

Stock Code: 3163



## **Handbook for the 2025 Annual Meeting of Shareholders**

**Meeting Time: May 16, 2025**

**Location: No. 2, Zhanye 1st Rd., East Dist., Hsinchu Science Park**

-----Disclaimer-----

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## **I 、 MEETING PROCEDURE**

# **BROWAVE CORPORATION**

Meeting Procedures for the 2025

Annual Meeting of Shareholders

### **I. Call the Meeting to Order**

### **II. Chairperson Remarks**

### **III. Report Items**

1. 2024 Business Report.
2. Audit Committee's Review Report.
3. 2024 Employees' Compensation and Directors' Remuneration.
4. 2024 Earnings Distribution of Cash Dividend Proposal.
5. Suspension of the private placement of common shares approved at the 2024 Annual Shareholders' Meeting.

### **IV. Ratification Items**

1. 2024 Business Report and Financial Statements.
2. 2024 Earnings Distribution Proposal.

### **V. Discussion Item**

1. To approve the amendment of certain provisions of the 'Articles of Incorporation'.
2. To propose the private placement of common shares for capital increase through cash.

### **VI. Special Motions**

### **VII. Adjournment**

## **Report Items**

ITEM 1 : 2024 Business Report.

Explanation : The 2024 Business Report is attached hereto as Attachment 1.

ITEM 2 : Audit Committee's Review Report.

Explanation : The Audit Committee's Review Report is attached hereto as Attachment 2.

ITEM 3 : 2024 Employees' Compensation and Directors' Remuneration.

Explanation :

1. According to Article 28-1 of the Articles of Incorporation, if the Company records a profit in a year, the Company shall distribute between 5% and 15% of the profit for employees' compensation and no more than 3% of the profit for directors' remuneration.
2. 2024 employees' compensation is NT\$27,000,000 and the remuneration to directors is NT\$8,000,000; both shall be paid in cash.

ITEM 4 : 2024 Earnings Distribution of Cash Dividend Proposal.

Explanation :

1. According to Article 28 of the Articles of Incorporation, the board of directors is authorized to decide the distribution of partial or full dividends in cash.
2. The Board of Directors held on Feb. 26, 2025 approved to distribute NT\$241,622,223 as dividend, i.e., cash dividend for NT\$3.0/per share. ("Earnings Distribution Proposal").
3. The 2024 Earnings Distribution Proposal is attached hereto as Attachment 3.

ITEM 5 : Suspension of the private placement of common shares approved at the 2024 Annual Shareholders' Meeting.

Explanation :

1. The Annual Shareholders' Meeting on May 21, 2024 approved the private placement of common shares, with an amount not exceeding 10 million shares (inclusive), to be executed within one year from the date of the shareholders' meeting resolution, either in one or multiple tranches.
2. As the issuance period is about to expire and no qualified subscribers have been selected, the Board of Directors resolved on February 26, 2025, not to proceed with this private placement plan.

## **Ratification Items**

ITEM 1 : Adoption of 2024 Business Report and Financial Statements.

(Proposed by the Board)

Explanation :

1. The 2024 Financial Statements (including the Parent Company Only and the Consolidated Financial Statements) have been audited by independent auditors, Ms. Chien-Yu Liu, and Mr. Chih-Cheng Hsieh, of PwC.
2. The 2024 Business Report is attached hereto as Attachment 1. For the 2024 Financial Statements, please refer to Attachment 4.

Resolution :

ITEM 2 : Adoption of 2024 Earnings Distribution Proposal.

(Proposed by the Board)

Explanation :

1. The 2024 Earnings Distribution Proposal has been reviewed by the Audit Committee and approved by the Board of Directors.
2. Please refer to Attachment 3.

Resolution :

## **Discussion Items**

ITEM 1 : To approve the amendment of certain provisions of the 'Articles of Incorporation'.

Explanation : Pursuant to Article 14, Paragraph 6 of the Securities and Exchange Act and in consideration of the company's operational requirements, certain provisions of the 'Articles of Incorporation' are hereby amended.

Resolution :

ITEM 2 : To propose the private placement of common shares for capital increase through cash.

Explanation :

1. To meet the long-term development needs of the company, it is proposed to conduct a cash capital increase through private placement to issue new shares, aiming to introduce strategic investors and pursue strategic objectives such as industry vertical integration or collaborative research and development in the market. The total number of common shares to be issued in this capital increase shall not exceed 21 million shares (inclusive), and shall be completed within one year from the date of the shareholders' meeting resolution, either at once or in installments (up to a maximum of three times).
2. The rationality to determine the price of private placement:
  - (1). The reference price is determined by calculating the simple arithmetic average closing price of the common shares either on the first, third, or fifth business day immediately prior to the pricing determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction, or the simple arithmetic average closing price of the common shares for the 30 business days prior to the pricing determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction. The higher of the two calculated benchmark prices shall be applied.
  - (2). Considering the strict limitations on the timing, recipients, and quantity of private placement securities transfer, as well as the prohibition on applying for listing on the stock exchange within three years, and the lower liquidity, it is reasonable to set the private placement price in accordance with the regulations on matters to be noted when a publicly traded company conducts private placement securities issuance.
  - (3). The actual pricing date shall be after the shareholders' meeting approves it, and the board of directors is authorized to determine the price at 80% or more of the reference price based on the prevailing market conditions at that time.
3. The necessity of private placement:
  - (1). The reasons for not taking a public offering: Considering the effectiveness, feasibility

and costs to raise capital, we intend to conduct cash capital increase and issue new shares through private placement.

- (2). The capital usage plan and projected benefits of private placement: The company will conduct private placement at one time or several times (up to a maximum of 3 times) depending on market conditions and specific parties. The capital raised will be fully used as working capital. The private placement will strengthen our competitiveness, upgrade operating efficiency, and reinforce financial structure, which can benefit shareholders' equity.
4. In accordance with Article 43-6 of the Securities and Exchange Act, cash capital increase through private placement excludes the preemptive rights of existing shareholders and employees.
5. The method to determine specific parties:
  - (1). Selection method: In accordance with Article 43-6 of the Securities and Exchange Act and relevant regulations, the qualification proof will be reviewed by the Board of Directors.
  - (2). Purpose and Explanation of Selection of Private Placement Targets: The selection of specific parties those who can directly or indirectly benefit the future operations of the company, in accordance with legal requirements. Given the long-term development needs of the company, it is necessary to introduce strategic investors through this private placement. By bringing in strategic investors and their capital, the company can pursue strategic objectives such as vertical integration of industries or collaborative research and development in the market. This should significantly benefit the company's future profit growth and market share enhancement.
6. The rights and obligations of the private placement are the same as the issued ordinary shares of the Company, but in accordance with the provisions of the Securities and Exchange Act, the ordinary shares of the private placement shall not be freely transferred within three years after delivery, and the Company intends to apply to the competent authority for OTC trading in accordance with the Securities and Exchange Act and other relevant provisions after three years of delivery.
7. The actual issuance conditions, planned projects, estimated progress and expected benefits of the domestic private placement are proposed to be submitted to the general meeting of shareholders to authorize the board of directors to handle them with full authority in accordance with the company's operating conditions at that time and seeking to maximize shareholders' rights and interests.
8. The board of directors is authorized to deal with the unfinished matters related to the issuance of new shares, and if it is necessary to amend them due to changes in laws and regulations, opinions of competent authorities or changes in the objective environment.

9. The impact of this private placement on the company's management rights:  
Given the stability of the company's management rights, the private placement is not expected to have a significant impact on the company's management rights.
10. The independent directors have not expressed opposition or reservation regarding this private placement.

Resolution :



## **Special Motions**

## **Adjournment**

## II、ATTACHMENT

### Attachment 1

#### Browave Corporation 2024 Business Report

##### I、2024 Business Review

###### 1、Implementation results of business plan：

Net sales in 2024 decreased 30% year over year to NT\$ 1.94 billion. Browave generated net income of NT\$ 463 million, or NT\$ 5.75 per share, in 2024.

###### 2、Results of projections：

There was no projection for 2024 being made publicly.

###### 3、Financial Position and Profitability：

(In NTD thousands, except share amounts)

	<b>FY2024</b>	<b>FY2023</b>
<b>Results of Operations</b>		
Net sales	1,941,270	2,779,058
Gross profit	278,771	556,418
Operating income	(5,152)	240,922
Net income	463,068	435,782
<b>Profitability</b>		
Return on Assets %	12.92	12.68
Return on Equity %	16.98	18.05
Profit before Interest & Taxes %	60.71	65.27
Profit margin %	23.85	15.68
Earnings per share (Basic)	5.75	5.63

###### 4、Research and Development

In the field of pluggable optical transceivers, Browave has successfully mass-produced fiber harnesses using optical-components automated packaging technology, which can be applied in DR and FR 400G/800G transceivers. With stable mass production of 400G/800G products, the plan is to further mass-produce 1.6T products in the fourth quarter of 2025. Besides, Browave continues to actively collaborate with customers to prepare various harnesses for 1.6T application, in response to the development of high-speed optical transmission.

In regard to CPO Optical I/O field, in spite of having no industry standards, Browave offers customized designs and samples to support customers' various demands. On the basis of customers' PIC design, Browave develops multi-channel fiber end-face processing technology, capable of controlling end-face height within 10um, ensuring excellent optical performance in chip alignment. Meanwhile, considering the convenience of fiber-to-chip alignment, pluggable fiber harnesses are developed, with samples being delivered continuously, it's expected to be mass-produced in 2026. Furthermore, with the development of CPO technology, Browave works with customers to develop fiber shuffle box applied in CPO products, accommodating multi-channel connections in higher density. Browave will further integrate WDM applications to enhance product performance.

In terms of automation techniques, Browave has collaborated with partners to carry out the development of micro-optical components automated load/unload system, which will be applied in existing production lines starting in 2025, aiming at full automation with shorter production cycle time and lower labor demand.

## II 、 Business Plan for 2025

### Guidance:

The growth in 2025 is expected to be mainly driven by deployments in 3 major application fields, 800G/1.6T products for AI/DC server, next generation PON, and next generation CATV.

#### 1 、 800G/1.6T Fiber Harness products for AI/DC server:

Revolving around high-speed optical transceivers, DR and FR products are the focus. North America remains the main market.

#### 2 、 800G/1.6T Customized Jumper/ Cable for AI/DC server:

Centered on Multimode/ Single-Mode platform. However, with changes in end-customer application architecture slowing down the transition from copper to fiber as well as the more diversified AI supply chain, the demand is gradually evened out.

#### 3 、 Next generation PON/ FTTH:

Focused on Branch modules, in addition to high channel count splitters(e.g. 1x64) for deployment in urban areas, low channel count splitters(e.g. 1x8+Tap)for rural areas has become the focus this year as well.

#### 4 、 Next generation CATV:

Multiple System Operators (MSO) enhance competitiveness, to compete with telecom service providers, through increasing investments in upgrading HFC network to DOCSIS 4.0, which leads to increasing demand for WDM and Branch modules, especially DWDM modules. The business outlook this year though is relatively conservative due to the uncertainty of the North American telecom subsidy program and the ongoing depletion of end customer's inventory.

## III 、 Competition, Government Regulations, and Macroeconomic Environment

From an economic perspective, Trump's 2.0 tariff program disrupts supply chains in the US,

China, Canada and Mexico, driving a global supply chain realignment. Amid global trade upheaval, diversifying supply chains and remaining resilient have been challenging for businesses. In response to the situation, in addition to the existing manufacturing plant in Guangdong, China, Browave established a new manufacturing plant in Subic Bay, the Philippines, offering an alternative for customers to mitigate the impact of tariff disputes.

#### IV 、 2025 Outlook

Browave will focus on the following segments:

- 1 、 800G/1.6T Fiber Harness products for AI server.
- 2 、 800G/1.6T Customized Jumper/Cable for AI server.
- 3 、 Branch products for Next-Gen PON/FTTH Upgrade.
- 4 、 WDM products for Next-Gen CATV Upgrade.

Fiber Harness and Shuffle Box products for CPO applications, which are expected to be qualified in the second half of 2025 and mass-produced in 2026.

Browave team will conduct the business with the utmost integrity and effort to achieve the Company's continued growth.

## **Attachment 2**

### **Browave Corporation Audit Committee's Review Report**

The Board of Directors has prepared the company's 2024 Financial Statements (included individual and consolidated), The CPA firm of PwC was retained to audit Browave Corporation's Business Report, The Business report and Proposal for allocation of profits have been reviewed and determined to be correct and accurate by the Audit committee of Browave Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

2025 Annual Meeting of Shareholders of Browave Corporation  
Chairman of the Audit Committee : Lin, Chien-Chih  
Feb.26, 2025

## Attachment 3

### Browave Corporation 2024 Earnings Distribution Proposal

Unit : NTD	
Item	Amount
Unallocated earnings, beginning of year	660,103,349
Net income after tax for the year	463,067,825
Legal reserve	(46,306,782)
Special reserve	26,960,225
Distributable earnings	1,103,824,617
Distribution:	
Cash dividends: (NT\$3.0/per share)	241,622,223
Unallocated earnings, end of year	862,202,394

Note1: The cash dividend for this distribution is calculated based on the allocation ratio and rounded down to the nearest whole dollar. Any remaining fractional amounts less than one dollar will be adjusted in descending order based on the decimal portion and, if necessary, in ascending order of account numbers, until the total cash dividend distribution amount is fully allocated.

Note2: The dividend per share is calculated based on the total number of outstanding common shares as of February 18, 2025, which is 80,540,741 shares. In the event of any changes in the number of outstanding common shares of the company that would result in a modification of the shareholder dividend ratio, the Chairman of the Board will have full authority to handle such adjustments.

## **Attachment 4**

### **Independent Auditors' Report**

(2025) Cai-Shen-Bao-Zi No24003967

To the Board of Directors and Shareholders of Browave Corporation and Subsidiaries:

### **Audit Opinions**

We have audited the accompanying Consolidated Balance Sheets of Browave Corporation and its subsidiaries (hereinafter referred to as the “Browave Group”) as of December 31, 2024 and 2023, and the related Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, and notes to the Consolidated Financial Statements (including significant accounting policies) for the years then ended.

In our opinion, the accompanying Consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of the Browave Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

### **Basis of Audit Opinions**

We concluded our audits in accordance with the regulations governing auditing and attestation of financial statements by certified public accountants and generally accepted auditing standards of the R.O.C. Our responsibilities under those standards are further described in the responsibilities of auditors for the audit of the Consolidated Financial Statements. We are independent of the Browave Corporation and its subsidiaries in accordance with the Code of Professional Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audits of the 2024 Consolidated Financial Statements of the Browave Group. These matters were addressed in the content of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide separate

opinions on those matters.

The following are the key audit matters in the Consolidated Financial Statements of the Browave Group for 2024.

## **Inventory Valuation**

### Description of the Matter

Please refer to Note 4 (13) to the Consolidated Financial Statements for the accounting policy on inventory valuation, Note 5 (2) to the Consolidated Financial Statements for the accounting estimates and uncertainties in assumptions on inventory valuation, and Note 6 (6) to the Consolidated Financial Statements for the description of inventory items.

Due to the rapid changes in technology and the fierce competition in the market, the risk of loss on decline in value or obsolescence of Browave's inventory is high.

Because the net realizable value used by the Browave Group in valuing its inventory is often subjective and therefore subject to uncertainty in estimation, we consider the valuation of the Browave Group's inventory to be one of the most important matters for this year's audits, considering the significant effect of the Browave Group's inventory valuation on the financial statements.

### Corresponding Audit Procedures

The corresponding procedures we performed for inventory valuation are set forth as below:

- We evaluated the reasonableness of the policies and procedures used to recognize the allowance for losses on inventory based on our understanding of the nature of the Group's operations and industries, including the historical information used to determine the net realizable value.



- Tested the correctness of the calculations related to the net realizable value of inventory as evaluated by the management.

## **Other Matters - Standalone Financial Statements**

Browave Corporation has prepared Standalone Financial Statements for 2024 and 2023, for which we have issued an Independent Auditors' Report with unqualified opinion on record for reference.

## **Responsibilities of Management and Those in Charge with Governance of the Consolidated Financial Statements**

The responsibility of management is to prepare fairly presented Consolidated Financial Statements in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards interpretations, and announcements of interpretations recognized by the Financial Supervisory Commission and maintain necessary internal control related to the preparation of consolidation of financial statements to ensure material misstatement caused by fraud or error does not exist in the Consolidated Financial Statements.

In preparing the Consolidated Financial Statements, the management is also responsible for assessing the ability of the Browave Group as a going concern, disclosing as applicable matters related to a going concern and using the going concern basis of accounting, unless the management either intends to liquidate the Browave Group or to cease operations, or has no other realistic alternative but to do so.

Those in charge of governance (including the Audit Committee) are responsible for overseeing the reporting process of the financial statements of the Browave Group.

## **Auditors' Responsibilities for the Audits 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 Independent Auditors' Report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the generally accepted accounting principles will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. Misstatements are considered material, individually or in aggregate, when 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 auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also performed the following tasks:

1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error; design, and perform countermeasures for assessed risks; and obtain evidence that is sufficient and appropriate to provide a basis of audit 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 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 effective in the Browave Group.
3. Evaluate the appropriateness of accounting policies and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude the appropriateness of the use of the going concern basis of accounting by the management, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Browave Group to continue as a going concern. 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 disclosure is inappropriate, 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 Browave Group to cease as a going concern.
5. Evaluate the overall presentation, structure, and content of the Consolidated Financial Statements (including related notes), whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information or the entities or business activities of the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision, and performance of the audit of the Group. 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 in charge of governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with all relationships and other matters that may reasonably be thought to affect our independence, and other matters (including related protective measures).

From the matters communicated with those in charge of governance, we determine those matters that were most significance in the audit of the 2024 Consolidated Financial Statements of the Browave Group 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.

PwC Taiwan

Liu Chien Yu

CPA

Hsieh Chih-Cheng

Financial Supervisory Commission

Approval Document: Jin-Guan-Zheng-Shen-Zi

No.1090350620

Former Executive Yuan Commission, Ministry of  
Finance

Approval Document: Jin-Guan-Zheng-Shen-Zi

No.0990042599

February 26,2025

Browave Corporation and Subsidiaries  
Consolidated Balance Sheets  
December 31, 2024 and 2023

				Unit: In thousands of NTD		
			December 31, 2024		December 31, 2023	
Assets		Note	Amount	%	Amount	%
<b>Current Assets</b>						
1100	Cash and Cash Equivalents	6(1)	\$ 954,759	26	\$ 902,017	25
1110	Financial Assets at Fair Value Through Profit or Loss - Current	6(2)	563,450	16	223,529	6
1136	Financial Assets at Amortized Cost - Current	6(4)	729,955	20	1,183,202	33
1170	Accounts Receivable, Net	6(5)	465,256	13	478,676	14
1200	Other Receivables	12(2)	7,535	-	3,319	-
1220	Current Income Tax Assets		22,395	1	11	-
130X	Inventories	6(6)	304,939	8	271,255	8
1410	Prepayments		12,027	-	10,206	-
11XX	<b>Total Current Assets</b>		3,060,316	84	3,072,215	86
<b>Non-current Assets</b>						
1517	Financial Assets at Fair Value Through Other Comprehensive Income - Non-current	6(3)	23,925	1	26,951	1
1600	Property, Plants, and Equipment	6(7) and 8	349,590	10	388,322	11
1755	Right-of-Use Assets	6(8)	174,425	5	42,053	1
1780	Intangible Assets		2,889	-	3,154	-
1840	Deferred Income Tax Assets	6(23)	12,580	-	18,000	1
1900	Other Non-current Assets	6(9) and 8	15,834	-	12,205	-
15XX	<b>Total Non-current Assets</b>		579,243	16	490,685	14
1XXX	<b>Total Assets</b>		\$ 3,639,559	100	\$ 3,562,900	100

(Continued on next page)

Browave Corporation and Subsidiaries  
Consolidated Balance Sheets  
December 31, 2024 and 2023

Liabilities and Equity			December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
<b>Current Liabilities</b>						
2130	Contract Liabilities - Current	6(16)	\$ 2,754	-	\$ 2,586	-
2170	Accounts Payable		364,798	10	573,537	16
2200	Other Payables	6(10)	228,556	6	223,335	6
2230	Current Income Tax Liabilities		4,421	-	77,331	2
2280	Lease Liabilities - Current	6(8)	25,905	1	15,018	1
2320	Long term liabilities due within one year		-	-	-	-
2399	Other Current Liabilities-Other		3,913	-	3,769	-
21XX	<b>Total Current Liabilities</b>		<u>630,347</u>	<u>17</u>	<u>895,576</u>	<u>25</u>
<b>Non-current Liabilities</b>						
2570	Deferred Income Tax Liabilities	6(23)	20,827	1	21,495	1
2580	Lease Liabilities - Non-current	6(8)	150,988	4	27,760	1
2600	Other Non-current Liabilities		228	-	173	-
25XX	<b>Total Non-current Liabilities</b>		<u>172,043</u>	<u>5</u>	<u>49,428</u>	<u>2</u>
2XXX	<b>Total Liabilities</b>		<u>802,390</u>	<u>22</u>	<u>945,004</u>	<u>27</u>
<b>Equity</b>						
	Stock Capital	6(12)				
3110	Common Stock Capital		805,407	22	805,407	23
	Capital Surplus	6(13)				
3200	Capital Surplus		601,382	17	601,382	16
	Retained Earnings	6(14)				
3310	Legal Reserve		261,057	7	217,479	6
3320	Special Reserve		72,778	2	61,813	2
3350	Unappropriated Earnings		1,123,171	31	1,004,593	28
	Other Equity	6(15)				
3400	Other Equity		( 26,626 )	( 1 )	( 72,778 )	( 2 )
3XXX	<b>Total Equity</b>		<u>2,837,169</u>	<u>78</u>	<u>2,617,896</u>	<u>73</u>
3X2X	<b>Total Liabilities and Equity</b>		<u>\$ 3,639,559</u>	<u>100</u>	<u>\$ 3,562,900</u>	<u>100</u>

The accompanying notes to the Consolidated Financial Statements are an integral part of these Consolidated Financial Statements and should be read in conjunction with these Consolidated Financial Statements.

Chairperson: Cheng Wann-Lai

Managerial Officer: Hwang Yu-Wen

Accounting Officer: Huang Shu-Jun

Browave Corporation and Subsidiaries  
Consolidated Statements of Comprehensive Income  
January 1 to December 31, 2024 and 2023

Unit: In thousands of NTD  
(Except for earnings per share, which are in NTD.)

	Item	Note	2024		2023	
			Amount	%	Amount	%
4000	Operating Revenue	6(16)	\$ 1,941,270	100	\$ 2,779,058	100
5000	Operating Costs	6(6)(21)(22)	( 1,662,499)	( 86)	( 2,222,640)	( 80)
5900	Operating Gross Profits		<u>278,771</u>	<u>14</u>	<u>556,418</u>	<u>20</u>
	Operating Expenses	6(21)(22)				
6100	Selling Expenses		( 58,760)	( 3)	( 69,880)	( 2)
6200	Administrative Expenses		( 141,029)	( 7)	( 147,974)	( 5)
6300	R&D Expenses		( 84,134)	( 4)	( 97,642)	( 4)
6000	Total Operating Expenses		( 283,923)	( 14)	( 315,496)	( 11)
6900	Operating Income		<u>( 5,152)</u>	<u>-</u>	<u>240,922</u>	<u>9</u>
	Non-operating Income and Expenses					
7100	Interest Income	6(17)	43,688	2	59,214	2
7010	Other Income	6(18) and 12(2)	19,484	1	28,157	1
7020	Other Gains and Losses	6(19)	433,773	22	( 202,140)	( 7)
7050	Financial Costs	6(20)	( 2,809)	-	( 4,776)	-
7000	Total Non-operating Income and Expenses		<u>494,136</u>	<u>25</u>	<u>284,735</u>	<u>10</u>
7900	<b>Income Before Income Tax</b>		<u>488,984</u>	<u>25</u>	<u>525,657</u>	<u>19</u>
7950	Income Tax Expenses	6(23)	( 25,916)	( 1)	( 89,875)	( 3)
8200	<b>Net Profit for the Net Income</b>		<u>\$ 463,068</u>	<u>24</u>	<u>\$ 435,782</u>	<u>16</u>
	<b>Items That Are Not Reclassified to Profit or Loss</b>					
8316	Unrealized Valuation Gains or Losses on Investments in Equity Instruments at Fair Value Through Other Comprehensive Income	6(3)	( \$ 1,350)	-	( \$ 2,128)	-
	<b>Items That May be Reclassified Subsequently to Profit or Loss</b>					
8361	Exchange Differences on Translation of Financial Statements of Foreign Operations	6(15)	<u>47,502</u>	<u>2</u>	<u>8,838</u>	<u>( 1)</u>
8300	<b>Other Comprehensive Income (Net)</b>		<u>\$ 46,152</u>	<u>2</u>	<u>\$ 10,966</u>	<u>( 1)</u>
8500	<b>Total Other Comprehensive Income for the Year</b>		<u>\$ 509,220</u>	<u>26</u>	<u>\$ 424,816</u>	<u>15</u>
9750	Basic Earnings Per Share	6(24)	<u>\$</u>	<u>5.75</u>	<u>\$</u>	<u>5.63</u>
9850	Diluted Earnings Per Share	6(24)	<u>\$</u>	<u>5.73</u>	<u>\$</u>	<u>5.41</u>

The accompanying notes to the Consolidated Financial Statements are an integral part of these Consolidated Financial Statements and should be read in conjunction with these Consolidated Financial Statements.

Chairperson: Cheng Wann-Lai

Managerial Officer: Hwang Yu-Wen

Accounting Officer: Huang Shu-Jun

Browave Corporation and Subsidiaries  
Consolidated Statements of Changes in Equity  
January 1 to December 31, 2024 and 2023

Unit: In thousands of NTD

	Note	Retained Earnings				Other Equity			Total Equity
		Common Stock Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Financial Statements of Foreign Operations	Unrealized Gain or Loss on Financial Assets at Fair Value Through Other Comprehensive Income	
<u>2023</u>									
Balance as of January 1, 2023		\$752,869	\$354,950	\$172,321	\$81,589	\$910,398	( \$66,035 )	\$4,223	\$2,210,315
Net Income in 2023		-	-	-	-	435,782	-	-	435,782
Other Comprehensive Income in 2023	6(15)	-	-	-	-	-	( 8,838 )	( 2,128 )	( 10,966 )
Total Other Comprehensive Income		-	-	-	-	435,782	( 8,838 )	( 2,128 )	424,816
Appropriation and Distribution of 2022 Earnings	6(14)								
Provision of Legal Reserve		-	-	45,158	-	( 45,158 )	-	-	-
Provision of Special Reserve		-	-	-	( 19,776 )	19,776	-	-	-
Cash Dividends		-	-	-	-	( 316,205 )	-	-	( 316,205 )
Convertible bond conversion		52,538	246,432	-	-	-	-	-	298,970
Balance as of December 31, 2023		\$805,407	\$601,382	\$217,479	\$61,813	\$1,004,593	( \$74,873 )	\$2,095	\$2,617,896
<u>2024</u>									
Balance as of January 1, 2024		\$805,407	\$601,382	\$ 217,479	\$61,813	\$1,004,593	( \$74,873 )	\$2,095	\$2,617,896
Net Income in 2024		-	-	-	-	463,068	-	-	463,068
Other Comprehensive Income in 2024	6(15)	-	-	-	-	-	47,502	( 1,350 )	46,152
Total Other Comprehensive Income		-	-	-	-	463,068	47,502	( 1,350 )	509,220
Appropriation and Distribution of 2023 Earnings	6(14)								
Provision of Legal Reserve		-	-	43,578	-	( 43,578 )	-	-	-
Reversal of Special Reserve		-	-	-	10,965	( 10,965 )	-	-	-
Cash Dividends		-	-	-	-	( 289,947 )	-	-	( 289,947 )
Balance as of December 31, 2024		\$805,407	\$601,382	\$261,057	\$72,778	\$1,123,171	( \$27,371 )	\$745	\$2,837,169

The accompanying notes to the Consolidated Financial Statements are an integral part of these Consolidated Financial Statements and should be read in conjunction with these Consolidated Financial Statements.

Chairperson: Cheng Wann-Lai

Managerial Officer: Hwang Yu-Wen

Accounting Officer: Huang Shu-Jun



Browave Corporation and Subsidiaries  
Consolidated Statements of Cash Flows  
January 1 to December 31, 2024 and 2023

Unit: In thousands of NTD

	Note	January 1 to December 31, 2024	January 1 to December 31, 2023
<u>Cash Flows from Operating Activities</u>			
Income Before Income Tax		\$ 488,984	\$ 525,657
Adjustments			
Income and Expense Items			
Depreciation Expenses	6(7)(8)(21)	139,978	109,729
Amortization Expenses	6(21)	2,578	2,311
Gain on Valuation of Financial Assets and Liabilities at Fair Value Through Profit or Loss	6(2)(19)	( 424,549 )	( 192,545 )
Interest Expenses	6(20)	2,809	4,776
Interest Income	6(17)	( 43,688 )	( 59,214 )
Dividend Income	6(18)	( 3,139 )	( 3,554 )
Loss on Disposal of Property, Plants, and Equipment	6(19)	804	1,304
Other revenue		( 11,954 )	11,954 )
Lease Modification Gain	6(19)	-	( 8 )
Changes in Assets/Liabilities Related to Operating Activities			
Net Changes in Assets Related to Operating Activities			
Accounts Receivable		16,113	281,333
Other Receivables		11,071	11,020
Inventories	(	22,205 )	12,985
Prepayments	(	452 )	13,062
Other Current Assets	(	1,988 )	254
Net Changes in Liabilities Related to Operating Activities			
Contract Liabilities		163	( 1,935 )
Accounts Payable	(	220,416 )	161,261
Other Payables		6,578	( 26,130 )
Other Current Liabilities		1	( 5,512 )
Cash Inflows From Operations		( 59,312 )	822,840
Interest Received		41,552	58,758
Dividends Received		3,139	3,554
Interest Paid	(	2,809 )	( 1,480 )
Income Tax Paid	(	116,118 )	( 107,616 )
Net Cash Inflows (Outflows) From Operating Activities		( 133,548 )	776,056

(Continued on next page)

Browave Corporation and Subsidiaries  
Consolidated Statements of Cash Flows  
January 1 to December 31, 2024 and 2023

Unit: In thousands of NTD

	Note	January 1 to December 31, 2024	January 1 to December 31, 2023
<u>Cash Flows From Investing Activities</u>			
Return of capital reduction from financial assets measured at fair value through other comprehensive income		\$ 1,676	\$ 1,174
Acquisition of Financial Assets at Amortized Cost	6(4)	( 670,555 )	( 1,183,202 )
Disposal of Financial Assets at Amortized Cost	6(4)	1,123,802	537,712
Current financial assets at fair value through profit or loss		( 20,000 )	( 13,492 )
Disposal of Current financial assets at fair value through profit or loss		104,628	73,792
Acquisition of Property, Plants, and Equipment	6(25)	( 69,902 )	( 103,075 )
Proceeds From Disposal of Property, Plants, and Equipment		158	2,831
Acquisition of Intangible Assets		( 1,864 )	( 1,341 )
Increase in Refundable Deposits		( 2,241 )	( 239 )
Net Cash Inflows (Outflows) From Investing Activities		<u>465,702</u>	<u>( 685,840 )</u>
<u>Cash Flows From Financing Activities</u>			
Principal Repayment of Lease Liabilities		( 25,479 )	( 26,973 )
Increase in Deposits Received		45	-
Cash Dividends	6(14)	( 289,947 )	( 316,205 )
Net Cash Outflows From Financing Activities		<u>( 315,381 )</u>	<u>( 343,178 )</u>
Effect of Exchange Rate		<u>35,969</u>	<u>( 3,774 )</u>
Net Increase (Decrease) in Cash and Cash Equivalents		52,742	( 256,736 )
Cash and Cash Equivalents at the Beginning of the Year	6(1)	902,017	1,158,753
Cash and Cash Equivalents at the End of the Year	6(1)	<u>\$ 954,759</u>	<u>\$ 902,017</u>

The accompanying notes to the Consolidated Financial Statements are an integral part of these Consolidated Financial Statements and should be read in conjunction with these Consolidated Financial Statements.

Chairperson: Cheng Wann-Lai

Managerial Officer: Hwang Yu-Wen

Accounting Officer: Huang Shu-Jun

Independent Auditors' Report  
(2025) Cai-Shen-Bao-Zi No. 24003966

To the Board of Directors and Shareholders of Browave Corporation:

## **Audit Opinions**

We have audited the accompanying parent company only financial statements of Browave Corporation (the "Company"), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the accompanying parent company only financial position of the company as of December 31, 2024 and 2023, and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

## **Basis of Audit Opinions**

We concluded our audits in accordance with the regulations governing auditing and attestation of financial statements by certified public accountants and generally accepted auditing standards of the R.O.C. Our responsibilities under those standards are further described in the responsibilities of auditors for the audit of the Consolidated Financial Statements. We are independent of the Browave Corporation and its subsidiaries in accordance with the Code of Professional Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audits of the 2024 parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide separate opinions on those matters.

Key audit matters for the Company's parent company only financial statements for the year ended December 31, 2024 is stated as following:

## **Inventory Valuation**

### Description of the Matter

Please refer to Note 4 (12) to the parent company only financial statements for the

accounting policy on inventory valuation, Note 5 (2) to the parent company only financial statements for the accounting estimates and uncertainties in assumptions on inventory valuation, and Note 6 (6) to the parent company only financial statements for the description of inventory items.

Due to the rapid changes in technology and the fierce competition in the market, the risk of loss on decline in value or obsolescence of Browave's inventory is high.

Because the net realizable value used by the Company in valuing its inventory is often subjective and therefore subject to uncertainty in estimation, we consider the valuation of the Company's inventory to be one of the most important matters for this year's audits, considering the significant effect of the Company's inventory valuation on the financial statements.

#### Corresponding Audit Procedures

The corresponding procedures we performed for inventory valuation are set forth as below:

- We evaluated the reasonableness of the policies and procedures used to recognize the allowance for losses on inventory based on our understanding of the nature of the Company's operations and industries, including the historical information used to determine the net realizable value.
- Tested the correctness of the calculations related to the net realizable value of inventory as evaluated by the management.

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

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

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

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the parent company

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

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

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

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 parent 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 the parent company only financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PwC Taiwan

Liu Chien-Yu

CPA

Hsieh Chih-Cheng

Financial Supervisory Commission  
Approval Document: Jin-Guan-Zheng-Shen-Zi  
No.1090350620  
Former Financial Supervisory Commission  
Approval Document: Jin-Guan-Zheng-Shen-Zi  
No.0990042599

February 26, 2025

Browave Corporation  
PARENT COMPANY ONLY BALANCE SHEETS  
December 31, 2024 and 2023

					Unit: In thousands of NTD	
Assets		Note	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
<b>Current Assets</b>						
1100	Cash and Cash Equivalents	6(1)	\$ 433,631	13	\$ 510,405	14
1110	Financial Assets at Fair Value	6(2)				
	Through Profit or Loss - Current		563,450	17	223,529	6
1136	Financial Assets at Amortized	6(4)				
	Cost - Current		631,600	19	1,094,158	31
1170	Accounts Receivable, Net	6(5)	398,518	12	460,049	13
1200	Other Receivables	12(2)	3,212	-	1,359	-
1210	Other receivables from related parties	7	2	-	1,678	-
1220	Current income tax assets	6(24)	22,350	1	-	-
130X	Inventories	6(6)	88,017	2	121,945	3
1410	Prepayments		7,236	-	4,832	-
11XX	<b>Total Current Assets</b>		<u>2,148,016</u>	<u>64</u>	<u>2,417,955</u>	<u>67</u>
<b>Non-current Assets</b>						
1517	Financial Assets at Fair Value	6(3)				
	Through Other Comprehensive					
	Income - Non-current		23,925	1	26,951	1
1550	Investments Accounted for Using	6(7)				
	Equity Method		1,010,472	30	999,928	28
1600	Property, Plants, and Equipment	6(8) and 8	110,997	4	106,000	3
1755	Right-of-Use Assets	6(9)	33,245	1	27,973	1
1780	Intangible Assets		1,578	-	2,054	-
1840	Deferred Income Tax Assets	6(24)	4,140	-	7,458	-
1900	Other Non-current Assets	6(10) and 8	4,342	-	5,290	-
15XX	<b>Total Non-current Assets</b>		<u>1,188,699</u>	<u>36</u>	<u>1,175,654</u>	<u>33</u>
1XXX	<b>Total Assets</b>		<u>\$ 3,336,715</u>	<u>100</u>	<u>\$ 3,593,609</u>	<u>100</u>

(Continued on next page)

Browave Corporation  
PARENT COMPANY ONLY BALANCE SHEETS  
December 31, 2024 and 2023

				Unit: In thousands of NTD		
Liabilities and Equity		Note	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
<b>Current Liabilities</b>						
2130	Contract Liabilities - Current	6(17)	\$ 2,754	-	\$ 2,401	-
2170	Accounts Payable		94,607	3	378,843	11
2180	Accounts payable to related parties	7	219,905	6	312,672	9
2200	Other Payables	6(11)	99,553	3	126,978	3
2230	Current Income Tax Liabilities		-	-	76,871	2
2280	Lease Liabilities - Current	6(9)	2,663	-	1,865	-
2399	Other Current Liabilities	7	27,890	1	27,817	1
21XX	<b>Total Current Liabilities</b>		<u>447,372</u>	<u>13</u>	<u>927,447</u>	<u>26</u>
<b>Non-current Liabilities</b>						
2570	Deferred Income Tax Liabilities	6(24)	20,827	1	21,495	-
2580	Lease Liabilities - Non-current	6(9)	31,347	1	26,771	1
25XX	<b>Total Non-current Liabilities</b>		<u>52,174</u>	<u>2</u>	<u>48,266</u>	<u>1</u>
2XXX	<b>Total Liabilities</b>		<u>499,546</u>	<u>15</u>	<u>975,713</u>	<u>27</u>
<b>Equity</b>						
	Stock Capital	6(13)				
3110	Common Stock Capital		805,407	24	805,407	23
	Capital Surplus	6(14)				
3200	Capital Surplus		601,382	18	601,382	16
	Retained Earnings	6(15)				
3310	Legal Reserve		261,057	8	217,479	6
3320	Special Reserve		72,778	2	61,813	2
3350	Unappropriated Earnings		1,123,171	34	1,004,593	28
	Other Equity	6(16)				
3400	Other Equity		( 26,626)	( 1)	( 72,778)	( 2)
3XXX	<b>Total Equity</b>		<u>2,837,169</u>	<u>85</u>	<u>2,617,896</u>	<u>73</u>
3X2X	<b>Total Liabilities and Equity</b>		<u>\$ 3,336,715</u>	<u>100</u>	<u>\$ 3,593,609</u>	<u>100</u>

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

Chairperson: Cheng Wann-Lai

Managerial Officer: Hwang Yu-Wen

Accounting Officer: Huang Shu-Jun



Browave Corporation  
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME  
January 1 to December 31, 2024 and 2023

Unit: In thousands of NTD  
(Except for earnings per share, which are in NTD.)

Item	Note	2024		2023	
		Amount	%	Amount	%
4000 Operating Revenue	6(17) and 7	\$1,855,470	100	\$2,763,374	100
5000 Operating Costs	6(6)(22)(23) and 7	( 1,647,796)	( 89)	( 2,195,568)	( 79)
5900 Operating Gross Profits		<u>207,674</u>	<u>11</u>	<u>567,806</u>	<u>21</u>
Operating Expenses	6(22)(23)				
6100 Selling Expenses		( 44,798)	( 2)	( 56,535)	( 2)
6200 Administrative Expenses		( 79,282)	( 4)	( 94,246)	( 3)
6300 R&D Expenses		( 84,134)	( 5)	( 97,642)	( 4)
6000 Total Operating Expenses		( 208,214)	( 11)	( 248,423)	( 9)
6900 Operating Income		<u>( 540)</u>	<u>-</u>	<u>319,383</u>	<u>12</u>
Non-operating Income and Expenses					
7100 Interest Income	6(18) and 7	34,219	2	49,150	2
7010 Other Income	6(19) and 7 and 12(2)	18,299	1	24,087	1
7020 Other Gains and Losses	6(20) and 7	467,357	25	212,423	7
7050 Financial Costs	6(21)	( 306)	-	( 3,638)	-
7070 Share of loss of subsidiaries, associates and joint ventures accounted for using equity method	6(7)	( 37,045)	( 2)	( 82,924)	( 3)
7000 Total Non-operating Income and Expenses		<u>482,524</u>	<u>26</u>	<u>199,098</u>	<u>7</u>
7900 <b>Income Before Income Tax</b>		<u>481,984</u>	<u>26</u>	<u>518,481</u>	<u>19</u>
7950 Income Tax Expenses	6(24)	( 18,916)	( 1)	( 82,699)	( 3)
8200 <b>Net Profit for the Net Income</b>		<u>\$ 463,068</u>	<u>25</u>	<u>\$ 435,782</u>	<u>16</u>
<b>Items That Are Not Reclassified to Profit or Loss</b>					
8316 Unrealized Valuation Gains or Losses on Investments in Equity Instruments at Fair Value Through Other Comprehensive Income	6(3)	(\$ 1,350)	-	(\$ 2,128)	-
8310 Total Amount of Items That Are Not Reclassified to Profit or Loss		( 1,350)	-	( 2,128)	-
<b>Items That May be Reclassified Subsequently to Profit or Loss</b>					
8361 Exchange Differences on Translation of Financial Statements of Foreign Operations	6(16)	<u>47,502</u>	<u>2</u>	<u>8,838</u>	<u>( 1)</u>
8300 <b>Other Comprehensive Income (Net)</b>		<u>\$ 46,152</u>	<u>2</u>	<u>(\$ 10,966)</u>	<u>( 1)</u>
8500 <b>Total Other Comprehensive Income for the Year</b>		<u>\$ 509,220</u>	<u>27</u>	<u>\$ 424,816</u>	<u>15</u>
9750 Basic Earnings Per Share	6(25)	<u>\$ 5.75</u>		<u>\$ 5.63</u>	
9850 Diluted Earnings Per Share	6(25)	<u>\$ 5.73</u>		<u>\$ 5.41</u>	

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

Chairperson: Cheng Wann-Lai

Managerial Officer: Hwang Yu-Wen

Accounting Officer: Huang Shu-Jun

Browave Corporation  
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
January 1 to December 31, 2024 and 2023

Unit: In thousands of NTD

	Note	Retained Earnings				Other Equity			Total Equity
		Common Stock Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Financial Statements of Foreign Operations	Unrealized Gain or Loss on Financial Assets at Fair Value Through Other Comprehensive Income	
<u>2023</u>									
Balance as of January 1, 2023		\$ 752,869	\$ 354,950	\$ 172,321	\$ 81,589	\$ 910,398	( \$ 66,035)	\$ 4,223	\$ 2,210,315
Net Income in 2023		-	-	-	-	435,782	-	-	435,782
Other Comprehensive Income in 2023		-	-	-	-	-	( 8,838)	( 2,128)	( 10,966)
Total Other Comprehensive Income for the Year	6(3)(16)	-	-	-	-	435,782	( 8,838)	( 2,128)	424,816
Appropriation and Distribution of 2022 Earnings	6(15)	-	-	-	-	-	-	-	-
Provision of Legal Reserve		-	-	45,158	-	( 45,158)	-	-	-
Reversal of Special Reserve		-	-	-	( 19,776)	19,776	-	-	-
Cash Dividends	6(13)	-	-	-	-	( 316,205)	-	-	( 316,205)
Convertible bond conversion		52,538	246,432	-	-	-	-	-	298,970
Balance as of December 31, 2023		\$ 805,407	\$ 601,382	\$ 217,479	\$ 61,813	\$ 1,004,593	( \$ 74,873)	\$ 2,095	\$ 2,617,896
<u>2024</u>									
Balance as of January 1, 2024		\$ 805,407	\$ 601,382	\$ 217,479	\$ 61,813	\$ 1,004,593	( \$ 74,873)	\$ 2,095	\$ 2,617,896
Net Income in 2024		-	-	-	-	463,068	-	-	463,068
Other Comprehensive Income in 2024		-	-	-	-	-	47,502	( 1,350)	46,152
Total Other Comprehensive Income for the Year	6(3)(16)	-	-	-	-	463,068	47,502	( 1,350)	509,220
Appropriation and Distribution of 2023 Earnings	6(15)	-	-	-	-	-	-	-	-
Provision of Legal Reserve		-	-	43,578	-	( 43,578)	-	-	-
Provision of Special Reserve		-	-	-	10,965	( 10,965)	-	-	-
Cash Dividends		-	-	-	-	( 289,947)	-	-	( 289,947)
Balance as of December 31, 2024		\$ 805,407	\$ 601,382	\$ 261,057	\$ 72,778	\$ 1,123,171	( \$ 27,371)	\$ 745	\$ 2,837,169

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

Chairperson: Cheng Wann-Lai

Managerial Officer: Hwang Yu-Wen

Accounting Officer: Huang Shu-Jun

Browave Corporation  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
January 1 to December 31, 2024 and 2023

Unit: In thousands of NTD

	<u>Note</u>	<u>January 1 to December 31, 2024</u>	<u>January 1 to December 31, 2023</u>
<u>Cash Flows from Operating Activities</u>			
Income Before Income Tax		\$ 481,984	\$ 518,481
Adjustments			
Income and Expense Items			
Depreciation Expenses	6(8)(9)(22)	17,929	25,917
Amortization Expenses	6(22)	2,080	2,208
Gain on Valuation of Financial Assets and Liabilities at Fair Value Through Profit or Loss	6(2)(20)		
		( 424,549 )	( 192,545 )
Interest Income	6(18)	( 34,219 )	( 49,150 )
Interest Expenses	6(21)	306	3,638
Dividend Income	6(19)	( 3,139 )	( 3,554 )
Gain on Disposal of Property, Plants, and Equipment	6(20)	( 87 )	( 294 )
Other Income		( 11,954 )	( 11,954 )
Share of Losses of Affiliated Enterprises and Joint Ventures Recognized Under the Equity Method		37,045	82,924
Changes in Assets/Liabilities Related to Operating Activities			
Net Changes in Assets Related to Operating Activities			
Accounts Receivable		61,531	298,002
Other Receivables		12,236	13,110
Other receivables due from related parties- others		1,676	( 1,615 )
Inventories		33,928	( 3,609 )
Prepayments		( 2,404 )	20,558
Net Changes in Liabilities Related to Operating Activities			
Contract Liabilities		353	( 2,121 )
Accounts Payable		( 284,236 )	263,197
Accounts payable to related parties		( 92,767 )	( 1,896 )
Other Payables		( 28,411 )	( 16,587 )
Other Current Liabilities		74	( 8,367 )
Cash Inflows From Operations		( 232,624 )	936,433
Interest Received		32,083	48,695
Dividends Received		3,139	3,554
Interest Paid		( 306 )	( 342 )
Income Tax Paid		( 115,487 )	( 106,075 )
Net Cash Inflows (Outflows) From Operating Activities		( 313,195 )	882,175

(Continued on next page)

Browave Corporation  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
January 1 to December 31, 2024 and 2023

Unit: In thousands of NTD

	Note	January 1 to December 31, 2024	January 1 to December 31, 2023
<u>Cash Flows From Investing Activities</u>			
Return of capital reduction from financial assets measured at fair value through other comprehensive income	12(3)	\$ 1,676	\$ 1,174
Acquisition of Financial Assets at Amortized Cost	6(4)	( 572,200 )	( 1,094,158 )
Disposal of Financial Assets at Amortized Cost		1,034,758	421,014
Acquisition of Current financial assets at fair value through profit or loss		( 20,000 )	( 13,492 )
Disposal of Current financial assets at fair value through profit or loss		104,628	73,792
Acquisition of Investments Accounted for Using Equity Method	6(7)	-	( 109,887 )
Acquisition of Property, Plants, and Equipment	6(26)	( 18,877 )	( 11,393 )
Proceeds From Disposal of Property, Plants, and Equipment		-	544
Acquisition of Intangible Assets		( 1,604 )	( 118 )
Decrease in Refundable Deposits		-	65
Net Cash Inflows (Outflows) From Investing Activities		528,381	( 732,459 )
<u>Cash Flows From Financing Activities</u>			
Principal Repayment of Lease Liabilities	6(27)	( 2,013 )	( 2,854 )
Cash Dividends	6(15)	( 289,947 )	( 316,205 )
Net Cash Inflows (Outflows) From Financing Activities		( 291,960 )	( 319,059 )
Net Decrease in Cash and Cash Equivalents		( 76,774 )	( 169,343 )
Cash and Cash Equivalents at the Beginning of the Year	6(1)	510,405	679,748
Cash and Cash Equivalents at the End of the Year	6(1)	\$ 433,631	\$ 510,405

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

Chairperson: Cheng Wann-Lai

Managerial Officer: Hwang Yu-Wen

Accounting Officer: Huang Shu-Jun

## Attachment 5

### Comparison Table of “Articles of Incorporation”

Article	Contents after amendment	Contents before amendment	Description
5	The total capital of the Company is <u>1.2 billion New Taiwan Dollars (NT\$1,200,000,000)</u> divided into <u>120 million shares</u> , at ten New Taiwan Dollars per share and may be issued in a series of issuance. The un-issued shares may be issued by a resolution of the Board of Directors if the Board deems necessary. Among the total capital stock indicated in the first paragraph, the amount of shares 8,800,000 should be reserved for issuing options for stock, preferred stock, or corporate bond. Authorize the board of directors to make resolutions when the company shares are repurchased.	The total capital of the Company is one billion New Taiwan Dollars (NT\$1,000,000,000) divided into 100 million shares, at ten New Taiwan Dollars per share and may be issued in a series of issuance. The un-issued shares may be issued by a resolution of the Board of Directors if the Board deems necessary. Among the total capital stock indicated in the first paragraph, the amount of shares 8,800,000 should be reserved for issuing options for stock, preferred stock, or corporate bond. Authorize the board of directors to make resolutions when the company shares are repurchased.	In response to the operational requirements of the company
28-1	The Company shall distribute the remuneration of its employees at a profit level of 5 to 15 percent for the current year and the remuneration of its directors at a rate not higher than 3 per cent of the profitability of the current year. However, when the company still has accumulated losses, it should make up for it. <u>The company shall allocate to grassroots-level employees no less than 10% of the total amount of employee compensation.</u> The remuneration of its employees was paid by cash or stock. The remuneration of its employees and director may be paid after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.	The Company shall distribute the remuneration of its employees at a profit level of 5 to 15 percent for the current year and the remuneration of its directors at a rate not higher than 3 per cent of the profitability of the current year. However, when the company still has accumulated losses, it should make up for it. The remuneration of its employees was paid by cash or stock. The remuneration of its employees and director may be paid after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.	In compliance with regulatory revisions

Article	Contents after amendment	Contents before amendment	Description
33	This Act shall take effect from the date of promulgation 1998/4/30 Articles amended on 1998/6/1, 1998/6/1, 1998/8/18, 1998/9/15, 1999/6/7, 1999/11/2, 2000/3/31, 2000/12/28, 2001/3/13, 2002/6/21, 2006/6/8, 2007/6/14, 2011/5/26, 2012/6/21, 2015/6/24, 2016/6/6, 2019/6/6, 2020/6/18, <u>2025/5/16</u>	This Act shall take effect from the date of promulgation 1998/4/30 Articles amended on 1998/6/1, 1998/6/1, 1998/8/18, 1998/9/15, 1999/6/7, 1999/11/2, 2000/3/31, 2000/12/28, 2001/3/13, 2002/6/21, 2006/6/8, 2007/6/14, 2011/5/26, 2012/6/21, 2015/6/24, 2016/6/6, 2019/6/6, 2020/6/18	

### III 、 APPENDIX

## Appendix 1

### **Browave Corporation Articles of Incorporation**

June 18, 2020

Revised by 2020 annual meeting of shareholders

#### ***Chapter 1 : General Principles***

- Article 1      The Company is incorporated as a company limited by shares in accordance with the Company Act (the "Company Act") and its full name in Chinese language is 波若威科技股份有限公司, and Browave Corporation in English language. (herein after the "Company").
- Article 2      The business scope of the Company is as follows:  
1. CC01080 Electronic Parts and Components Manufacturing  
2. F401010 International Trade  
-Research, development, production, manufacture and sales of optical communication technology, such as : WDM/DWDM Component/Module, PLC Splitter, Optical connectors, optical subsystem and systems.  
-Import and export business of trading for the above products.
- Article 3      The Company is headquartered in Hsinchu Science Park, Hsinchu City, Taiwan and when necessary may establish branches at home and abroad as resolved by the board of directors.
- Article 4      Once the incorporation would cancel the initial public offering, it must be approved by the board of directors and shareholder's meeting.

#### ***Chapter 2 : Shares***

- Article 5      The total capital of the Company is one billion New Taiwan Dollars (NT\$1,000,000,000) divided into one hundred million shares, at ten New Taiwan Dollars per share and may be issued in a series of issuance. The un-issued shares may be issued by a resolution of the Board of Directors if the Board deems necessary. Among the total capital stock indicated in the first paragraph, the amount of shares 8,800,000 should be reserved for issuing options for stock, preferred stock, or corporate bond. Authorize the board of directors to make resolutions when the company shares are repurchased.
- Article 5-1      Issued employee stock option certificate should be followed the rule 56<sup>th</sup>-1 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers.
- Article 5-2      Stock option transferred to employee should be followed the rule 10<sup>th</sup>-1 Regulations Governing Share Repurchase by Exchange-Listed

- and OTC-Listed Companies.
- Article 5-3 Stock option transferred to employee of Subordinate company should be followed the rule of Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies.
- Article 6 The amount of total investment is not restricted by the rule 13<sup>th</sup> Company Act.
- Article 7 For the shares to be issued by a company, the issuing company may be exempted from printing but registered by Governing Centralized Securities Depository Enterprises.
- Article 8 Transfer of share ownership, creation of pledge, removal of pledge, reporting of loss, canceling report of loss, etc. and the merger or split of stocks should be followed the rule of Regulations Governing the Administration of Shareholder Services of Public Companies.
- Article 9 Delete
- Article 10 In the case of a company whose shares are issued to the public, the entries in its shareholders' roster shall not be altered within 60 days prior to the convening date of a regular shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within 5 days prior to the target date fixed by the issuing company for distribution of dividends, bonus or other benefits.
- Chapter 3 : Shareholder's Meeting***
- Article 11 Shareholders' meetings shall be of two types, ordinary meetings and extraordinary meetings. Ordinary meetings shall be convened annually by the Board within six months of the end of each fiscal year. Extraordinary meetings shall be convened in accordance with the relevant laws, whenever necessary.
- Article 12 In the event that the Chairman of the Board is unable to exercise his or her duties during his or her absence or for cause, the Chairman shall appoint a Director to act in his or her stead. In the absence of such appointment, the Chairman of the meeting shall be elected by the Directors from among themselves.
- Article 13 A notice specifying the reason for convening the shareholder meeting, meeting schedule and location shall be sent to all shareholders 30 days for the regular shareholder meeting before the scheduled meeting day, 15 days for the special shareholder meeting; provided, such notice may be sent in electronic form. The Company may make a public announcement of a notice of general meeting to shareholders holding less than 1,000 Shares.
- Article 14 A shareholder who is unavailable to attend the shareholders' meeting may duly present a power of attorney with the form provided by the Company, bearing the scope of the authorized powers to authorize a proxy to attend on-behalf. The power of attorney shall be duly used in accordance with Articles of Incorporation and Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.
- Article 15 The Company's shareholders are entitled to one voting right per share, provided that shareholders have no voting right for shares held under Article 179 of the Company Act. A company whose shareholders may exercise their voting power in writing or by way of electronic transmission in a shareholders' meeting shall describe in the shareholders' meeting notice the method of exercising their voting



- power.
- Article 16 Except otherwise provided by the laws and regulations, a resolution of the shareholders' meeting shall be adopted by the majority of the votes represented by the attending shareholders who hold the majority of the Company's issued shares.
- Article 16-1 Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the company within twenty (20) days after the close of the meeting.
- The preparation and distribution of the minutes of shareholders' meeting as required in the preceding Paragraph may be effected by means of electronic transmission.

***Chapter 4: Directors, audit committee and the management***

- Article 17 The Company has 7 to 11 directors, elected in the shareholders' meeting from the candidate of disposing capacity, with three-year tenure of office and eligible for reelection. The aforementioned number of directors shall include a minimum of 2 independent directors, and the number of independent directors shall not be less than the minimum of one-fifth of the total number of director seats. Directors (including Independent directors) are elected in a candidate nomination system. The shareholders' meeting shall elect the right independent directors out of the list of candidates. Upon article 14-2 Securities and Exchange Act, matters regarding independent directors' professional qualification requirements, shareholding, restriction on concurrent post, recognition of independence, methods of nomination and election, and other matters to be complied with shall be duly handled in accordance with the requirements promulgated by the competent authority in charge of securities affairs.
- In the process of electing directors at a shareholders' meeting, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a director elect.
- The manner in which nominations for directors are accepted and related matters such as announcements shall be handled in accordance with the regulations of the Company Law and the Securities Exchange Act. Independent directors and non-independent directors shall be elected together to calculate the number of places to be elected.
- The company shall insure the directors against the liability insurance of the directors. The remuneration of directors shall be paid no matter surplus or deficit.
- Article 17-1 Delete
- Article 18 The board of directors shall be organized by the directors, whose functions are as left as follows:
1. to create a business plan.
  2. Propose a motion for the distribution of surpluses or the making up for losses.

3. Put forward a bill for capital increase or decrease.
  4. the preparation of important chapters and the company's organizational procedures.
  5. Appoint and dismiss the general manager of the Company.
  6. The establishment and abolition of branches.
  7. the preparation of the budget and final accounts.
  8. Other powers and powers conferred on them in accordance with the Company Law or the resolution of the Shareholders' Meeting.
- Article 18-1 The board of directors of the Company shall set up various functional special committees, such as corporate governance committee, salary and remuneration committee and audit committee, and approve the rules and powers of each committee.
- Article 19 Directors is duly organized by directors. By attendance of two thirds of directors and a majority of votes of attending directors, one chairman shall be duly elected. The chairman shall chair the shareholders' meeting and Board of Directors meeting internally and represent the Company externally.
- Article 20 The board of directors shall be convened by the chairman of the board of directors, unless otherwise provided in the Company Law. The resolution of the Board of Directors shall, unless otherwise provided in the Companies Act, be attended by a majority of the directors in order to attend with the consent of a majority of the directors. Notice of meetings of the Board of Directors of the Company may be made in writing, by fax or by e-mail.
- Article 21 The chairman of the board of directors is on leave or for any reason unable to exercise his authority, the chairman appoints one director to act as his agent, and the chairman does not appoint an agent, the directors shall push each other to act as agents. Unless otherwise provided for in the Company Act, decisions in the Board of Directors meeting shall be resolved by a majority of votes in the meeting where attending directors represent a majority of the total number of directors.
- Article 22 The Company shall, for the reasons of business operation, set up an audit committee in accordance with Article 14-4 of the Securities Exchange Law, and the audit committee shall be composed of all independent directors, the number of whom shall not be less than three, and the members of the Audit Committee shall be responsible for the implementation of the powers and powers of the supervisor as stipulated in the Company Law, the Securities Exchange Law and other decrees.
- Article 22-1 Delete
- Article 22-2 Delete
- Article 23 The Company may have a manager whose appointment, dismissal and remuneration shall be handled in accordance with the provisions of Article 29 of the Company Law.
- Article 24 The general manager shall preside over the business of the company in accordance with the resolution of the board of directors.

### ***Chapter 5: Accounting***

- Article 25 The Company's fiscal year runs from 1 January to 31 December
- Article 26 After the end of each fiscal year, the Board of Directors shall prepare the following statements and reports and submit them to the ordinary

shareholders' meeting for ratification.

1. Business report
2. Financial report
3. Proposals for allocation of profits or compensating losses.

Article 27 Dividends and bonus shall be distributed in percentage to the proportion of shares held by each shareholder. A company shall not pay dividends or bonuses, if there is no surplus earnings.

Article 27-1 The proposal for distribution will be approved at the shareholders' meeting, in which proposal was made by board meeting.  
In general, the annual cash dividend shall not be less than 10% of the amount of the total cash and stock dividends paid in the current year but adjusted in the shareholder's meeting.

Article 28 If the Company has surplus earnings at the end of a fiscal year, after paying all relevant taxes, making up Company's accumulated losses, the Company shall first set aside 10 percent of said earnings as legal reserve. However, if the legal surplus reserve has reached the total paid-in capital, it is exempted from further appropriation, and then set aside the special reserve in accordance with the requirements under the laws and regulations. The remainder shall include the retained profits from the previous years, and the Board of Directors should propose the dividends distribution and determined by shareholders' meeting. The company shall authorize the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Article 28-1 The Company shall distribute the remuneration of its employees at a profit level of 5 to 15 percent for the current year and the remuneration of its directors at a rate not higher than 3 per cent of the profitability of the current year. However, when the company still has accumulated losses, it should make up for it.

The remuneration of its employees was paid by cash or stock.

The remuneration of its employees and director may be paid after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Article 28-2 The Statutory surplus reserve and Article 241 Company Act may be paid after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Article 29 The distribution of shareholders' dividends shall be limited to the shareholders recorded in the shareholder's name book five days before the basis for determining the distribution of dividends and dividends.

#### ***Chapter 6 : Attached***

Article 30 The Company shall handle the business of external guarantee with the consent of the board of directors for the needs of its business.

Article 31 The rules and regulations of the organization of the Company shall be determined separately by the board of directors.

- Article 32 If there are any outstanding matters in this Articles of Association, they shall be handled in accordance with the provisions of the Company Act and the relevant laws and regulations.
- Article 33 This Act shall take effect from the date of promulgation 1998/4/30  
Articles amended on 1998/6/1, 1998/6/1, 1998/8/18, 1998/9/15, 1999/6/7, 1999/11/2, 2000/3/31, 2000/12/28, 2001/3/13, 2002/6/21, 2006/6/8, 2007/6/14, 2011/5/26, 2012/6/21, 2015/6/24, 2016/6/6, 2019/6/6, 2020/6/18

## Appendix 2

### **BROWAVE CORPORATION Rules of Procedure of the Shareholders' Meetings**

June 3, 2021

Revised by 2020 annual meeting of shareholders

- Article 1 The Company's Shareholders' meeting (the "Meeting"), except as otherwise provided by the law, regulation, or Articles of Incorporation shall be conducted in accordance with the Rules and Procedures.
- Article 2 The term shareholders as set forth in these Rules denotes shareholders themselves whose names appear directly on the register of members and the proxies entrusted by shareholders.
- Article 3 Shareholders attending the Meeting in person or through a proxy shall submit the attendance card for the purpose of signing in. The number of shares represented by shareholders attending the Meeting shall be calculated in accordance with the attendance cards submitted by the shareholders.
- Article 4 Unless otherwise provided by law or regulation, the Company's Shareholders Meetings shall be convened by the Board of Directors. The Company shall prepare electronic versions of the relevant documentations of shareholders meeting upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda handbook and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda handbook and supplemental meeting materials and made them available for review by shareholders at any time. The shareholders meeting agenda handbook and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.
- The reasons for convening a Shareholders Meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form. Election or dismissal of Directors, amendments to the Memorandum and Articles of Association, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, shall be set out in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion. The main content must be stated on the designated website.
- A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a written proposal for discussion

at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

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

#### Article 5

In the event that the Chairman of the Board is unable to exercise his or her duties during his or her absence or for cause, the Chairman shall appoint a Director to act in his or her stead. In the absence of such appointment, the Chairman of the meeting shall be elected by the Directors from among themselves.

It is advisable that shareholders' meetings convened by the board of directors be attended by a majority of the directors and at least one member of each functional committee on behalf of the committee, recording the attending status in shareholder's meeting minutes. If the Meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a Chairman from among themselves.

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend the Meeting.

#### Article 6

The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Matters relating to the resolutions of the Meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the Chairman of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting pursuant to the Company Act. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full

- name, the methods by which resolutions were adopted, and a summary of the deliberations and their results. The minutes of the proceedings shall be kept permanently during the company's existence. When electing directors, the number of votes each candidate has should be disclosed, and shall be retained for the duration of the existence of the Company.
- Article 6-1 The venue for a Shareholders Meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the Independent Directors with respect to the place and time of the meeting.
- Article 7 The meeting time has arrived, and the chairman should promptly announce the commencement of the meeting while disclosing the number of votes without voting rights and the shareholding attendance. However, if there is a lack of attendance by shareholders holding more than half of the total issued shares, the chairman may announce a postponement of the meeting. The postponement is limited to two times, and the total delay time must not exceed one hour. If even after two postponements there is still insufficient attendance by shareholders representing more than one-third of the total issued shares, the chairman shall declare the meeting adjourned.. If the number of shares present is still insufficient after two delays, but shareholders representing at least one-third of all issued shares are present, the Meeting may make tentative resolutions with the consent of a majority of the voting rights in attendance, pursuant to Article 175-1 Company Act. When the number of shares represented by the shareholders in attendance reaches the statutory number before the end of the meeting, the Chairman may resubmit the tentative resolution for a vote by the meeting upon Article 174 Company Act.
- Article 8 The shareholders' meeting proposals shall be voted item by item and shall not be amended. If the Chairman declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new Chairman in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.
- Article 9 The Chairman may announce to end or pause a discussion of any resolution if the Chairman deems it appropriate. If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue. The provisions of Article 182 Company Act shall apply where a meeting of shareholders resolves to postpone the meeting for not more than, or to reconvene the meeting within 5 days.
- Article 10 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the Chairman.

- Article 11 Each speaker may speak no more than twice concerning each motion, and each instance may not exceed 5 minutes. Although a speaker may speak an additional three minutes with the Chairman's approval, only one such extension may be given. Disobedience to the chairman shall be handled in accordance with article 18 paragraph 2.
- Article 12 The Chairman shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders. The chairman may announce to stop discussing and submitting the vote.
- Article 13 Unless otherwise provided by The Company Law and the Company's Articles of Incorporation, a proposal shall be approved by the consent of more than half of the votes of shares represented by shareholders present. Which has the same effect as does voting by ballot. Anyone who disagrees shall vote in accordance with the provisions of the preceding paragraph, and the results of shareholders' approval, opposition and abstention shall be entered into the Public Information Observatory on the day after the announcement of the general meeting of shareholders.
- A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares. When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.
- Shareholders who cannot attend the meeting in person can appoint a proxy. With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.
- A shareholder may only execute one power of attorney and appoint one proxy only, and shall serve such written proxy to the company no later than 5 days prior to the meeting date of the shareholders' meeting. In case two or more written proxies are received from one shareholder, the first one received by the company shall prevail; unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later.
- When shareholders want to attend the shareholders meeting in person, they should revoke the power of attorney to the company in writing the day before the shareholders meeting.
- A company whose shareholders may exercise their voting power in writing or by way of electronic transmission in a shareholders' meeting shall describe in the shareholders' meeting notice the method of exercising their voting power. However, a public company satisfied with the conditions in terms of company's scale, shareholder number, shareholder structure and other essential factors stipulated by the competent authority in charge of securities affairs shall adopt the electronic transmission as one of the methods for exercising the



voting power.

A shareholder who exercises the voting power at a shareholders meeting in writing or by way of electronic transmission as set forth in the preceding Paragraph shall be deemed to have attended the said shareholders' meeting in person, but shall be deemed to have waived the voting power in respect of any extemporaneous motion and/or the amendment to the contents of the original proposal at the said shareholders' meeting. The company should avoid special motions and amendments to original proposals.

In case a shareholder elects to exercise the voting power in writing or by way of electronic transmission, the declaration of intention shall be served to the company 5 days prior to the scheduled meeting date of the shareholders' meeting, whereas if two or more declarations of the same intention are served to the company, the first declaration of such intention received shall prevail; unless an explicit statement to revoke the previous declaration is made in the declaration which comes later. In case a shareholder who has exercised the voting power in writing or by way of electronic transmission intends to attend the shareholders' meeting in person, the shareholder shall, one day prior to the meeting date of the scheduled shareholders' meeting and in the same manner previously used in exercising the voting power, serve a separate declaration of intention to rescind the previous declaration of intention made in exercising the voting power under the preceding Paragraph Two. In the absence of a timely rescission of the previous declaration of intention, the voting power exercised in writing or by way of electronic transmission shall prevail. In case a shareholder has exercised the voting power in writing or by way of electronic transmission, and has also authorized a proxy to attend the shareholders' meeting in the behalf, then the voting power exercised by the authorized proxy for the said shareholder shall prevail.

Article 14 When the juristic person is a shareholder who can only appoint one person to attend and speak in the shareholder meeting. When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

Article 15 After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 16 If a vote on a proposal requires monitoring and counting personnel, the chair shall appoint such personnel, providing that all monitoring personnel shall be shareholders. The voting results shall be issued and recorded.

Article 17 When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote.

When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 18 The staff of shareholder meeting shall equip the identifiable badge.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an

identification card or armband bearing the word "Proctor."

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

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

Article 19 If the matters do not provide the rules, shall pursuant to the Company Act, the Company's Articles of Incorporation and other laws and regulations.

Article 20 These Rules and any amendments hereto, shall be implemented after adoption by shareholders' meetings.

## Appendix 3

### BROWAVE CORPORATION Shareholding of All Directors

I 、Total shares issued as of 3/18/2025 were 80,540,741 shares.

II 、Pursuant to "Article 26 of the Securities and Exchange Act" and the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”, the total shareholding of all directors shall not be less than 8% of the total issued shares, i.e. 6,443,259 shares.

III 、The Company has established Audit Committee, and therefore the minimum shareholding requirements for supervisors do not apply.

IV 、As of the book closure date for the 2024 AGM, the shareholding of individual director and all directors recorded in the shareholders' register is as follows:

Date: As of March 18, 2025

Position	Name	Shares	Shareholding ratio
Chairman	Cheng Wann-Lai	1,770,083	2.20
Director	Chen Yu-Liang	2,176,090	2.70
Director	National Development Fund, Executive Yuan Corporate Representative : Deng Wei-Jung	3,033,125	3.77
Director	Hwang Yu-Wen	369,018	0.46
Director	Wu Jin-Hong	80,111	0.09
Director	Wu Yu-Chun	0	0
Independent Director	Lin Chien-Chih	0	0
Independent Director	Meng Ching-Li	0	0
Independent Director	Fang Pei-Hua	0	0
Total Shareholding of all Directors		7,428,427	9.22