,838 thousand as revenue for the year ended December 31, 2025. Since the sales locations including Taiwan, China and other countries and the sales conditions for major customers are varied. It is necessary for the Company to judge and determine the performance obligations of a sales order or a contract and the timing of its satisfaction. There are significant risks in the timing and amount of revenue recognition. Therefore, we determined the matter to be a key audit matter. Our audit procedures include, but not limit to, assessing the appropriateness of the accounting policy for revenue recognition, evaluating and testing the effectiveness of relevant internal controls relating to the timing of revenue recognition, performing test of details on selected samples, including obtaining major sale orders or agreements to inspect the terms and conditions, checking the consistency of the fulfillment timing and performance obligation for revenue recognition, performing analytical review procedures on monthly sale and performing cutoff testing for a period before and after the balance sheet date, etc. We also considered the appropriateness of the related disclosures of sales. Please refer to Notes 4 and Note 6 in notes to the parent-company-only financial statements.

Impairment of accounts receivable

As of December 31, 2025, the Company's gross accounts receivable and loss allowance amounted to NT$435,572 thousand and NT$(72) thousand, respectively. The net accounts receivable represented 19.85% of the parent-company-only assets and was significant to the Company's parent-compant-only financial statements. The amount of loss allowance against accounts receivable is measured at an amount equal to lifetime expected credit losses. The measurement process needs to group the underlying accounts receivable appropriately and judge the application of related assumptions, including proper aging intervals and expected credit loss ratio for each aging interval, to be judged and analyzed. Due to the measurement of expected credit losses involves judgement, analysis and estimation and it has significant impact on carrying value of net accounts receivable, we therefore determined the matter to be a key audit matter. Our audit procedures therefore include, but not limit to, analyzing the appropriateness of the methodology for grouping of accounts receivable, confirming whether the customers with significantly different loss patterns (i.e. similar risk characteristics) are appropriately grouped (i.e. by historical experiences, etc.); testing the provision matrix adopted by the Company, including evaluation on reasonableness of determining aging intervals, and examining

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the correctness of original document for basic information; reviewing of accounts receivable subsequent collection for evaluating its recoverability, etc. We also considered the appropriateness of the related disclosures of accounts receivable. Please refer to Notes 5 and Note 6 in notes to the parent-company-only financial statements.

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

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

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

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

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

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

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

1. Identify and assess the risks of material misstatement of the parent-company-only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.

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

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent-company-only financial statements, including the accompanying 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 appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent-company-only financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2025 parent-company-only financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

/s/Chen, Kuo-Shuai

/s/Lin, Cheng-Wei

Ernst & Young
February 25, 2026
Taipei, Taiwan,
Republic of China

Notice to Readers

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

Accordingly, the accompanying parent-company-only financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or the Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

ASIA ELECTRONIC MATERIAL CO., LTD.

Parent-Company-Only Balance Sheets

As of December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

Assets			2025.12.31		2024.12.31	
Code	Accounts	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	4, 6(1)	$70,343	3.20	$117,137	4.99
1150	Notes receivable, net	4, 6(3), 6(16)	556	0.03	516	0.02
1170	Accounts receivable, net	4, 6(4), 6(16)	49,135	2.24	58,797	2.51
1180	Accounts receivable – related parties, net	4, 6(4), 6(16), 7	385,809	17.58	324,916	13.85
1200	Other receivables		19,171	0.87	21,001	0.90
1210	Other receivables – related parties	7	70,797	3.23	78,569	3.35
130X	Inventories	4, 6(5)	9,914	0.45	7,641	0.32
1410	Prepayments		6,094	0.28	2,108	0.09
11XX	Total current assets		611,819	27.88	610,685	26.03
	Non-current assets					
1517	Financial assets at fair value through OCI	4, 6(2)	43,152	1.97	10,625	0.45
1550	Investment accounted for under equity method	4, 6(6)	1,513,741	68.99	1,714,083	73.06
1600	Property, plant and equipment, net	4, 6(7)	5,688	0.26	1,554	0.07
1755	Right-of-use assets	4, 6(17)	6,393	0.29	1,438	0.06
1780	Intangible assets	4, 6(8)	-	-	33	-
1840	Deferred income tax assets	4, 6(21)	11,855	0.54	7,311	0.31
1900	Other non-current assets	6(9)	1,545	0.07	357	0.02
15XX	Total non-current assets		1,582,374	72.12	1,735,401	73.97
1XXX	Total Assets		$2,194,193	100.00	$2,346,086	100.00

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

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

ASIA ELECTRONIC MATERIAL CO., LTD.

Parent-Company-Only Balance Sheets (Continued)

As of December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity			2025.12.31		2024.12.31	
Code	Accounts	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term loans	6(10)	$191,544	8.73	$175,000	7.46
2131	Contract liability	4, 6(15)	-	-	36	-
2150	Notes payable		3,435	0.16	4,421	0.19
2170	Accounts payable		82,317	3.75	31,207	1.33
2180	Accounts payable – related parties	7	205,170	9.35	245,713	10.47
2200	Other payables		9,473	0.43	11,496	0.49
2280	Lease liabilities	4, 6(17)	1,818	0.08	1,464	0.06
2230	Current income tax liabilities	4, 6(21)	7,100	0.32	3,422	0.15
2300	Other current liabilities		345	0.02	271	0.01
2320	Current portion of long-term loans	6(11)	-	-	100,000	4.26
21XX	Total current liabilities		501,202	22.84	573,030	24.42
	Non-current liabilities					
2540	Long-term loans	6(11)	150,000	6.84	-	-
2570	Deferred income tax liabilities	4, 6(21)	165,717	7.55	205,785	8.77
2580	Lease liabilities	4, 6(17)	4,610	0.21	-	-
2600	Other non-current liabilities	4, 6(12)	20,723	0.95	18,635	0.80
25XX	Total non-current liabilities		341,050	15.55	224,420	9.57
2XXX	Total liabilities		842,252	38.39	797,450	33.99
3100	Capital	6(14)				
3110	Common stock		982,009	44.75	982,009	41.86
3200	Capital surplus	6(14)	192,899	8.79	192,899	8.22
3300	Retained earnings	6(14)				
3310	Legal reserve		74,543	3.40	72,635	3.10
3320	Special reserve		41,956	1.91	41,956	1.79
3350	Unappropriated earnings		101,223	4.61	194,572	8.29
	Total retained earnings		217,722	9.92	309,163	13.18
3400	Other components of equity		(40,689)	(1.85)	64,565	2.75
3XXX	Total equity		1,351,941	61.61	1,548,636	66.01
	Total liabilities and equity		$2,194,193	100.00	$2,346,086	100.00

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

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

ASIA ELECTRONIC MATERIAL CO., LTD.

Parent-Company-Only Statements of Comprehensive Income

For the Years Ended December 31, 2025 and 2024

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

Code	Accounts	Notes	2025 Amount	2025 %	2024 Amount	2024 %
4000	Operating revenues	4, 6(15), 7	$935,838	100.00	$913,018	100.00
5000	Operating costs	6(5), 7	(835,330)	(89.26)	(820,160)	(89.83)
5900	Gross profit		100,508	10.74	92,858	10.17
5910	Unrealized gross profit (loss) from sales		(2,120)	(0.23)	3,478	0.38
	Gross profit from operations		98,388	10.51	96,336	10.55
6000	Operating expenses	6(18)				
6100	Sales and marketing		(14,769)	(1.58)	(15,631)	(1.71)
6200	General and administrative		(43,438)	(4.64)	(41,206)	(4.51)
6300	Research and development		(14,700)	(1.57)	(17,670)	(1.94)
	Total operating expenses		(72,907)	(7.79)	(74,507)	(8.16)
6900	Operating income		25,481	2.72	21,829	2.39
7000	Non-operating income and expenses	6(19)				
7010	Other incomes		2,540	0.27	2,626	0.29
7020	Other gains and losses		(16,163)	(1.73)	15,244	1.67
7050	Finance costs		(7,447)	(0.79)	(6,562)	(0.72)
7070	Share of profit or loss of subsidiaries, associates and joint ventures	4, 6(6)	(51,463)	(5.50)	(9,379)	(1.03)
	Total non-operating income and expenses		(72,533)	(7.75)	1,929	0.21
7900	(Loss)profit from continuing operations before tax		(47,052)	(5.03)	23,758	2.60
7950	Income tax (expense)income	4, 6(21)	4,712	0.50	(4,674)	(0.51)
8000	(Loss)profit from continuing operations		(42,340)	(4.53)	19,084	2.09
8300	Other comprehensive income (loss)	6(20)				
8310	Items that not be reclassified subsequently to profit or loss					
8316	Unrealized gains (losses) from equity instrument investment at fair value through other comprehensive income		13,849	1.48	(3,405)	(0.37)
8336	Unrealized gains (losses) from equity instrument investment measured at fair value through other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method		(108,610)	(11.60)	(6,628)	(0.73)
8349	Income tax related to non-reclassified items		21,722	2.32	1,326	0.15
8360	Items that may be reclassified subsequently to profit or loss					
8380	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures		(40,269)	(4.30)	86,481	9.47
8399	Income tax related to components of other comprehensive income that may be reclassified to profit or loss		8,054	0.86	(17,297)	(1.89)
	Total other comprehensive income, net of tax		(105,254)	(11.24)	60,477	6.63
8500	Total comprehensive income		$(147,594)	(15.77)	$79,561	8.72
	Earnings per share (in NTD)	6(22)				
9750	Earnings per share - basic					
9710	Profit (loss) from continuing operations		$(0.43)		$0.19	
9850	Earnings per share - diluted (in NTD)					
9810	Profit (loss) from continuing operations		$(0.43)		$0.19	

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

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

ASIA ELECTRONIC MATERIAL CO., LTD.

Parent-Company-Only Statements of Changes in Equity

For the Years Ended December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

				Retained Earnings			Other Components of Equity		
		Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gains or Losses on Financial Assets at Fair Value Through Other Comprehensive Income	Total Equity
Code	Items	3100	3200	3310	3320	3350	3410	3420	3XXX
A1	Balance as of January 1, 2024	$982,009	$192,899	$68,474	$41,956	$228,749	$(71,265)	$75,353	$1,518,175
	Appropriation and distribution of 2023 earnings								
B1	Legal reserve			4,161		(4,161)			-
B5	Cash dividends - common shares					(49,100)			(49,100)
D1	Net income for 2024					19,084			19,084
D3	Other comprehensive income (loss) for 2024						69,184	(8,707)	60,477
D5	Total comprehensive income (loss)	-	-	-	-	19,084	69,184	(8,707)	79,561
Z1	Balance as of December 31, 2024	982,009	192,899	72,635	41,956	194,572	(2,081)	66,646	1,548,636
	Appropriation and distribution of 2024 earnings								
B1	Legal reserve			1,908		(1,908)			-
B5	Cash dividends - common shares					(49,101)			(49,101)
D1	Net loss for 2025					(42,340)			(42,340)
D3	Other comprehensive income (loss) for 2025						(32,215)	(73,039)	(105,254)
D5	Total comprehensive income (loss)	-	-	-	-	(42,340)	(32,215)	(73,039)	(147,594)
Z1	Balance as of December 31, 2025	$982,009	$192,899	$74,543	$41,956	$101,223	$(34,296)	$(6,393)	$1,351,941

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

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

ASIA ELECTRONIC MATERIAL CO., LTD.

Parent-Company-Only Statements of Cash Flows

For the Years Ended December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

Code	Items	2025	2024
AAAA	Cash flows from operating activities:		
A00010	Profit(loss) from continuing operations before tax	$(47,052)	$23,758
A20000	Adjustments:		
A20010	Profit or loss not effecting cash flows:		
A20100	Depreciation (inculding right-of-use assets)	2,161	2,057
A20200	Amortization	33	100
A20900	Interest expense	7,447	6,562
A21200	Interest income	(689)	(1,710)
A21300	Dividend income	(1,561)	(389)
A22300	Share of profit or loss of subsidiaries, associates and joint ventures	51,463	9,379
A22500	Gain on disposal of property, plant and equipment	1,193	(64)
A24000	Realized (gains) losses from sales	2,120	(3,478)
A29900	Gain on lease modification	(16)	-
A30000	Changes in operating assets and liabilities:		
A31130	Decrease (increase) in notes receivable	(40)	97
A31150	Decrease (increase) in accounts receivable	9,662	8,115
A31160	Decrease (increase) in accounts receivable – related parties	(60,893)	(36,578)
A31180	Decrease (increase) in other receivables	1,830	3,761
A31190	Decrease (increase) in other receivables – related parties	7,772	2,299
A31200	Decrease (increase) in inventories	(2,273)	(747)
A31220	Decrease (increase) in prepayments	(3,986)	3,088
A32130	Increase (decrease) in notes payable	(986)	(22,732)
A32125	Increase (decrease) in contract liabilities	(36)	36
A32150	Increase (decrease) in accounts payable	50,323	(15,316)
A32160	Increase (decrease) in accounts payable – related parties	(40,543)	77,114
A32180	Increase (decrease) in other payables	(2,023)	(4,312)
A32230	Increase (decrease) in other current liabilities	74	(16)
A33000	Cash generated from provided by (used in) operations	(26,020)	51,024
A33100	Interest received	689	1,710
A33200	Dividend received	1,561	389
A33300	Interest paid	(7,367)	(6,524)
A33500	Income tax paid	(6,446)	(10,262)
AAAA	Net cash provided by (used in) operating activities	(37,583)	36,337

Code	Items	2025	2024
BBBB	Cash flows from investing activities:		
B00010	Acquisition of financial assets measured at fair value through OCI	(18,678)	(3,567)
B02700	Acquisition of property, plant and equipment	(5,981)	(1,007)
B03800	Decrease (increase) in refundable deposits	(401)	-
BBBB	Net cash provided by (used in) investing activities	(25,060)	(4,574)
CCCC	Cash flows from financing activities:		
C00100	Increase in (repayment of) short-term loans	16,544	5,000
C01600	Increase in long-term loans	150,000	-
C01700	Repayment of long-term loans	(100,000)	-
C04020	Cash payments for the principal portion of the lease liabilities	(1,594)	(1,476)
C04500	Cash dividends	(49,101)	(49,100)
CCCC	Net cash provided by (used in) financing activities	15,849	(45,576)
EEEE	Net Increase (decrease) in cash and cash equivalents	(46,794)	(13,813)
E00100	Cash and cash equivalents at beginning of period	117,137	130,950
E00200	Cash and cash equivalents at end of period	$70,343	$117,137

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

Attachment 5

Asia Electronic Material Co., Ltd.
Table of Earning Distribution
2025

Unit: NT$

Opening balance	143,562,999
Add: Net profit after tax for the year	(42,339,825)
Adjusted undistributed earnings	101,223,174
Less: Appropriation of 10% statutory surplus reserve	0
Distributable earnings	101,223,174
Distribution item:	
Dividends to shareholders - cash (A distribution of NT$0.25 is made for each share; that is, a distribution of NT$250 is made per thousand shares)	(24,550,217)
Undistributed earnings at the end of the period	76,672,957

Chairman:Lee Chien-Hui Manager: Lee Chien-Huii Chief Accountant: Cheng Monica

Attachment 6

Comparison Table for Amendments to Provisions of the "Procedures for the Acquisition or Disposals of Assets"

Amended provision	Current Provision	Description
Article 28: Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the website designated by the competent authority of securities in the appropriate format as prescribed by regulations within two days counting inclusively from the date of occurrence of the event: I. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT$300 million or more. Provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic	Article 28: Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the website designated by the competent authority of securities in the appropriate format as prescribed by regulations within two days counting inclusively from the date of occurrence of the event: I. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT$300 million or more. Provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic	Amended in accordance with the Company's current circumstances

Amended provision	Current Provision	Description
securities investment trust enterprises. II. Merger, demerger, acquisition, or transfer of shares. III. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company. IV. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore, the transaction counterparty is not a related party, **with a transaction amount reaching NT$500 million or more.** V. Acquisition or disposal by a public company in the construction business of property or right-of-use assets thereof for construction use, and furthermore, the transaction counterparty is not a related party, and the transaction amount reaches NT$500 million; among such cases, if the public company has paid-in capital of NT$10 billion or more, and it is disposing of property from a completed construction project that it	securities investment trust enterprises. II. Merger, demerger, acquisition, or transfer of shares. III. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company. IV. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore, the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria: (I) For a public company whose paid-in capital is less than NT$10 billion, the transaction amount reaches NT$500 million or more. (II) For a public company whose paid-in capital is NT$10 billion or more, the transaction amount reaches NT$1 billion or more. V. Acquisition or disposal by a public company in the construction business of property or right-of-use assets thereof for construction use, and furthermore, the transaction counterparty is not a related party,	

Amended provision	Current Provision	Description
constructed itself, and furthermore, the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT$1 billion or more. VI. Where the property is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore, the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT$500 million. VII. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20% or more of paid-in capital or NT$300 million. Provided, this shall not apply to the following circumstances: (I) Trading of domestic government	and the transaction amount reaches NT$500 million; among such cases, if the public company has paid-in capital of NT$10 billion or more, and it is disposing of property from a completed construction project that it constructed itself, and furthermore, the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT$1 billion or more. VI. Where the property is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore, the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT$500 million. VII. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, disposal of receivables by a financial institution, or an investment in the	

Amended provision	Current Provision	Description
bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan. (II) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of foreign government bonds, or of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of exchange-traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange. (III) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust	mainland China area reaches 20% or more of paid-in capital or NT$300 million. Provided, this shall not apply to the following circumstances: (I) Trading of domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan. (II) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of foreign government bonds, or of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of exchange-traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the	

Amended provision	Current Provision	Description
enterprises. The amount of transactions above shall be calculated as follows: I. The amount of any individual transaction. II. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year. III. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of property or right-of-use assets thereof within the same development project within the preceding year. IV. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year. "Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced	Taipei Exchange. (III) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. The amount of transactions above shall be calculated as follows: I. The amount of any individual transaction. II. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year. III. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of property or right-of-use assets thereof within the same development project within the preceding year. IV. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the	

Amended provision	Current Provision	Description
in accordance with the Procedures need not be counted toward the transaction amount. When the Company, at the time of the public announcement, makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety.	preceding year. "Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the Procedures need not be counted toward the transaction amount. When the Company, at the time of the public announcement, makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety.	
The Procedures were approved by the Audit Committee and the Board and implemented after receiving the consent of the shareholders' meeting; the same shall apply upon any modification. The Procedures received the consent of the Board on November 6, 2007 and were approved by the shareholders' meeting on December 28, 2007. The 1st amendment was made at the Board meeting on April 11, 2008 and approved by the shareholders' meeting on June 20, 2008. The 2nd amendment was made at the	The Procedures were approved by the Audit Committee and the Board and implemented after receiving the consent of the shareholders' meeting; the same shall apply upon any modification. The Procedures received the consent of the Board on November 6, 2007 and were approved by the shareholders' meeting on December 28, 2007. The 1st amendment was made at the Board meeting on April 11, 2008 and approved by the shareholders' meeting on June 20, 2008. The 2nd amendment was made at the	Added the date of the amendment

Amended provision	Current Provision	Description
Board meeting on November 4, 2011 and March 2, 2012 and approved by the shareholders' meeting on April 27, 2012. The 3rd amendment was made at the Board meeting on January 27, 2014 and approved by the shareholders' meeting on May 26, 2014. The 4th amendment was made at the Board meeting on February 24, 2017 and approved by the shareholders' meeting on May 19, 2017. The 5th amendment was made at the Board meeting on August 7, 2018. The 6th amendment was made at the Board meeting on March 6, 2019 and approved by the shareholders' meeting on May 24, 2019. The 7th amendment was made at the Board meeting on February 25, 2021 and approved by the shareholders' meeting on July 23, 2021. The 8th amendment was made at the Board meeting on January 25, 2022 The 9th amendment was made at the Board meeting on February 25, 2022 and approved by the shareholders' meeting on May 17, 2022. **<u>The 10th amendment was made at the Board meeting on February 25, 2026 and approved by the shareholders' meeting on May 20, 2026.</u>**	Board meeting on November 4, 2011 and March 2, 2012 and approved by the shareholders' meeting on April 27, 2012. The 3rd amendment was made at the Board meeting on January 27, 2014 and approved by the shareholders' meeting on May 26, 2014. The 4th amendment was made at the Board meeting on February 24, and approved by the shareholders' meeting on May 19, 2017. The 5th amendment was made at the Board meeting on August 7, 2018. The 6th amendment was made at the Board meeting on March 6, 2019 and approved by the shareholders' meeting on May 24, 2019. The 7th amendment was made at the Board meeting on February 25, 2021 and approved by the shareholders' meeting on July 23, 2021. The 8th amendment was made at the Board meeting on January 25, 2022 The 9th amendment was made at the Board meeting on February 25, 2022 and approved by the shareholders' meeting on May 17, 2022.	

Attachment 7

Asia Electronic Material Co., Ltd.

Candidates List of Independent Directors Nominated by the Board of Directors and Relevant Information

Candidate Type	Candidate Name	Educational Background, Professional Qualification, Experience and Current Position	Number of Shares Held Up to March 22, 2026
Independent Director	Yu Tsai-An	Educational Background and Professional Qualification: Master's degree in Chemical Engineering, National Tsing Hua University Ph.D. in Chemical Engineering, National Tsing Hua University Experience: Manager, ITRI MCL Vice president, Formosa Advanced Coating Technology Inc. Senior manager, Far Eastern New Century Corporation President, IMAT Corporation Current Position: Chairman, IMAT Corporation	3,094

Attachment 8

Details of Cancellation of Non-compete Restriction for Independent Director Candidates

Candidate Type	Candidate Name	Company of Adjunct Position
Independent Director	Yu Tsai-An	Chairman, IMAT Corporation

Appendix 1

Asia Electronic Material Co., Ltd.

Rules and Procedures of Shareholders' Meeting

I. To establish a strong governance system and sound supervisory capabilities for the shareholders' meetings of the Company and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

II. Except otherwise provided by laws, regulations, or the Articles, the rules of procedures for the shareholders' meetings of the Company shall be subject to the Rules.

III. Unless otherwise provided by law or regulation, shareholders meetings of the Company shall be convened by the Board.

The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for discussion, or the election or dismissal of Directors, and upload them to the MOPS 30 days before the annual shareholders' meeting or 15 days before the extraordinary shareholders meeting. The Company shall prepare electronic versions of the shareholders' meeting handbook and supplemental meeting materials and upload them to the MOPS 21 days before the annual shareholders' meeting or 15 days before the extraordinary shareholders' meeting. In addition, the Company shall also have prepared the shareholders' meeting handbook and supplemental meeting materials and made them available for review by shareholders at any time. The meeting handbook and supplemental materials shall also be displayed at the Company and the professional stock affairs agent designated thereby, and shall be distributed at the site of the shareholders' meeting.

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

Election or dismissal of Directors, amendments to the Articles, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Company by Directors, capital increase from earnings, capital increase from reserves, the dissolution, merger, or demerger of the Company, or any matter under paragraph 1, Article 185, of the Company Act, and Articles 26-1 and 43-6 of the Securities and Exchange Act shall be set out, and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be proposed as an extempore motion.

A shareholder holding 1% or more of the total number of issued shares may submit a proposal to the Company for discussions at an annual shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. A shareholder's proposal in alignment with any circumstance under any subparagraph of paragraph 4 of Article 172-1 of the Company Act may not be included in the meeting agenda by the Board of Directors.

Prior to the book closure date before the convening of an annual shareholders meeting, the Company shall publicly announce its acceptance of shareholder's proposals, and the location and the period for their submission; the period for submission of shareholder's proposals may not be less than ten days.

A proposal submitted by a shareholder is limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall attend the annual shareholders' meeting in person or by proxy and take part in discussions of the proposal.

Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the board of directors at the shareholders' meeting to be convened.

IV. For each shareholders' meeting, a shareholder may issue a proxy form, which is printed and distributed by the Company, and set out the scope of authorization to engage a proxy to attend the shareholders' meeting on its behalf.

Each shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting and shall deliver the proxy form to the Company at least five days before the date of the shareholders' meeting. When a duplicate proxy form is served, the one received earliest shall prevail, unless a declaration is made to cancel the previous proxy form. Once a proxy form is received by the Company, if a shareholder wishes to attend the shareholders' meeting in person or to exercise their voting rights in writing or by electronic means, a written proxy rescission notice shall be filed with the Company two days prior to the date of the shareholders' meeting; otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

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

VI. The Company shall furnish the attending shareholders or proxies engaged by shareholders (the "shareholders") with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of Directors, pre-printed ballots shall also be furnished. Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

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

VII. If a shareholders' meeting is convened by the Board, the meeting shall be chaired by the Chairman. If the Chairman is on leave or is unable to exercise its functions due to other causes, the Vice Chairman shall chair the meeting on its behalf. Where there is no such a position as Vice Chairman or the Vice Chairman is on leave or is unable to exercise its functions due to other causes, the Chairman shall appoint one of the Managing Directors to act as the chairperson. Where there is no such a position as Managing Director, the Chairman shall appoint one of the Directors to act as the chairperson. Where the Chairman fails to make such an appointment, the Managing Directors or Directors shall elect one person to serve as the chairperson among themselves.

A shareholders' meeting convened by the Board shall be attended by a majority of the Directors.

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

The Company may appoint its attorneys, CPAs, or related persons to attend the meeting in a non-voting capacity.

VIII. The Company shall make an uninterrupted audio and video recording of the shareholders' meeting, and the recorded materials of the preceding paragraph shall be retained for at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the materials of the meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.

IX. Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of shares represented by shareholders attending the meeting shall be calculated in accordance with the attendance book or attendance cards handed in, plus the number of shares exercising voting rights by correspondence or electronic means.

The chairperson shall call the meeting to order upon the meeting time and disclose information concerning the number of non-voting shares and the number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairperson may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chairperson shall declare the meeting adjourned. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to paragraph 1, Article 175 of the Company Act; all shareholders shall be notified of the tentative resolution, and another shareholders' meeting shall be convened within one month.

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

X. If a shareholder meeting is convened by the Board, the meeting agenda shall be set by the Board. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

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

The chairperson may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda in the preceding two paragraphs (including Extraordinary Motions), except by a resolution by the shareholders' meeting. If the chairperson declares the meeting adjourned in violation of the rules of procedure, the other members of the Board shall promptly assist the attending shareholders in electing a new chairperson in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders to continue the meeting.

The chairperson shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extempore motions put forward by the shareholders; when the chairperson considers that a proposal has been discussed sufficiently to put it to a vote, the chairperson may announce the discussion closed, and call for a vote.

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

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

Except with the consent of the chairperson, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed five minutes; if the shareholder's speech violates the rules or exceeds the scope of the motion, the chairperson may have the shareholder stop the speech.

Attending shareholders may not interfere with the speaking shareholders without the Chairman's consent and the speaking shareholders. The Chairman will have the violating shareholders stopped.

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

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

XII. Votes cast at shareholders' meetings shall be calculated based on the number of shares.

The shares held by shareholders having no voting rights shall not be counted in the total number of issued shares while adopting a resolution at a meeting of shareholders.

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

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

Except for trust enterprises or stock agencies approved by the competent authority of securities, when a person acts as the proxy for two or more shareholders, the number of voting rights represented by it shall not exceed 3% of the total number of voting shares of the company; otherwise, the portion of excessive voting power shall not be counted.

XIII. Shareholders of the Company are entitled to one vote for each share held; however, this shall not apply when the shares are restricted shares or are deemed non-voting shares under paragraph 2, Article 179 of the Company Act.

When the Company holds a shareholders' meeting, it may adopt the exercise of voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting convening notice. A shareholder's exercise of voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. However, it shall be deemed as a waiver of rights with respect to the extraordinary motions and amendments to the original proposals of the shareholders' meeting.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company at least two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail. However, this shall not apply to a declaration made to cancel the earlier declaration of intent.

In case a shareholder who has exercised its voting power by correspondence or electronic means intends to attend the shareholders' meeting in person, it shall, latest, serve a separate declaration of intention to rescind its previous declaration of intention made in exercising the voting rights under the preceding paragraph latest by two days prior to the meeting date of the scheduled shareholders' meeting and in the same manner previously used in exercising its voting rights. In the absence of a timely rescission of the previous declaration of intention, the voting rights exercised by correspondence or electronic means shall prevail. If the shareholder exercises the voting right by correspondence or electronic means and appoints a proxy with a proxy form to attend the shareholders' meeting, the voting right exercised by the attending proxy at the meeting shall prevail.

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

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

Scrutineers and vote counting personnel for the voting on proposals shall be appointed by the chairperson, provided all scrutineers be shareholders of the Company.

The counting of votes shall be publicly made at the venue of the shareholders' meeting; the outcome of a vote shall be reported on the spot and recorded accordingly.

XIV. If a shareholders' meeting involves the election of Directors, it shall be arranged according to relevant election specifications and regulations established by the Company, and the outcome of the election shall be reported on the spot. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the scrutineers and kept in proper custody for at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the materials of the meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.

XV. Meeting minutes shall be prepared for resolutions made at shareholder's meetings. The minutes shall be signed and affixed with a seal by the chairperson and distributed to the shareholders within 20 days after the meeting. The meeting minutes may be produced and distributed in electronic form.

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

Meeting minutes shall set out the year, month, date, venue, name of the chairperson and the resolution method, proceedings and results. The minutes shall be permanently kept throughout the duration of the Company.

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

If any resolutions by the shareholders' meeting are material information as stipulated by laws and regulations or Taiwan Stock Exchange Corporation (Taipei Exchange), the Company shall upload the content to the MOPS within the prescribed period.

XVII. Staff handling administrative affairs of a shareholders' meeting shall wear an identification badge or an armband.

The chairperson may direct the proctors or security personnel to help maintain order at the meeting venue. When proctors or security personnel help maintain order at the meeting venue, they shall wear an identification badge or an armband, reading "Proctor."

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

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

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

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

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

XIX. The Rules were implemented on the publishing date after being approved by the shareholders' meeting.

The Rules were implemented after being approved at the shareholders' meeting on December 28, 2007.

The 1st amendment was made at the Board meeting on March 15, 2012 and approved by the shareholders' meeting on April 27, 2012.

The 2nd amendment was made at the Board meeting on February 25, 2021 and approved by the shareholders' meeting on July 23, 2021.

Appendix 2

Asia Electronic Material Co., Ltd.
Procedures for Election of Directors

Article 1: To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies".

Article 2: Except as otherwise provided by laws and regulations or by the Company's Articles of incorporation, elections of directors of the Company shall be conducted in accordance with these Procedures.

Article 3: The overall composition of the board of directors shall be taken into consideration in the selection of the Company's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

I. Basic requirements and values: Gender, age, nationality, and culture.

II. Professional knowledge and skills: Professional background (e.g., law, accounting, industry, finance, marketing or technology), professional skills, and industry experience.

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

I. The ability to make judgments about operations.

II. Accounting and financial analysis ability.

III. Business management ability.

IV. Crisis management ability.

V. Knowledge of the industry.

VI. International market perspective.

VII. Leadership ability.

VIII. Decision-making ability.

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

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

Article 4: The qualifications for the 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 of the Company shall comply with Articles 5, 6, 7, 8, and 9 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", and shall be conducted in accordance with Article 24 of the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies".

Article 5: The elections of directors of the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders' meeting. When the number of directors falls short by one third of the total number prescribed in the Company's Articles of Incorporation, the Company shall call a special shareholders meeting within sixty days from the date of occurrence to hold a by-election to fill the vacancies.

Where the number of independent directors falls below the number prescribed in the proviso of Paragraph 1 of Article 14-2 of Securities and Exchange Act, the Company shall hold a by-election at the most recent shareholders' meeting. When all independent directors are dismissed, the Company shall convene an extraordinary shareholders' meeting within sixty days from the occurrence of such event to hold a by-election for the independent directors.

Article 6: The uni-nominal cumulative voting method shall be used for election of the directors at the Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

Article 7: The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 8: The number of directors shall be as specified in the Company's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights shall be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 9: Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel.

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

Article 10: If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "Candidate column" of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity certificate number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.

Article 11: A ballot is invalid under any of the following circumstances:

I. The ballot is not prepared by a person with the right to convene.

II. A blank ballot is placed in the ballot box.

III. The writing is unclear and indecipherable or has been altered.

IV. The candidate whose name is entered in the ballot is incorrect after verification.

V. Other words or marks are entered in addition to the number of voting rights allotted.

Article 12: The voting rights shall be calculated on-site immediately after the end of the poll, and the results of the list of persons elected as directors and their respective number of voting rights won shall be announced by the chair on-site.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the scrutineers and kept in proper custody for at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the materials of the meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.

Article 13: The board of directors of the Company shall issue notifications to the persons elected as directors.

Article 14: These Procedures shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

These Procedures were duly enacted on June 23, 2006.

The first amendment was made on June 20, 2008.

The second amendment was made on May 25, 2021.

Appendix 3

Asia Electronic Material Co., Ltd.

Procedures for the Acquisition or Disposals of Assets

Article 1: To reinforce asset management and realize open information, the Company has established the Procedures according to relevant Article 36-1 of the Securities and Exchange Act and the relevant requirements of the competent authority.

Article 2: The term "assets" as used in these Procedures includes the following:

I. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interests in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.

II. Property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.

III. Memberships.

IV. Patents, copyrights, trademarks, franchise rights, and other intangible assets.

V. Right-of-use assets.

VI. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).

VII. Derivatives.

VIII. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with the law.

IX. Other major assets.

Article 3: Terms used in these Procedures are defined as follows:

I. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variables; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.

II. Assets acquired or disposed of through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed of through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institutions Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (the "transfer of shares") under Article 156-3 of the Company Act.

III. Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

IV. Professional appraiser: Refers to a real property appraiser or other persons duly authorized by law to engage in the value appraisal of real property or equipment.

V. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of Board resolutions, or other dates that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier. Provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.

VI. China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.

Article 4: The total amount of the acquisition of properties not for business purposes, their right-of-use assets, and securities of the Company shall not exceed the paid-in capital of the Company. The total amount of securities acquired shall not exceed 150% of the net worth of the latest financial statements of the Company audited by CPAs, and the investments in individual securities shall be up to 50% of the net worth.

The total amount of the acquisition of properties not for business purposes, their right-of-use assets, and securities of subsidiaries invested by the Company shall not exceed 20% of the net worth of the latest financial statements of the Company audited by CPAs, and the investments in individual securities shall be up to 10% of the net worth. However, the total amount of the acquisition of properties not for business purposes, their right-of-use assets, and securities of all subsidiaries shall not exceed 50% of the net worth of the latest financial statements of the Company audited by CPAs.

Article 5: For the acquisition or disposal of assets by the Company, apart from those reaching the standards for announcement and declaration as stated in Article 28 of the Procedures, the execution department shall evaluate the feasibility of such cases if the amount has not reached 5% of the Company's paid-in capital and submit them for approval based on the hierarchy; the execution shall be subject to the approval of the Chairman. If the transaction amount of each entry reaches 5% of the Company's paid-in capital, such cases shall be otherwise proposed to the Board meeting for approval or ratification.

The execution department of the Company in charge of the acquisition or disposal of assets is the Department of Finance and Accounting.

Article 6: In acquiring or disposing of property, equipment, or right-of-use assets thereof where the transaction amount reaches 20% of the Company's paid-in capital or NT$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report before the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:

I. Where, due to special circumstances, it is necessary to provide a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.

II. Where the transaction amount is NT$1 billion or more, appraisals from two or more professional appraisers shall be obtained.

III. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a CPA shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price.

(I) The discrepancy between the appraisal result and the transaction amount is

20% or more of the transaction amount.

(II) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.

IV. No more than three months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date. Provided, where the publicly announced current value for the same period is used and not more than six months have elapsed, an opinion may still be issued by the original professional appraiser.

Article 7: The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a CPA, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20% of the Company's paid-in capital or NT$300 million or more, the company shall additionally engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission.

Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20% or more of paid-in capital or NT$300 million or more, except in transactions with a domestic government agency, the Company shall engage a CPA prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.

Article 8: The calculation of the transaction amounts referred to in the preceding three articles shall be done in accordance with Article 28, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained according to the Procedures need not be counted toward the transaction amount.

Article 9: Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.

Article 10: Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, CPA's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:

I. May not have previously received a final and unappealable sentence to imprisonment for one year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if three years have already passed since the completion of service of the sentence, since the expiration of the period of a suspended sentence, or since a pardon was received.

II. May not be a related party or de facto related party of any party to the transaction.

III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions:

(I) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.

(II) When conducting a case, they shall appropriately plan and execute adequate working procedures in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusions shall be fully and accurately specified in the case working papers.

(III) They shall undertake an item-by-item evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.

(IV) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is appropriate and reasonable, and that they have complied with applicable laws and regulations.

Article 11: When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted according to Article 5 of the Procedures, and the reasonableness of the transaction terms is appraised according to the Procedures, if the transaction amount reaches 10% or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the requirements.

The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with the requirements of Article 8.

When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.

Article 12: When the Company intends to acquire or dispose of property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and the Board:

I. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.

II. The reason for choosing the related party as a transaction counterparty.

III. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 13 and Article 14.

IV. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the Company and the related party.

V. Monthly cash flow forecasts for the year commencing from the anticipated month of the signing of the contract, evaluation of the necessity of the transaction, and reasonableness of the fund's utilization.

VI. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding Article.

VII. Restrictive covenants and other important stipulations associated with the transaction.

With respect to the types of transactions listed below, when to be conducted between the Company subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Company's Board may delegate the Chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next Board meeting

(I) Acquisition or disposal of equipment or right-of-use assets thereof held for business use.

(II) Acquisition or disposal of property right-of-use assets held for business use.

The Company has its Independent Directors in place. When the Company submits a matter for discussion by the Board pursuant to paragraph 1, the Board shall take into full consideration each Independent Director's opinions. If an Independent Director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board meeting.

Where the Company has established an Audit Committee, matters that shall be approved by the Audit Committee in accordance with Paragraph 1 shall first be approved by more than one-half of all members of the Audit Committee and then submitted to the Board of Directors for resolution. If approval of one-half or more of all Audit Committee members as required is not obtained, the procedures may be implemented if approved by two-thirds or more of all Directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board Meeting. The terms "all Audit Committee members" and "all Directors" in this paragraph shall be counted as the actual number of persons currently holding those positions.

Where a public company or its subsidiary that is not a domestic public company engages in a transaction specified in Paragraph 1 and the transaction amount reaches 10% or more of the public company's total assets, the public company shall submit the information set forth in the subparagraphs of Paragraph 1 to the shareholders' meeting for approval before entering into the transaction contract and making payment. However, this restriction shall not apply to transactions between a public company and its parent company or subsidiaries, or between its subsidiaries.

The calculation of the transaction amounts referred to in paragraph 1 and the preceding paragraph shall be made in accordance with Article 28, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the shareholders' meeting, the Audit Committee, and the Board according to the Procedures need not be counted toward the transaction amount.

Article 13: The Company that acquires property or right-of-use assets thereof from a related party shall evaluate the reasonableness of the transaction costs by the following means:

I. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the Company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.

II. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70% or more of the financial institution's appraised loan value of the property and the period of the loan shall have been one year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.

Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.

The Company that acquires property or right-of-use assets thereof from a related party and appraises the cost of the property or right-of-use assets thereof in accordance with the preceding two paragraphs shall also engage a CPA to check the appraisal and render a specific opinion.

Where the Company acquires property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with Article 11, and the preceding three paragraphs do not apply:

I. The related party acquired the property or right-of-use assets thereof through inheritance or as a gift.

II. More than five years will have elapsed from the time the related party signed the contract to obtain the property or right-of-use assets thereof to the signing date for the current transaction.

III. The property is acquired through the signing of a joint development contract with the related party or through engaging a related party to build property, either on the Company's own land or on rented land.

IV. The acquisition of right-of-use assets of a property between the Company and its subsidiaries or between subsidiaries that the Company directly or indirectly holds their entire issued shares or total capital.

Article 14: When the results of the Company's appraisal conducted in accordance with paragraph 1 and paragraph 2 of the preceding Article are uniformly lower than the transaction price, arrangements shall be made in compliance with Article 15. However, where the following circumstances exist, objective evidence has been submitted, and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA, this restriction shall not apply:

I. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:

(I) Where the undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent three years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.

(II) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.

II. Where a public company acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of similar size by unrelated parties within the preceding year. Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph, in principle, refer to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50% of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.

Article 15: Where the Company acquires property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with Article 12 and Article 13 are uniformly lower than the transaction price, the following steps shall be taken:

I. For the difference between the transaction price and assessed cost of the property and its right-of-use assets, a special surplus reserve shall be provided in accordance with paragraph 1, Article 41 of the Securities and Exchange Act, and it shall not be distributed or capitalized with stock shares distributed. Where a public company uses the equity method to account for its investment in the Company, then the special surplus reserve shall be provided pro rata according to the requirements under paragraph 1, Article 41 of the Securities and Exchange Act

II. Members of the Audit Committee shall comply with the requirements under Article 218 of the Company Act.

III. Actions taken pursuant to the preceding two subparagraphs shall be reported to the shareholders' meeting, and the transaction details shall be disclosed in the annual report and prospectus.

If the Company has provided a special surplus reserve under the requirements of the preceding paragraph, it may not utilize the special surplus reserve until it has recognized a loss on a decline in the market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the competent authority of securities has given its consent.

When the company acquires property or right-of-use assets thereof from a related party, it shall also comply with the preceding two paragraphs if there is other evidence indicating that the acquisition was not an arms-length transaction.

Article 16: When engaging in derivative transactions, the Company shall adopt different restrictions on risk positions, knock-out restrictions, and accounting principles. Regarding the categories of derivative involved, except for those stated in subparagraph 1 of Article 3, bond margin transactions of the Company shall be subject to the Procedures. In addition, transactions of bonds under repurchase and resale agreements are exempted from compliance with the specifications of the Procedures.

Article 17: Derivative transactions are based on the principles of risk avoidance, and the total balance of transactions shall be up to the subject to the hedging requirements derived from the existing assets and liabilities and business activities of the Company. The losses of the entire and individual contracts for derivative transactions shall be up to 10% of the contractual amount. The Chairman is authorized to approve the content related to the individual contracts and report it to the Board subsequently.

Personnel engaged in derivatives trading of the Company may not serve concurrently in other operations such as confirmation and delivery.

Regarding the department in charge of derivative transactions of the Company, the transaction personnel shall formulate transaction strategies based on the approved transaction content and perform the transactions directly with the counterparties. After the completion of transactions, the transaction personnel shall provide the transaction notes to the delivery personnel for delivery procedures. The delivery personnel shall perform contract signing, account opening, delivery, and settlement for the counterparties in accordance with the transaction content.

The accounting of the Company's derivative transactions is processed according to the GAPP and relevant financial and accounting standards issued by ARDF, and the Company makes declarations and announcements according to the requirements of the competent authority of securities.

Article 18: The Company shall adopt risk management in terms of credits, market prices, liquidity, cash flows, operations, and laws when engaging in derivative transactions. The evaluations regarding whether the measurement, supervision and control related to risks and risk management procedures are appropriate shall be regularly reported to the President by the President's Office.

The department in charge of derivative transactions of the Company shall evaluate the position of derivatives held at least once a week; however, derivative transactions due to business requirements shall be evaluated at least twice a month. The director of the department in charge of the transactions shall keep abreast of the supervision and control of the risks of derivative transactions at all times and regularly evaluate whether the performance of engaging in derivative transactions complies with the existing business strategy and whether the risks assumed are within the scope tolerable to the Company; the evaluation reports shall be submitted to the Chairman for review. If any anomaly occurs in the market evaluation report (i.e., the positions held exceeding the cap of losses), the Company shall adopt necessary countermeasures and immediately report to the Board.

Where the Company engages in derivatives trading, the Board shall duly supervise and control such trading in accordance with the following principles:

I. Designate senior management personnel to attach attention to monitoring and controlling derivatives trading risk.

II. Periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the Company's permitted scope of tolerance.

Senior management personnel authorized by the Board shall manage derivatives trading in accordance with the following principles:

I. Periodically evaluate whether the risk management measures currently employed are appropriate and ensure compliance with these Regulations and the Procedures for Derivative Trading formulated by the Company.

II. When abnormal circumstances are found in the course of trading supervision and the status of profit or loss, the Company shall adopt necessary countermeasures and immediately report to the Board; Independent Director shall attend the Board meeting and express their opinions.

When the Company engages in derivative trading by authorizing relevant personnel to make arrangements in accordance with the Procedures for Derivative Trading it formulated, a report shall be made at the upcoming Board meeting subsequently.

Article 19: The Company engaging in derivatives trading shall establish a log book in which details of the types and amounts of derivatives trading engaged in, approval dates of the Board, and the matters required to be carefully evaluated under the preceding Article shall be recorded in detail in the log book. The Company's internal audit personnel shall periodically gain knowledge of the adequacy regarding the internal control of derivative trading and conduct monthly audits of the compliance of derivatives trading performed by the trading department with the Procedures for Derivative Trading, and prepare an audit report. If any material violation is found, it shall notify the Audit Committee in writing.

Article 20: The Company that conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the Board meeting to resolve the matter, shall engage a CPA, attorney, or securities underwriter to provide an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the Board for deliberation and approval. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger of the Company's subsidiary, in which it directly or indirectly holds the entire issued shares or total capital, and in the case of a merger between subsidiaries, in which the Company directly or indirectly holds the entire issued shares or total capital, respectively.

Article 21: When participating in a merger, demerger, acquisition, or transfer of shares, the Company shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders' meeting and include it along with the expert opinion referred to in the preceding Article when sending shareholders notification of the shareholders' meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts the Company from convening a shareholders' meeting to approve the merger, demerger, or acquisition, this restriction shall not apply. Where the shareholders' meeting fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders' meeting, the Company shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders' meeting.

A company participating in a merger, demerger, or acquisition shall convene a board of directors meeting and shareholders' meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent. When participating in a transfer of shares, the Company shall convene a Board meeting on the day of the transaction, unless otherwise required by the laws, or the Securities and Futures Bureau is notified in advance of extraordinary circumstances and grants consent.

When participating in a merger, demerger, acquisition, or transfer of shares of a company that is listed on an exchange or has its shares traded on an OTC market, a full written record of the following information shall be prepared and retained for five years for reference.

I. Basic identification data for personnel: Including the occupation, names, and ID Nos. (or passport numbers in the case of foreigners) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of shares prior to the disclosure of the information.

II. Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the appointment of a financial or legal advisor, the execution of a contract, and the Board meeting dates.

III. Important documents and meeting minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of Board meetings.

When participating in a merger, demerger, acquisition, or transfer of the shares of a company that is listed on an exchange or has its shares traded on an OTC market shall, within two days from the date of approval of the resolution by the Board, a report (in the prescribed format and via the Internet-based information system) of the information set out in subparagraphs 1 and 2 of the preceding paragraph shall be submitted to the competent authority of securities for future reference.

Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the Company shall sign an agreement with such companies in accordance with the requirements in the preceding two paragraphs.

Article 22: Every person participating in or privy to the plan for a merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, any stock or other equity securities of any company related to the plan for a merger, demerger, acquisition, or transfer of shares.

Article 23: When participating in a merger, demerger, acquisition, or transfer of shares, the Company may not arbitrarily alter the share exchange ratio or acquisition price unless under the circumstances set out below, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares:

I. Capital increase in cash, issuance of convertible corporate bonds, share dividends, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity securities.

II. An action, such as the disposal of major assets that affects the Company's financial operations.

III. An event, such as a major disaster or major change in technology that affects shareholder equity or securities price.

IV. An adjustment where any party participating in the merger, demerger, acquisition, or transfer of shares from another company buys back treasury shares.

V. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.

VI. Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.

Article 24: The contract for participation by the Company in a merger, demerger, acquisition, or of shares shall record the rights and obligations of the companies participating in the merger, demerger, acquisition, or transfer of shares and shall also record the following:

I. Handling of breach of contract.

II. Principles for the equity securities previously issued or treasury shares previously bought back by any company that is extinguished in a merger or that is demerged.

III. The number of treasury shares that the participating companies are permitted under the law to buy back after the record date of calculation of the share exchange ratio and the procedures.

IV. The procedures for changes in the number of participating entities or companies.

V. Preliminary progress schedule for plan execution and the anticipated completion date.

VI. The scheduled date and procedures for convening the shareholders' meeting according to laws and regulations if the plan exceeds the deadline without completion.

Article 25: After public disclosure of the information relating to the merger, demerger, acquisition, or share transfer that is participated by the Company, if it intends to further carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies decreases, and the Company's shareholders' meeting has adopted a resolution authorizing the Board to alter the limits of authority, the Company may be exempted from convening another shareholders' meeting to resolve on the matter anew.

Article 26: Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is not a public company, the public Company shall sign an agreement with the non-public company and make arrangements according to the requirements in Article 21 and Article 22.

Article 27: If a manager or organizing personnel of the Company violates the Procedures, it shall be submitted for evaluation according to the Regulations for Human Affairs and Employee

Handbook of the Company, and punishments shall be imposed based on the materiality of the circumstances.

Article 28: Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the website designated by the competent authority of securities in the appropriate format as prescribed by regulations within two days counting inclusively from the date of occurrence of the event:

I. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT$300 million or more. Provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

II. Merger, demerger, acquisition, or transfer of shares.

III. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.

IV. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:

(I) For a public company whose paid-in capital is less than NT$10 billion, the transaction amount reaches NT$500 million or more.

(II) For a public company whose paid-in capital is NT$10 billion or more, the transaction amount reaches NT$1 billion or more.

V. Acquisition or disposal by a public company in the construction business of property or right-of-use assets thereof for construction use, and furthermore, the transaction counterparty is not a related party, and the transaction amount reaches NT$500 million; among such cases, if the public company has paid-in capital of NT$10 billion or more, and it is disposing of property from a completed construction project that it constructed itself, and the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT$1 billion or more.

VI. Where the property is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore, the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT$500 million.

VII. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20% or more of paid-in capital or NT$300 million. Provided, this shall not apply to the following circumstances:

(I) Trading of domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.

(II) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of foreign government bonds, or of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of exchange-traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.

(III) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

The amount of transactions above shall be calculated as follows:

I. The amount of any individual transaction.

II. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.

III. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of property or right-of-use assets thereof within the same development project within the preceding year.

IV. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year. "Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the Procedures need not be counted toward the transaction amount.

When the Company, at the time of the public announcement, makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety.

Article 29: Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding Article, a public report of relevant information shall be made within two days from the date of acknowledgment of the event:

I. Change, termination, or rescission of a contract signed in regard to the original transaction.

II. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.

III. Change in the originally publicly announced and reported information.

Article 30: When acquiring or disposing of assets, the Company shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions with the Company, where they shall be retained for five years unless otherwise requirement laws.

Article 31: The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month conducted by the Company and its subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the competent authority of securities by the 10th day of each month.

Article 32: The procedures for the acquisition or disposal of assets of the Company's subsidiaries shall be implemented in compliance with the Procedures.

Information required to be publicly announced and reported on acquisitions and disposals of assets by the Company's subsidiary that is not a public company in Taiwan shall be reported by the Company.

The paid-in capital or total assets of the Company shall be the standard applicable to a subsidiary referred to in the preceding paragraph in determining whether, relative to paid-in capital or total assets, it reaches a threshold requiring public announcement and regulatory filing under paragraph 1, Article 28.

Article 33: For matters stated under the Procedures for the Acquisition or Disposals of Assets and requiring the consent of more than 50% of all members of the Audit Committee and the approval of the Board as required under the Procedures or other laws, if any dissenting opinion is proposed by a Director and a record or written declaration is presented, the Company shall also submit the data of the Director's dissenting opinion to the Audit Committee.

If approval of one-half or more of all Audit Committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by two-thirds or more of all Directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board Meeting.

The terms "all audit committee members" in paragraph 3 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.

Article 34: The Company shall not waive the capital contributions to Asia Electronic Material Holding (Samoa) Co., Ltd. (the "Asia Electronic") and Besttrade Co., Ltd in each of the following years. Asia Electronic shall not waive the capital contributions to Ammon Tec. Investment Corp. (the "Ammon Tec.") in each of the following years. Ammon Tec. shall not waive the capital contributions to Kunshan Aplus Tec. Corporation in each of the following years.

In the future, if the Company has to waive the capital contributions to the abovementioned companies or dispose of the abovementioned companies due to considerations of strategic alliance or matters otherwise agreed by Taipei Exchange (the "TPEx"), a special resolution shall be approved by the Board of the Company. If there is any amendment to the Procedures, the Company shall disclose it as material information on MOPS and report to the TPEx for future reference.

Article 35: The Procedures were approved by the Audit Committee and the Board and implemented after receiving the consent of the shareholders' meeting; the same shall apply upon any modification. The Procedures received the consent of the Board on November 6, 2007 and were approved by the shareholders' meeting on December 28, 2007.

The 1st amendment was made at the Board meeting on April 11, 2008 and approved by the shareholders' meeting on June 20, 2008.

The 2nd amendment was made at the Board meeting on November 4, 2011 and March 2, 2012 and approved by the shareholders' meeting on April 27, 2012.

The 3rd amendment was made at the Board meeting on January 27, 2014 and approved by the shareholders' meeting on May 26, 2014.

The 4th amendment was made at the Board meeting on February 24, 2017 and approved by the shareholders' meeting on May 19, 2017.

The 5th amendment was made at the Board meeting on August 7, 2018.

The 6th amendment was made at the Board meeting on March 6, 2019 and approved by the shareholders' meeting on May 24, 2019.

The 7th amendment was made at the Board meeting on February 25, 2021 and approved by the shareholders' meeting on July 23, 2021.

The 8th amendment was made at the Board meeting on January 25, 2022; the 9th amendment was made at the Board meeting on February 25, 2022 and approved by the shareholders' meeting on May 17, 2022.

Asia Electronic Material Co., Ltd.

Chairman: Chien-Hui Lee

Appendix 4

Asia Electronic Material Co., Ltd.
Articles of Incorporation

Chapter I General Provisions

Article 1: The Company is formed according to the requirements of limited companies under the Company Act. The Company is named 亞洲電材股份有限公司, and its English name is ASIA ELECTRONIC MATERIAL CO., LTD..

Article 2: The scope of business of the Company is as follows:

I.	CC01080	Manufacture of Electronic Parts and Components
II.	F119010	Wholesale of Electronic Materials
III.	F219010	Retail Sale of Electronic Materials
IV.	F113010	Wholesale of Machinery
V.	I501010	Product Designing
VI.	IZ99990	Other Industrial and Commercial Services (R&D of FPC and automated tape-on-reel)
VII.	JZ99050	Agency Services
VIII.	F601010	Intellectual Property Rights
IX.	I199990	Other Consulting Service (consultant of PCB production technologies)
X.	ZZ99999	All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company shall comply with its Procedures for Endorsement/Guarantee when providing any endorsement/guarantee to any third party due to business requirements.

Article 4: The amount of total investment of the Company is not subject to the restriction related to investments not exceeding 40% of the paid-in capital under Article 13 of the Company Act.

Article 5: The headquarters of the Company is located in Hsinchu County, and the Company may establish domestic or foreign branches with a resolution made by the Board and upon receiving approval from the competent authority when necessary.

Article 6: The announcement methods of the Company shall be subject to Article 28 of the Company Act.

Chapter II Shares

Article 7: The total capital of the Company is NT$1.5 billion, divided into 150 million ordinary shares with a par value of NT$10; the Board is authorized to issue the unissued shares in batches. Within the total capital above, NT$100 million was preserved for the issuance of employee stock option certificates, totaling 10 million shares with a par value of NT$10 per shares, which can be issued in batches based on the resolutions of the Board.

Article 8: The share certificates of the Company are registered, numbered, signed and affixed with a seal by a Director representing the Company, and issued after being attested by a bank competent to perform the attestation for the issuance of share certificates under the laws. The Company is exempted from printing its share certificates. However, shares issued according to the abovementioned requirements shall be registered with a centralized securities depository enterprise.

Article 9: Except for otherwise stated in laws and regulations or rules for securities, any transfers, right creation, pledges, report of loss, inheritance, gifting, report of loss of seals, alteration, or address alteration, and other stock affairs shall be subject to the "Regulations Governing the Administration of Shareholder Services of Public Companies."

Article 10: For share transfers, the transferor and the transferee shall complete the application form and sign and affix their seals on it to apply for the transfer with the Company. Before the completion of transfer procedures, the transfer shall not be used against the Company.

Article 11: The change in name and transfer of shares shall be suspended 60 days before an annual shareholders' meeting, 30 days before an extraordinary shareholders' meeting, or five days before the base day on which the Company decides to distribute dividends, bonuses, or other benefits. The periods specified in the preceding paragraphs shall commence from the date of the shareholders' meeting or from the base day.

Chapter III Shareholders' Meeting

Article 12: Shareholders' meetings of the Company are divided into two types as follows

I. An annual shareholders' meeting shall be convened within six months from the end of each fiscal year by the Board according to the law.

II. An extraordinary shareholders' meeting shall be convened as deemed necessary by the Board.

When convening a shareholders' meeting, written or electronic means may be adopted for the exercise of voting rights, and the exercise methods shall be subject to the requirements of relevant laws and regulations.

The Company may convene its shareholders' meeting by way of a video conference or other means announced by the central competent authority.

For requirements related to conditions, operating procedures, and other matters of compliance to be fulfilled for holding the shareholders' meeting via video conference, the requirements established by the competent authority shall be complied with.

Article 13: The Chairman shall chair the shareholders' meetings. If the Chairman is on leave or is unable to exercise its functions due to other causes, its proxy shall make arrangements under the requirements of Paragraph 3 of Article 208 of the Company Act.

Article 14: For convening shareholders' meetings of the Company, the Company shall announce and notify shareholders of the date, time, venue, and reason for the meeting 30 days or 15 days before an annual shareholders' meeting or an extraordinary shareholders' meeting.

Article 15: If a shareholder is unable to attend a shareholders' meeting due to other causes, it may issue a proxy form, which is printed and distributed by the Company, and set out the scope of authorization to engage a proxy to attend the shareholders' meeting on its behalf. Apart from the requirements under Article 177 of the Company Act, the use of the proxy form shall be subject to the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" promulgated by the competent authority.

Article 16: Shareholders of the Company are entitled to one vote for each share held; no vote is granted for circumstances stated in Article 179 of the Company Act.

Article 17: Resolutions at a shareholders' meeting shall, unless otherwise stated in relevant laws and regulations, be adopted by receiving more than half of the vote for consent from attending shareholders or being approved by attending shareholders with no dissenting opinion proposed at a meeting attended by shareholders representing more than half of the total number of shares.

Article 18: Meeting minutes shall be prepared for resolutions made at shareholder's meetings. The minutes shall be signed and affixed with a seal by the chairperson and, together with the attendance book of attending shareholders and proxy forms for engaging proxies for attendance, be kept by the Company. Meeting minutes shall set out the year, month, date, venue, proceedings and results, name of the chairperson and the resolution method and be distributed to all shareholders within 20 days from the meeting. The minutes shall be permanently kept throughout the duration of the Company. Except for otherwise required by the Company Act, the preservation period of the attendance book of attending shareholders and proxy forms for engaging proxies for attendance shall be at least one year. The preparation and distribution of the meeting minutes as required in the preceding paragraph may be effected through electronic means. The distribution of the meeting minutes by way of announcements.

Article 19: If the Company intends to cancel the public offering of the Company's stocks, it shall propose the intention at the shareholders' meeting for resolution, and the Article shall remain unchanged during the period listing on the Emerging Stock Market and the period listing on TWSE (TPEx).

Chapter IV Directors and the Audit Committee

Article 20: The Company has seven to nine Directors with a term of office of three years, and they may be re-elected and re-appointed. The candidate nomination system is adopted for Directors' elections, and the shareholders' meeting shall elect Directors from the list of Director candidates; arrangements shall be made according to the requirements under Article 198 of the Company Act. The Independent Directors and Non-independent Directors are elected at the same time, and the number of elected Independent Directors and Non-independent Directors shall be calculated separately. Persons who received votes that represent relatively more rights to vote shall be elected as Independent Directors and Non-independent Directors. The total number of shares under registered share certificates of the Company held by all Directors shall be subject to the requirements of the competent authority.

The Company shall purchase a liability insurance policy for Directors regarding the compensation responsibility borne by them under the law within the scope of business execution during their term of office.

Article 21: The Company has Independent Directors in place in accordance with the requirements under Article 14-2. Among the number of Directors above, the number of Independent Directors shall be no less than three persons and shall be no less than one-fifth of the total number of Directors. The professional qualifications, shareholding, term of office, restrictions on positions held concurrently, nomination, election methods, and other compliance matters for Independent Directors shall be subject to the relevant regulations of the competent authority of securities.

Article 22: The uni-nominal cumulative voting method elections of the Company's Directors; each share is entitled to the rights to vote equal to the number of Directors to be elected; such rights may be used to elect the same person or several persons.

If the election method in the preceding paragraph requires modification, apart from making arrangements according to requirements under Article 172 of the Company Act, the Company shall set out the comparison table of modification in the reason for the meeting.

Article 23: The Board shall be formed by Directors. The Chairman shall be elected among Directors by receiving the consent of more than half of the attending Directors at a meeting attended by more than two-thirds of the Directors. The Chairman represents that Company to external parties. If the Chairman is on leave or is unable to exercise its functions due to other causes, its proxy shall make arrangements under the requirements of Article 208 of the Company Act. If a video conference is adopted for a Board meeting, Directors who participate in the meeting via video calls shall be deemed as attending in person.

Article 24: The Chairman represents the Company in coordinating all operations of the Company, and other Directors are in its assistance. If the Chairman is unable to do so due to other causes, its proxy shall make arrangements under the requirements of paragraph 3, Article 208 of the Company Act.

Article 25: The business policy and other material matters are determined by the Board. Unless otherwise stated in the Company Act, resolutions of the Board shall be adopted by receiving the consent from more than half of the attending Directors at a meeting attended by more than half of the Directors. If a Director is unable to attend the meeting due to other causes, it shall issue a proxy form and set out the scope of authorization for the reasons of the meeting to engage another Director to attend the Board meeting on its behalf; however, one Director may only be engaged by one person. If the Company has Independent Directors, they shall attend in person or engage other Independent Directors to attend the meeting.

Article 26: For convening a Board meeting, the Directors shall be informed of the reason and notified seven days prior to the meeting. For emergencies, a Board meeting may be convened at any time. The Company may notify the Directors through written or electronic means or via facsimile to convene a Board meeting.

Article 27: The Company has established its Audit Committee in accordance with the requirements under Article 14-4 of the Securities and Exchange Act. The Audit Committee shall comprise all Independent Directors and shall be responsible for executing the functions of supervisors as stated in the Company Act, Securities and Exchange Act, and other laws and regulations.

Article 28: The remuneration of the Company's Directors shall be proposed by the Remuneration Committee according to the "Regulations for Remuneration Distribution of Directors." The Board is authorized to determine and distribute such remunerations based on the level of participation in the Company's operations, the value of their contributions, and the general standards within the industry.

Directors of the Company may claim traffic allowances based on actual circumstances.

Chapter V Managers

Article 29: The Company may have one President, multiple Vice Presidents and Assistant Vice Presidents, and one chief of finance and chief auditor whose appointment and dismissal shall be subject to relevant requirements of the Company Act. Their remunerations shall be proposed by the Remuneration Committee and submitted to the Board for resolution. The Company shall purchase a liability insurance policy for managers regarding the compensation responsibility borne by them under the law within the scope of business execution during their term of office.

Chapter VI Accounting

Article 30: The fiscal year of the Company is from January 1 to December 31 each year. At the end of each fiscal year, the Board shall prepare the following books and forms and submit them to the annual shareholders' meeting for ratification based on the legal procedures:

I. Business report.

II. Financial statements.

III. Proposal for earning distribution or loss compensation.

Article 31: The distribution of dividends and bonuses shall be based on the ratio of shareholding of shareholders. When the Company has no earnings, it may not distribute dividends or bonuses.

Article 32: If the Company records profits for the year, it shall appropriate no less than 10% as the remuneration of employees and no more than 5% as the remuneration of Directors. However, if the Company has accumulated losses, it shall preserve the amount for compensation in advance.

Employee remuneration under the preceding paragraph shall, based on the actual total allocated amount, allocate no less than 3% as remuneration for entry-level employees.

The distribution targets of stocks or cash as remuneration of employees as stipulated in Paragraph 1, include employees of controlled or subordinate subsidiaries fulfilling certain conditions.

If the Company has earnings from the final account of the year, it shall pay taxes and compensate prior losses and then appropriate 10% as the statutory surplus reserve; however, when the statutory surplus reserve has reached the Company's paid-in capital, such appropriations are exempted. After appropriation or reversal of special surplus reserve according to laws and regulations, the remaining balance shall be combined with the undistributed earnings at the beginning of the same period; after preserving partial earnings discretionally, the Board shall prepare a proposal for earning distribution and submit it to the shareholders' meeting for the resolution of distributing shareholders' bonuses.

Article 33: Under the environment of increasing competition, to achieve sustainable operation and considering our long-term financial planning and capital requirements, the Company has adopted the dividend equalization policy. With equal considerations given to shareholder's interest and other factors, the Company appropriates 10% to 90% of earnings available for distribution as shareholders' bonuses, in which the ratio of cash dividend distribution shall be no less than 10% of the total dividend distributed from earnings of the year.

Chapter VII Supplementary Provisions

Article 34: The organizational rules and by-laws of the Company shall be otherwise established.

Article 35: Unaddressed matters in the Articles shall be subject to the requirements under the Company Act and other relevant regulations.

Article 36: The Articles were established on June 27, 2003 upon receiving the consent of all founders at the founders' meeting.

The 1st amendment was made on July 18, 2003.

The 2nd amendment was made on August 26, 2003.

The 3rd amendment was made on September 29, 2003.

The 4th amendment was made on December 17, 2003.

The 5th amendment was made on June 30, 2004.

The 6th amendment was made on June 15, 2007.

The 7th amendment was made on December 28, 2007.

The 8th amendment was made on June 20, 2008.

The 9th amendment was made on June 29, 2010.

The 10th amendment was made on May 27, 2011.

The 11th amendment was made on April 27, 2012.

The 12th amendment was made on May 17, 2013.

The 13th amendment was made on May 19, 2016.

The 14th amendment was made on May 19, 2017.

The 15th amendment was made on July 23, 2021.

The 16th amendment was made on May 17, 2022.

The 17th amendment was made on May 22, 2025.

Asia Electronic Material Co., Ltd.

Chairman: Chien-Hui Lee

Appendix 5

Asia Electronic Material Co., Ltd.

Shareholding of Directors

Number of shares held by Directors on the shareholders' register as of the book closure date (March 22, 2026) of the annual shareholders' meeting is as follows:

Title	Name	Date elected	Term of office	Shareholding when elected		Number of shares held set out in the shareholders' register as of the book closure date	
				Number of shares	Shareholding	Number of shares	Shareholding
Chairman	Lee Chien-Hui	2024.5.24	3	4,751,153	4.84%	4,751,153	4.84%
Director	Bo Chun Investment Co., Ltd.	2024.5.24	3	2,860,080	2.91%	2,860,080	2.91%
Director	Tsai Sen	2024.5.24	3	467,251	0.48%	467,251	0.48%
Director	KMO International Trading Inc.	2024.5.24	3	256,000	0.26%	256,000	0.26%
Independent Director	Chu Nien-Tzu	2024.5.24	3	0	-	0	-
Independent Director	Li Chun-Ching	2024.5.24	3	0	-	0	-
Independent Director	Hsu Ke-Ying	2024.5.24	3	0	-	0	-
Sub-total of number of shares held by all Directors				8,334,484	8.49%	8,334,484	8.49%

Note:

1. The Company's paid-in capital is NT$982,008,680, and the number of issued shares is 98,200,868 shares.
2. According to the requirements under Article 26 of the Securities and Exchange Act, the minimum number of shares required to be held by all Directors shall be as follows:

   ● The minimum number of shares required to be held by all Directors according to the law: 7,856,069 shares

3. According to Article 2 of the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies," if two Independent Directors or more are concurrently elected, the ratio of shareholding of all Directors other than Independent Directors calculated pro rata shall be reduced to 80%.

4. Actual number of shares held by all Directors: 8,334,484 shares
5. The number of shares held by all Directors has reached legal standards.

Appendix 6

Other Descriptions

Explanation of Acceptance of Shareholder's Proposals and Nomination for the 2026 Annual Shareholders' Meeting:

I. According to Article 172-1 and Article 192-1 of the Company Act, a shareholder holding 1% or more of the total number of issued shares may submit a written proposal for discussion and a candidate roster for independent directors at an annual shareholders' meeting to the Company.

II. Proposal Content: The number of proposals is limited to one only for each shareholder; a proposal submitted by a shareholder is limited to 300 words, or the proposal will not be included in the meeting agenda.

III. Nomination content: The shareholder submitting nomination shall provide the name, educational background, experience and other relevant supporting documents of the nominee, and the number of candidates nominated shall not exceed the specified number of independent directors for the present election. Any excessive number of candidates shall not be include in the candidate list for independents directors for the present election.

IV. The Company has made an announcement on MOPS according to the laws regarding the submission period for proposals of shareholders and nomination for the annual shareholders meeting from March 13, 2026 to March 23, 2026 (for proposals made by registered mail, the service shall serve as the reference).

V. The Company has not received any shareholder's proposal and nomination.