

Cosmo Electronics Corporation

2024 Annual General Shareholders' Meeting

Minutes

Means of Meeting Convention : Physical shareholders meeting

Time of Meeting : June 26, 2024 at 9:00 am

Location of Meeting : Conference Room B2, No. 716, Zhongzheng Road, Zhonghe District, New Taipei City 235, Taiwan

Total shares represented by shareholders presented in person or by proxy :

157,003,666 shares, accounting for 91.56% of the Company's total outstanding shares

Directors present : Chairman : HSIEH, SHU-CHUAN

Director : Hsieh, Shu-Chuan 、 Chao Chia-chi 、 Hung Yu-han 、 Liu Chin-mu

Independent Director : Wu Yong-fu (Audit Committee Convenor) 、 Xu Bo-yu 、 Lee Tan (For and on behalf of PricewaterhouseCoopers)

Nonvoting : Taiwan Accountant Tsai, Yi Tai 、 Chia Ho international law firm

Chairman : HSIEH, SHU-CHUAN, the Chairman of the Board of Directors

Recorder : Wu Xiu Hui

Meeting Commencement Announced : The aggregate shareholding of the shareholders and proxies present constituted a quorum. The Chairman called the meeting to order.

一、Chairperson Remarks (Omitted)

二、Management Presentations

- 1、The business report for fiscal year 2023. (Please see Attachment 1)
- 2、The Audit committee's review report on the Company's business report and financial statements for fiscal year 2023. (Please see Attachment 2)
- 3、The report of remuneration distribution to employees and directors for fiscal year 2023.

Explanation: The 2023 profit is NT \$50,112,648. The 5% of the profit shall be allocated for the employees' bonus which is NT \$2,505,633 and 1% of that will be for the Board of Directors' remuneration which is NT \$501,127, those were paid in cash.

4 、 Annual Report of director compensation for fiscal year 2023.

Explanation:

1. The remuneration policies, standard and structure which paid to the directors, independent directors are based on the responsibilities, risks and time devotion which are:

- (1) Remuneration policies, standard and packages:

- A. The independent directors of the Company receive fixed compensation and no other compensation.
- B. Directors who are involved in the Company's business affairs are paid monthly in accordance with the Company's salary plan, regardless of profit or loss.
- C. The compensation of directors and supervisors is appropriated according to the business performance of the Company in the year and the stipulated percentage in Article 19 of the Articles of Incorporation, which stipulate that: "From the profit earned by the Company as shown through the annual account closing, not more than 3% of the gross profit shall be taken for directors' and supervisors' compensation, provided that the amount of accumulated loss, if any, be first withheld."

- (2) Procedures for setting compensation:

- A. Compensation for President and Vice President consists of salary and bonus. Salary is paid with reference to industry standards, title, rank, education, professional ability and responsibilities, and is based on the scope of authority and responsibility of the position within the Company and its contribution to the Company's operating objectives and performance. The bonus is based on the performance evaluation items of managerial personnel, which include financial indicators (such as the achievement rate of the Company's revenue, profit before tax and profit after tax) and non-financial indicators (such as the preservation and management of assets, quality control of production, and significant deficiencies in compliance with laws and regulations and operational risks of the departments under the management).
- B. The compensation of directors, supervisors and managers shall be evaluated and set by the Compensation Committee of the Company on a regular basis and approved by the Board of Directors, in addition to the provisions of the Company's Articles of Incorporation.

- (3) Correlation of operating performance and future risks:

- A. The bonus and compensation of directors, supervisors, and managers take into account the Company's operating objectives and financial condition, as well as their professional competence and responsibilities.
- B. Important decisions by the Company's management are made after weighing various risk factors. The performance of these important decisions is reflected in the Company's profitability, which in turn is related to the management's compensation, i.e., the compensation of the Company's directors, supervisors and managers is related to the performance of future risk management.
- C. In order to regularly evaluate the managerial personnel's bonus based on his or her participation in the Company's operations and personal performance contributions, and in accordance with the Company's "Regulations Governing the Year-End Bonus and Operating Performance Bonus", the "Regulations Governing the Year-End Bonus and Operating Performance Bonus" will be reviewed from time to time in accordance with the actual operating conditions and relevant laws and regulations, including financial indicators (such as the achievement rate of the Company's revenue, profit before tax and profit after tax) and non-financial indicators (such as asset preservation and management, product quality control, and significant deficiencies in compliance with laws and regulations and operational risks of the departments under the supervision of the Company) in order to provide reasonable compensation.

2. Remuneration paid during the most recent fiscal year to directors

Title	Name	Compensation								Ratio of Total Compensation (A+B+C+D) to Net Income (%)				Relevant Compensation Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)				Compensation from ventures other than subsidiar- ies or from the parent company
		Base Compensation (A)		Severance Pay (B)		Directors Compensation (C)		Allowances (D)						Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)								
		The company	All compani- es in the consolida- ted financial statement s	The company	All compani- es in the consolidat- ed financial statemen- ts	The company	All compani- es in the consolidat- ed financial statemen- ts	The company	All compani- es in the consolidat- ed financial statemen- ts	The company	All companies in the consolidated financial statements	The company	All companie- s in the consolidat- ed financial statement s	The compa- ny	All companie- s in the consolidat- ed financial statement s	The company		All companies in the consolidated financial statements		The company	All companies in the consolidated financial statements					
Cash	Stock															Cash	Stock									
Chairperson	Bank SinoPac as Custodian for Fine Asia Int’l Ltd. Investment Account (Representative: Hsieh, Shu-Chuan)	0	0	0	0	101	101	0	0	101	0.34%	101	0.34%	0	0	0	0	0	0	0	0	101	0.34%	101	0.34%	0
Director & President	DIGICROWN TECHNOLOGIES LTD. (Representative: Chao Chia-chi)	0	0	0	0	100	100	0	0	100	0.33%	100	0.33%	2,147	2,147	87	87	0	0	0	0	2,334	7.76%	2,334	7.76%	0
Director & Chief Financial Officer	DIGICROWN TECHNOLOGIES LTD. (Representative: Hung Yu-han)	0	0	0	0	100	100	0	0	100	0.33%	100	0.33%	1,551	1,551	66	66	0	0	0	0	1,717	5.71%	1,717	5.71%	0
Director	DIGICROWN TECHNOLOGIES LTD. (Representative : Ho Wei-chan)	0	0	0	0	100	100	0	0	100	0.33%	100	0.33%	1,698	1,698	73	73	0	0	0	0	1,871	6.22%	1,871	6.22%	0
Director & Deputy GM	Bank SinoPac as Custodian for Fine Asia Int’l Ltd. Investment Account (Representative: Liu Chin-mu)	0	0	0	0	100	100	0	0	100	0.33%	100	0.33%	1,671	1,671	66	66	0	0	0	0	1,837	6.11%	1,837	6.11%	0
Director & Deputy GM & Corporate Governance Officer	Bank SinoPac as Custodian for Fine Asia Int’l Ltd. Investment Account (Representative: Lee Chih-chin)	0	0	0	0	0	0	0	0	0	0%	0	0%	1,680	1,680	67	67	0	0	0	0	1,747	5.81%	1,747	5.81%	0
Independent director	Wu Yong-fu	600	600	0	0	0	0	0	0	600	1.99%	600	1.99%	0	0	0	0	0	0	0	0	600	1.99%	600	1.99%	0
Independent director	Xu Bo-yu	480	480	0	0	0	0	0	0	480	1.60%	480	1.60%	0	0	0	0	0	0	0	0	480	1.60%	480	1.60%	0
Independent director	Lee Tan	280	280	0	0	0	0	0	0	280	0.93%	280	0.93%	0	0	0	0	0	0	0	0	280	0.93%	280	0.93%	0

Description:

Note:1. The compensation to directors and supervisors and the compensation to employees for the year 2023 have been approved by the board of directors on March 14, 2024, and the amount of \$501,127 has been

2. The representative of Bank SinoPac as Custodian for Fine Asia Int'l Ltd. Investment Account was changed from Lee Chih-chin to Hsieh, Shu-Chuan on September 6, 2023

There is no questions raised by shareholders regarding the announcements..

三、Proposals

Proposal 1 : The business report and financial statements for fiscal year 2023 (Proposed by
the Board of Directors)

Explanation:

1. The Board has adopted the Proposal for 2023 Annual Business Report, 2023 Parent Company only Financial Statements, and 2023 Consolidated Financial Statements. The 2023 Parent Company only Financial Statements and 2023 Consolidated Financial Statements have been viewed by the accountants Ms. Tsai, I-tai and Ms. Liang, Chan-nu, and together with 2023 Annual Business Report have sent and reviewed by the Audit Committee.
2. The 2023 Annual Business Report (Please see Attachment 1) , the 2023 Parent Company only Financial Statements and Report of Independent Accountants (Please see Attachment 3) , the 2023 Consolidated Financial Statements and Report of Independent Accountants (Please see Attachment 4) . Submission for acknowledge.

Resolution: There is no question raised by the shareholders. Approved and acknowledged as proposed be by the Board of Directors by Voting

Shares represented at the time of voting	Voting Results	% of the total represented share present
157,003,666 votes	Votes in favor: 142,385,129 votes (23,978 Votes*)	90.68%
	Votes against: 37 votes (37 Votes*)	0.00%
	Votes invalid: 0 votes	0.00%
	Votes abstained: 14,618,500 votes (14,096,201 Votes*)	9.31%

*including votes casted electronically (numbers in brackets)

Proposal 2 : The proposal for distribution of profit for fiscal year 2023 (Proposed by the Board
of Directors)

Explanation:

1. The Board has adopted the Proposal for Distribution of 2023 Profits and has sent and reviewed by the Audit Committee.
2. The 2023 Earnings Distribution Table (Please see Attachment 5) . Submission

for acknowledge.

Resolution: There is no question raised by the shareholders. Approved and acknowledged as proposed be by the Board of Directors by Voting

Shares represented at the time of voting	Voting Results	% of the total represented share present
157,003,666 votes	Votes in favor: 142,385,129 votes (23,978 Votes*)	90.68%
	Votes against: 37 votes (37 Votes*)	0.00%
	Votes invalid: 0 votes	0.00%
	Votes abstained: 14,618,500 votes (14,096,201 Votes*)	9.31%

*including votes casted electronically (numbers in brackets)

四、Discussion

Discussion 1 : Amendment to the Rules of Procedure for Shareholders Meetings. (Proposed by the Board of Directors)

Explanation:

1. Cooperate with the revision of Taiwan Securities Regulatory Letter No. 1120004167
2. The Comparison Table of Amended Rules of Procedure for Shareholders' Meeting is attached as Attachment 6. Submission for acknowledge.

Resolution: There is no question raised by the shareholders. Approved and acknowledged as proposed be by the Board of Directors by Voting

Shares represented at the time of voting	Voting Results	% of the total represented share present
157,003,666 votes	Votes in favor: 142,385,129 votes (23,978 Votes*)	90.68%
	Votes against: 37 votes (37 Votes*)	0.00%
	Votes invalid: 0 votes	0.00%
	Votes abstained: 14,618,500 votes (14,096,201 Votes*)	9.31%

*including votes casted electronically (numbers in brackets)

五、Elections

Elections 1: Election of new directors. (Proposed by the Board of Directors)

Explanation:

1. Pursuant to Article 13 of the Company's Articles of Incorporation, there shall be five to nine directors and three supervisors. The term of office of the current Directors will expire on July 19, 2024, and it is proposed to conduct a full re-election at this

annual shareholder's meeting.

2. At this annual shareholder's meeting, nine directors will be elected, including three independent directors. The election of directors will follow the candidate nomination system, with the shareholders' meeting would elect the directors from the list of candidates. The newly elected directors and independent directors will assume office upon election, with a term of three years, from June 26, 2024 to June 25, 2027
3. Attached is a list of director candidates nominated by the Board of Directors, along with relevant information. Please refer to Attachment 7.
4. This election is hereby proposed and will be conducted in accordance with the Company's election for directors procedures.

Election results : The list of elected directors and independent directors is as follows:

Title	Shareholder account / National ID No.	Shareholder name/Name	Elected share
Director	22692	DIGICROWN TECHNOLOGIES LTD. (Representative: Hsieh, Shu-Chuan)	186,137,906
Director	22692	DIGICROWN TECHNOLOGIES LTD. (Representative: Chao Chia-chi)	160,265,559
Director	22692	DIGICROWN TECHNOLOGIES LTD. (Representative: Hung Yu-han)	146,999,194
Director	23310	Bank SinoPac as Custodian for Fine Asia Int'l Ltd. Investment Account(Representative: Ho Wei-chan)	142,466,941
Director	23310	Bank SinoPac as Custodian for Fine Asia Int'l Ltd. Investment Account(Representative:Liu Chin-mu)	137,017,037
Director	23310	Bank SinoPac as Custodian for Fine Asia Int'l Ltd. Investment Account(Representative: Lee Chih-chin)	132,815,052
Independent director	P12138****	Wu Yong-fu	129,029,040
Independent director	F12492****	Xu Bo-yu	125,243,028
Independent director	A22273****	Lee Tan	121,457,034

六、Other Matters

Other Matters 1: Proposal for Release the Prohibition on Directors from Participation in Competitive Business. (Proposed by the Board of Directors)

Explanation:

1. Conducted in accordance with Article 209 of the Company Law.
2. The newly elected director of the company may invest in or operate other companies with the same or similar business scope as the company and may

serve as a director or manager of such companies. It is proposed to lift the non-compete restrictions for the newly elected directors on the premise of not harming the interests of the company.

3. For information regarding the positions held by new director in other companies, please refer to Attachment 8. It is submitted for discussion.

Resolution: There is no question raised by the shareholders. Approved and acknowledged as proposed be by the Board of Directors by Voting

Shares represented at the time of voting	Voting Results	% of the total represented share present
157,003,666 votes	Votes in favor: 142,385,133 votes (23,982 Votes*)	90.68%
	Votes against: 23 votes (*23 Votes*)	0.00%
	Votes invalid: 0 votes	0.00%
	Votes abstained: 14,618,510 votes (14,096,211 Votes*)	9.31%

*including votes casted electronically (numbers in brackets)

七、Extempore Motions : None ◦

There is no question to extemporary motions raised by the shareholders.

八、Adjournment : The Chairman adjourned the meeting (9:26 am on the same day)

Attachment 1

Summary of 2023 Annual Business Report

(This document is prepared in accordance with the Chinese version and is for reference only. In the event of any discrepancy between the English version and the Chinese version, the Chinese version shall prevail.)

1. Business Policy

(1) Optoelectronics Department

As a specialist manufacturer of optocouplers and relays, we can respond quickly to market dynamics in terms of making decisions and actions. Our main target markets are those with a large number of users and a wide range of channels, but lacking the capability of designing products. We can provide integrated product specifications, designing and producing services to meet the specific needs of our customers. Furthermore, we will develop new products in line with the trend of lighter, thinner, shorter, and smaller products by applying our core technology. Improve the quality of our products continuously to ensure our dominant position in the market. Taking cost reduction and marketing strategy into consideration, we decided to establish manufacturing facilities in Indonesia to improve the quality of customer services and also the sales performance in the local market. Last but not least, increasing the profitability by rising the sales ratio of high-margin products which will be produced after upgrading production equipment and adjusting product restructure. Tapping into different markets such as industrial automation systems, Artificial Intelligence, automotive electronic parts, and 5th-generation mobile networks to seize business opportunities.

(2) LED Lighting

In recent years, the price-performance ratio of LED lighting has improved and its penetration rate in the total lighting market is gradually on the rise. The company had invested in automated production lines in facilities, research and development of new products and service quality improvement to meet the needs of clients. In the U.S. market, we have applied for patents to protect our intellectual property rights to enhance our competitiveness in the market and also increase the market share of our products.

(3) Clean Steam Department

The company is dedicated to achieving net zero emissions in ESG standards before 2050. To achieve that, we will continuously develop high-efficiency, low-cost and long-life energy sources to cut carbon emissions and pollution. The Clean Steam Department is expected to bring advantages and niches to the growth of the business.

(4) Industrial Park Development

The level of investment attraction has increased in Indonesia because of Indonesia's demographic dividend, the removal of its barriers to foreign investment and tax incentives under the New

Southbound Policy promoted by the Taiwanese government and the Investment Act promulgated by the Indonesian government.

To increase the profitability of the group/shareholders, the company has decided to invest in the development of industrial parks. As a part of diversification in operation, it can help various Taiwanese SMEs to not only gain a foothold in the Indonesian market quickly but also jointly polish up the image of the Taiwanese industry. These can be the reasons leading to the increase in our international visibility. The Group since 2008 has been proactive in looking for suitable lands to develop an industrial park. However, we decided to take stable steps regarding industrial development due to worldwide uncertainty in economics, politics, the pandemic and also delay of local construction. As of the year 2022, the company has acquired approximately 161 hectares of land and obtained groundbreaking permits. We will continue to search for desirable lands in the vicinity of the development area.

2. Important production and marketing policies

(1) Marketing strategy:

- (I) Improving the quality of services and sales network through the expansion of regional distributors and agents.
- (II) Being able to promote products to the market, expand the business scope, raise the visibility of new products and follow current market trends by participating in international expositions or through brand/product advertising.
- (III) Adjust the sale ratio in Asia region from 80% to 60% and increase European market development for operating risk diversification

(2) Production strategy:

- (I) Executing effective production management, enhancing product quality, improving production yield and increasing product reliability.
- (II) Mastering key technology, increasing efficiency in automation, shortening production period, raising productivity and reducing the cost to make more profits.
- (III) Increasing the knowledge and ability of our staff to meet the needs of customer services. Providing positive and efficient services to build customer loyalty.
- (IV) Building manufacturing facilities in Indonesia for its stable workforce and reasonable salary to reduce manufacturing costs.

(3) Product orientation:

- (I) Developing new product specifications under existing product lines, increasing the value of our products in relation to the development of technologies, and making continuous efforts to reduce costs to improve the ability in the competition and raise the market share of our products.
- (II) Applying the latest technique to the specifications of products that are not only in high demand but also in our customers' needs to improve the development of customized OEM products.
- (III) Investing in new product developments which relate to the latest technique. Develop and innovate

new products to diversify the Company's product portfolio. Improving sales performance and enhancing brand popularity.

(IV) Upgrading equipment to manufacture high-end products, improve production efficiency and increase production yield and profitability.

(V) Developing marketing strategy in relation to industrial automation systems, Artificial Intelligence, automotive electronic parts and 5th-generation mobile networks.

3. Results of business plan implementation

The Company's net operating revenues for fiscal 2023 were \$1,053,420 thousand, operating costs were \$897,585 thousand, operating expenses were \$268,559 thousand, non-operating net income was \$168,923 thousand, and income tax expenses was \$26,116 thousand. After offsetting income and expenses, the net income for the period was \$30,083 thousand, decrease of \$110,896 thousand compared to the net income of \$80,813 thousand in fiscal 2022, mainly due to decrease in operating revenues and decrease in gross profit.

4. Budget implementation

For fiscal 2023, operating revenues reached 58% of the estimated goal, and the estimated performance of each accounting item is as follows:

Unit: NT\$ thousands

Item	Actual amount in FY2023	Estimated amount for FY2023	Achievement rate (%)
Operating revenues	1,053,420	1,812,263	58%
Operating costs	897,585	1,449,810	62%
Operating expenses	268,559	181,226	148%
Net operating gain	(112,724)	181,227	-62%
Net non-operating revenues and expenses	168,923	79,160	213%
Net income after tax	30,083	229,140	13%

5. Analysis of financial income and expenses and profitability

Unit: NT\$ thousands

Item			Actual amount in FY2023	Actual amount in FY2022
Financial income and expenses	Operating profit		(112,724)	39,099
	Net non-operating income and expenses		168,923	74,239
	Profit before tax		56,199	113,338
	Profit after tax		30,083	110,896
Profitability	Return on assets (%)		2.26	3.68
	Return on equity (%)		1.59	6.18
	Ratio to capital stock (%)	Operating (loss) income	-6.57	2.33
		Profit before tax	3.28	6.74
	Profit margin (%)		2.86	7.93
	Earnings per share (NT\$)		0.18	0.65

Chairman: Hsieh Shu-chuan / General Manage: Chao Chia-chi /Accounting Supervisor: Hung Yu-han

Attachment 2

Audit Committee's review report of 2023.

Audit Committee's Review Report of Cosmo Electronics Corporation.

The Board of Directors has prepared the Cosmo Electronics Corporation. ("the Company") 2023 Business Report, financial statements, and proposal for earnings distribution. The CPA firm of PwC was retained to audit the Company's financial statements and has issued an audit report relating to financial statements. The above Business Report, financial statements, and earnings distribution proposal have been examined and determined to be correct and accurate by the Audit Committee of Cosmo Electronics Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit this report.

Cosmo Electronics Corporation 2024 Shareholders' Meeting

Audit Committee Convener : Wu Yong-fu

March 14,2024

Independent Auditors' Report Translated from Chinese

To the Board of Directors and Shareholders of Cosmo Electronics Corporation

Opinion

We have audited the accompanying parent company only financial statements of Cosmo Electronics Corporation (the “Company”), which comprise the parent company only balance sheets as of December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the year then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits of the parent company only financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, and auditing standards in the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements* section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the parent company only financial statements of the current period. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

The key audit matters in relation to the parent company only financial statements for the year ended December 31, 2023, are outlined as follows:

Valuation of inventory

Description

Please refer to Note 4(11) for the description of accounting policy on inventory valuation. Please refer to Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation. Please refer to Note 6(4) for details of inventory.

The Company has a higher risk of inventory market value decline since technology evolution affecting the market value and the possibility of inputs for obsolete products. Inventory are stated at the lower of cost or net realizable value. Providing valuation loss for obsolete inventories bases on net realizable value.

As the evaluation of inventory requires critical judgement and the amount of inventory is significant, we consider the valuation of inventory a key audit matter.

How our audit addressed the matter:

We performed the following audit procedures in respect of the above key audit matter:

1. Obtained the policies of inventory valuation and determined whether the policies have been applied consistently.
2. Inspected and performed annual physical count to evaluate whether management identifies and controls obsolete inventories effectively.
3. Validated whether the logic of inventory aging reports used for valuation has been applied adequately in order to ensure the information of the parent

company only financial statement would be align with policies.

4. Evaluated and calculated to supporting documents of inventory losses providing from aging over a certain period, and discussed with management the accuracy.
5. Sampled the sources of market value for recalculation of net realization value.

Assessment the fair value of investment property

Description

Please refer to Note 4(15) for the description of accounting policy on investment property. Please refer to Note 5(2) for accounting estimates and assumption uncertainty in relation to investment property. Please refer to Note 6(8) for details of investment property.

The Company held investment property to earn rent incomes from lease. The investment property was measured subsequently using the fair value model. The fair value was based on appraisal report issued by external valuers.

As the evaluation of the fair value requires future prediction and the assumptions are unobservable inputs and highly uncertainty as well as the amount of valuation is significant, we consider the valuation of investment property a key audit matter.

How our audit addressed the matter:

We performed the following audit procedures in respect of the above key audit matter:

1. Evaluated whether valuers and appraisal firms were engaged by the Company were qualified and independent.
2. Reviewed the appraisal report issued by the valuer and checked valuation approach to comply with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
3. For the investment property evaluated by the income approach, evaluated the valuer's rationality of the future cash flow of the Company, and compared the rent used in the valuation approach with the lease agreement signed at present.
4. For the investment property evaluated by land development analysis method, examined the prices of various comparison targets used, and compared them with

the prices of similar assets available from public information.

5. Evaluated the correctness of the model calculation, and confirmed that the recognized amount is consistent with the appraisal report.

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 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 generally accepted auditing standards in 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 generally accepted auditing standards in 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 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 group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2023 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.

Tsai, Yi Tai

Liang, Chan Nyu

For and on behalf of PricewaterhouseCoopers, Taiwan

March 14, 2024

The accompanying parent company only financial statements are not intended to present to financial position and results of operations and cash flow in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such parent company only financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

For the convenience of readers and for information purpose only, the auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two version, the Chinese-language auditors' report and parent company only financial statements shall prevail.

COSMO ELECTRONICS CORPORATION
PARENT COMPANY ONLY BALANCE SHEET
DECEMBER 31,2023, DECEMBER 31,2022 AND JANUARY 1,2022
(Expressed in thousands of New Taiwan dollars)

			(Restated)		(Restated)			
			December 31,2023		December 31,2022		January 1,2022	
Assets		Notes	Amount	%	Amount	%	Amount	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 145,267	4	\$ 132,350	3	\$ 106,658	3
1136	Financial assets at amortized cost-current	6(2)	3,070	-	-	-	-	-
1150	Notes receivable, net	6(3)	3,140	-	3,388	-	-	-
1170	Accounts receivable, net	6(3)	33,048	1	79,403	2	81,294	3
1180	Accounts receivable from related parties, net	7(2)	4,787	-	101,606	3	47,153	1
1200	Other receivables		1,456	-	2,913	-	2,353	-
1210	Other receivables from related parties	7(2)	634	-	-	-	-	-
1220	Current income tax assets		194	-	19	-	9	-
130X	Inventories	6(4)	325,761	9	334,394	9	187,856	6
1410	Prepayments		6,779	-	7,097	-	5,047	-
1470	Other current assets		246	-	1,800	-	1,495	-
11XX	Total current assets		524,382	14	662,970	17	431,865	13
Non-current assets								
1535	Financial assets at amortized cost-non current	6(2)	14,300	-	14,213	-	13,484	-
1550	Investments accounted for under the equity method	6(5)	2,662,803	69	2,529,517	66	2,344,129	69
1600	Property, plant and equipment	6(6)	483,248	13	482,041	13	465,566	14
1760	Investment property, net	6(8)	92,856	2	90,588	2	85,347	2
1780	Intangible assets	6(9)	2,864	-	3,041	-	3,931	-
1840	Deferred income tax assets	6(24)	23,064	1	16,242	1	5,965	-
1915	Prepayments for equipment		8,620	-	10,215	-	32,569	1
1920	Refundable deposits		636	-	1,426	-	3,553	-
1975	Net defined benefit assets-non current	6(14)	26,550	1	24,240	1	18,395	1
1990	Other non-current assets		237	-	363	-	-	-
15XX	Total non-current assets		3,315,178	86	3,171,886	83	2,972,939	87
1XXX	Total assets		\$ 3,839,560	100	\$ 3,834,856	100	\$ 3,404,804	100

(Continued)

COSMO ELECTRONICS CORPORATION
PARENT COMPANY ONLY BALANCE SHEET
DECEMBER 31,2023, DECEMBER 31,2022 AND JANUARY 1,2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31,2023		(Restated) December 31,2022		(Restated) January 1,2022	
			Amount	%	Amount	%	Amount	%
Current liabilities								
2100	Short-term borrowings	6(10)	\$ 426,000	11	\$ 396,000	11	\$ 417,090	12
2110	Short-term bills payable	6(10)	99,884	3	49,962	1	49,887	2
2130	Contract liabilities-current	6(19)	37,303	1	8,576	-	2,943	-
2150	Notes payable	6(11)	59	-	96	-	1,047	-
2170	Accounts payable	6(11)	24,000	1	87,004	2	81,403	3
2180	Accounts payable to related parties	7(2)	12,374	-	41,912	1	28,346	1
2200	Other payables		51,574	1	58,306	2	40,052	1
2220	Other payables to related parties	7(2)	-	-	-	-	2,754	-
2320	Long-term liabilities-current portion	6(12)(13)	312,646	8	276,841	7	519,000	15
2399	Other current liabilities		3,416	-	3,068	-	2,770	-
21XX	Total current liabilities		<u>967,256</u>	<u>25</u>	<u>921,765</u>	<u>24</u>	<u>1,145,292</u>	<u>34</u>
Non-current liabilities								
2530	Bonds payable	6(12)	-	-	-	-	273,484	8
2540	Long-term borrowings	6(13)	802,274	21	854,000	22	174,000	5
2570	Deferred income tax liabilities	6(24)	179,531	5	155,611	4	145,592	4
2600	Others non-current liabilities		8,327	-	3,215	-	442	-
25XX	Total non-current liabilities		<u>990,132</u>	<u>26</u>	<u>1,012,826</u>	<u>26</u>	<u>593,518</u>	<u>17</u>
2XXX	Total liabilities		<u>1,957,388</u>	<u>51</u>	<u>1,934,591</u>	<u>50</u>	<u>1,738,810</u>	<u>51</u>
Equity								
	Share capital	6(15)						
3110	Common stock		1,714,587	45	1,680,883	44	1,616,234	48
	Capital surplus	6(16)						
3200	Capital surplus		143,838	4	177,242	5	241,891	7
	Retained earnings	6(17)						
3310	Legal reserve		19,061	-	6,819	-	1,203	-
3320	Special reserve		140,561	4	63,024	2	12,484	-
3350	Unappropriated retained earnings		34,345	1	123,037	3	56,104	2
	Other equity interest	6(18)						
3400	Other equity interest		(170,220)	(5)	(150,740)	(4)	(261,922)	(8)
3XXX	Total equity		<u>1,882,172</u>	<u>49</u>	<u>1,900,265</u>	<u>50</u>	<u>1,665,994</u>	<u>49</u>
	Significant contingent liabilities and unrecognized contract commitments	9						
	Significant subsequent events	11						
3X2X	Total liabilities and equity		<u>\$ 3,839,560</u>	<u>100</u>	<u>\$ 3,834,856</u>	<u>100</u>	<u>\$ 3,404,804</u>	<u>100</u>

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

COSMO ELECTRONICS CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEAR ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

Items	Notes	2023		(Restated) 2022	
		Amount	%	Amount	%
4000 Operating revenue	6(19) and 7	\$ 376,386	100	\$ 625,007	100
5000 Operating costs	6(4)(23) and 7	(315,726)	(84)	(427,904)	(69)
5900 Gross profit		60,660	16	197,103	31
5910 Unrealized profit from sales		(1,668)	-	(641)	-
5950 Gross profit, net		58,992	16	196,462	31
Operating expenses	6(23)				
6100 Selling expenses		(20,013)	(5)	(22,032)	(4)
6200 General and administrative expenses		(72,169)	(19)	(87,629)	(14)
6300 Research and development expenses		(2,077)	(1)	(1,947)	-
6450 Expected credit impairment losses	12(2)	(379)	-	-	-
6000 Total operating expenses		(94,638)	(25)	(111,608)	(18)
6900 Operating (loss)profit		(35,646)	(9)	84,854	13
Non-operating income and expenses					
7010 Other income	6(20)	5,128	1	4,024	-
7020 Other gains and losses	6(20)	4,458	1	17,915	3
7050 Finance costs	6(21)	(50,711)	(13)	(33,165)	(5)
7070 Share of profit of subsidiaries, associates and joint ventures accounted for under the equity method	6(5)	123,877	33	36,181	6
7000 Total non-operating income and expenses		82,752	22	24,955	4
7900 Profit before income tax		47,106	13	109,809	17
7950 Income tax (expense)benefit	6(24)	(17,023)	(5)	1,087	-
8200 Profit for the year		\$ 30,083	8	\$ 110,896	17
Components of other comprehensive income(loss) that will not be reclassified to profit or loss					
8311 Gain on remeasurements of defined benefit plans	6(14)	\$ 374	-	\$ 4,145	1
8330 Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for under the equity method that will not be reclassified to profit or loss		2,643	1	8,877	1
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(24)	(75)	-	(829)	-
8310 Other comprehensive income(loss) that will not be reclassified to profit or loss		2,942	1	12,193	2

(Continued)

COSMO ELECTRONICS CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEAR ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

		(Restated)			
		2023		2022	
Items	Notes	Amount	%	Amount	%
Components of other comprehensive income(loss) that will be reclassified to profit or loss					
8380	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for under the equity method that will be reclassified to profit or loss	6(18)	(19,480) (5)	111,182	18
8360	Other comprehensive income (loss) that will be reclassified to profit or loss		(19,480) (5)	111,182	18
8300	Other comprehensive income(loss) for the year		(\$ 16,538) (4)	\$ 123,375	20
8500	Total comprehensive income(loss) for the year		\$ 13,545 4	\$ 234,271	37
Basic earnings per share					
9750	Basic earnings per share	6(25)	\$ 0.18	\$ 0.66	
Diluted earnings per share					
9850	Diluted earnings per share		\$ 0.18	\$ 0.65	

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

COSMO ELECTRONICS CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Share capital- common stock	Capital surplus	Legal reserve	Retained earnings		Financial statements translation differences of foreign operations	Total equity
					Special reserve	Unappropriated retained earnings		
2022								
Balance at January 1, 2022		\$ 1,616,234	\$ 241,891	\$ 1,203	\$ 12,484	\$ 56,156	(\$ 261,922)	\$ 1,666,046
Effect of retrospective application and retrospective restatement		-	-	-	-	(52)	-	(52)
Balance at January 1, 2022 as restated		<u>1,616,234</u>	<u>241,891</u>	<u>1,203</u>	<u>12,484</u>	<u>56,104</u>	(<u>261,922</u>)	<u>1,665,994</u>
Profit for the year		-	-	-	-	110,896	-	110,896
Other comprehensive income(loss) for the year		-	-	-	-	12,193	111,182	123,375
Total comprehensive income(loss) for the year		-	-	-	-	123,089	111,182	234,271
Legal reserve		-	-	5,616	-	(5,616)	-	-
Special reserve		-	-	-	50,540	(50,540)	-	-
Issuance of share from capital surplus	6(15)	64,649	(64,649)	-	-	-	-	-
Balance at December 31, 2022		<u>\$ 1,680,883</u>	<u>\$ 177,242</u>	<u>\$ 6,819</u>	<u>\$ 63,024</u>	<u>\$ 123,037</u>	(<u>\$ 150,740</u>)	<u>\$ 1,900,265</u>
2023								
Balance at January 1, 2023		\$ 1,680,883	\$ 177,242	\$ 6,819	\$ 63,024	\$ 122,417	(\$ 150,740)	\$ 1,899,645
Effect of retrospective application and retrospective restatement		-	-	-	-	620	-	620
Balance at January 1, 2023 as restated		<u>1,680,883</u>	<u>177,242</u>	<u>6,819</u>	<u>63,024</u>	<u>123,037</u>	(<u>150,740</u>)	<u>1,900,265</u>
Profit for the year		-	-	-	-	30,083	-	30,083
Other comprehensive income(loss) for the year		-	-	-	-	2,942	(19,480)	(16,538)
Total comprehensive income(loss) for the year		-	-	-	-	33,025	(19,480)	13,545
Legal reserve		-	-	12,242	-	(12,242)	-	-
Special reserve	6(17)	-	-	-	77,537	(77,537)	-	-
Cash dividends	6(12)	-	-	-	-	(31,938)	-	(31,938)
Conversion of convertible bonds	6(15)	85	215	-	-	-	-	300
Issuance of share from capital surplus		33,619	(33,619)	-	-	-	-	-
Balance at December 31, 2023		<u>\$ 1,714,587</u>	<u>\$ 143,838</u>	<u>\$ 19,061</u>	<u>\$ 140,561</u>	<u>\$ 34,345</u>	(<u>\$ 170,220</u>)	<u>\$ 1,882,172</u>

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

COSMO ELECTRONICS CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax for the year		\$ 47,106	\$ 109,809
Adjustments			
Income and expenses having no effect on cash flows			
Depreciation	6(6)	48,554	47,026
Amortization	6(9)	1,070	1,175
Expected credit impairment losses		379	-
Finance cost	6(21)	50,711	33,165
Interest income	6(20)	(2,369)	(498)
Share of profit of subsidiaries, associates and joint ventures accounted for under the equity method	6(5)	(123,877)	(36,181)
Provision (Reversal) for inventory and obsolescence	6(4)	26,362	(7,792)
Gain on fair value changes of investment property	6(8)	(2,268)	(5,241)
Changes in assets and liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Notes receivable		248	(3,388)
Accounts receivable from related parties		96,819	(54,453)
Other receivables from related parties	(634)	-	-
Inventories	(17,729)	(138,746)	-
Prepayments		318	(2,050)
Other current assets		1,554	(305)
Other non-current assets		126	(363)
Net defined benefit assets	(1,936)	(1,700)	-
Net changes in liabilities relating to operating activities			
Contract liabilities-current		28,727	5,633
Notes payable	(37)	(951)	-
Accounts payable	(63,004)	5,601	-
Accounts payable to related parties	(29,538)	13,566	-
Other payables	(45,223)	18,574	-
Other payables to related parties		-	(2,754)
Other current liabilities		348	298
Cash flows generated from/(used in) operations		15,707	(19,575)
Interest received		2,369	498
Income taxes paid	(174)	(10)	-
Accounts receivable		45,976	1,891
Unrealized profit from sales		1,668	641
Net cash flows generated from/(used in) operating activities		65,546	(16,555)

(Continued)

COSMO ELECTRONICS CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisitions of financial assets at amortized cost		(\$ 3,157)	(\$ 729)
Acquisitions of investments accounted for under the equity method	6(5)	(27,914)	(29,790)
Acquisitions of property, plant and equipment	6(26)	(25,682)	(60,278)
Proceeds from disposal of property, plant and equipment		1,332	5,997
Decrease(Increase) in refundable deposits		790	2,127
Increase in other receivables		1,457	(560)
Acquisitions of intangible assets	6(9)	(893)	(285)
Increase in prepayments for equipment		(17,924)	12,352
Net cash flows used in investing activities		(71,991)	(71,166)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(27)	1,446,440	1,361,160
Decrease in short-term borrowings	6(27)	(1,416,440)	(1,382,250)
Increase in short-term bills payable		49,922	-
Repayment for convertible bonds		(277,100)	-
Repayment for long-term borrowings	6(27)	(103,600)	(528,000)
Proceeds from long-term borrowings	6(27)	364,520	689,000
Increase in others non-current liabilities		5,112	2,773
Interest paid		(49,492)	(29,270)
Net cash flows generated from financing activities		19,362	113,413
Net increase in cash and cash equivalents		12,917	25,692
Cash and cash equivalents at beginning of year		132,350	106,658
Cash and cash equivalents at end of year		\$ 145,267	\$ 132,350

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

Independent Auditors' Report Translated from Chinese

To the Board of Directors and Shareholders of Cosmo Electronics Corporation

Opinion

We have audited the accompanying consolidated financial statements of Cosmo Electronics Corporation and its subsidiaries (the “Group”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the year 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 and issued into effect by the Financial Supervisory Commission.

Basis for Opinion

We conducted our audits of the consolidated financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, and auditing standards in the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

The key audit matters in relation to the consolidated financial statements for the year ended December 31,2023, are outlined as follows:

Valuation of inventory

Description

Please refer to Note 4(12) for the description of accounting policy on inventory valuation. Please refer to Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation. Please refer to Note 6(4) for details of inventory.

The Group has a higher risk of inventory market value decline since technology evolution affecting the market value and the possibility of inputs for obsolete products. Inventory are stated at the lower of cost or net realizable value. Providing valuation loss for obsolete inventories bases on net realizable value.

As the evaluation of inventory requires critical judgement and the amount of inventory is significant, we consider the valuation of inventory a key audit matter.

How our audit addressed the matter:

We performed the following audit procedures in respect of the above key audit matter:

1. Obtained the policies of inventory valuation and determined whether the policies have been applied consistently.
2. Inspected and performed annual physical count to evaluate whether management identifies and controls obsolete inventories effectively.
3. Validated whether the logic of inventory aging reports used for valuation has been applied adequately in order to ensure the information of consolidated financial statement

would be align with policies.

4. Evaluated and calculated to supporting documents of inventory losses providing from aging over a certain period, and discussed with management the accuracy.
5. Sampled the sources of market value for recalculation of net realization value.

Assessment the fair value of investment property

Description

Please refer to Note 4(16) for the description of accounting policy on investment property. Please refer to Note 5(2) for accounting estimates and assumption uncertainty in relation to investment property. Please refer to Note 6(7) for details of investment property.

The Group held investment property to (a) earn rent incomes from lease, (b) develop and improve land for future use. The investment property was measured subsequently using the fair value model. The fair value was based on appraisal report issued by external valuers.

As the evaluation of the fair value requires future prediction and the assumptions are unobservable inputs and highly uncertainty as well as the amount of valuation is significant, we consider the valuation of investment property a key audit matter.

How our audit addressed the matter:

We performed the following audit procedures in respect of the above key audit matter:

1. Evaluated whether valuers and appraisal firms were engaged by the Group were qualified and independent.
2. Reviewed the appraisal report issued by the valuer and checked valuation approach to comply with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
3. For the investment property evaluated by the income approach, evaluated the valuer's rationality of the future cash flow of the Group, and compared the rent used in the valuation approach with the lease agreement signed at present.
4. For the investment property evaluated by land development analysis method, examined the prices of various comparison targets used, and compared them with the prices of

similar assets available from public information.

5. Evaluated the correctness of the model calculation, and confirmed that the recognized amount is consistent with the appraisal report.

Other Matter – Parent Company Only Financial Reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of Cosmo Electronics Corporation, as at and for the years ended December 31, 2023 and 2022.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our

opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 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.

Tsai, Yi Tai

Liang, Chan Nyu

For and on behalf of PricewaterhouseCoopers, Taiwan

March 14, 2024

The accompanying consolidated financial statements are not intended to present to financial position and results of operations and cash flow in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such consolidated financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

For the convenience of readers and for information purpose only, the auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two version, the Chinese-language auditors' report and consolidated financial statements shall prevail.

COSMO ELECTRONICS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31,2023, DECEMBER 31,2022 AND JANUARY 1,2022
(Expressed in thousands of New Taiwan dollars)

				(Restated)		(Restated)		
		December 31,2023		December 31,2022		January 1,2022		
Assets	Notes	Amount	%	Amount	%	Amount	%	
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 604,711	14	\$ 542,994	12	\$ 586,246	15
1136	Financial assets at amortized cost-current	6(2)	31,055	1	69,204	2	-	-
1150	Notes receivable, net	6(3)	3,140	-	3,388	-	-	-
1170	Accounts receivable, net	6(3)	79,178	2	282,782	7	336,289	8
1180	Accounts receivable from related parties, net	7	73,891	1	-	-	-	-
1200	Other receivables		5,554	-	25,062	1	16,575	-
1210	Other receivables from related parties	7	13,846	-	17,632	-	18,348	1
1220	Current income tax assets		2,191	-	9,268	-	4,941	-
130X	Inventories	6(4)	554,435	13	615,499	14	464,054	12
1410	Prepayments	7	40,438	1	92,015	2	50,795	1
1479	Other current assets		345	-	2,227	-	1,736	-
11XX	Total current assets		1,408,784	32	1,660,071	38	1,478,984	37
Non-current assets								
1535	Financial assets at amortized cost-non current	6(2) and 8	20,401	1	20,315	-	19,050	1
1600	Property, plant and equipment	6(5) and 8	719,938	17	757,718	17	740,479	19
1755	Right-of-use assets	6(6) and 8	171,344	4	165,894	4	122,369	3
1760	Investment property, net	6(7) and 8	1,871,983	43	1,615,691	37	1,465,874	37
1780	Intangible assets	6(8)	11,659	-	12,782	-	13,581	-
1840	Deferred income tax assets	6(24)	79,549	2	69,183	2	58,892	1
1915	Prepayments for equipment		9,814	-	11,925	-	36,485	1
1920	Refundable deposits		1,885	-	13,125	-	15,029	-
1975	Net defined benefit assets-non current	6(12)	26,550	1	24,239	1	18,395	-
1990	Other non-current assets		16,134	-	23,636	1	24,210	1
15XX	Total non-current assets		2,929,257	68	2,714,508	62	2,514,364	63
1XXX	Total assets		\$ 4,338,041	100	\$ 4,374,579	100	\$ 3,993,348	100

(Continued)

COSMO ELECTRONICS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31,2023, DECEMBER 31,2022 AND JANUARY 1,2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31,2023		(Restated) December 31,2022		(Restated) January 1,2022	
			Notes	Amount	%	Amount	%	Amount
Current liabilities								
2100	Short-term borrowings	6(9)	\$ 426,000	10	\$ 396,000	9	\$ 480,754	12
2110	Short-term bills payable	6(9)	99,884	2	49,962	1	49,887	1
2130	Contract liabilities-current	6(17)	1,018	-	10,237	-	2,943	-
2150	Notes payable		59	-	96	-	1,047	-
2170	Accounts payable		42,970	1	119,752	3	123,264	3
2180	Accounts payable to related parties	7	434	-	15,671	1	12,907	-
2219	Other payables		69,226	2	81,700	2	52,395	1
2220	Other payables to related parties	7	6,519	-	3,736	-	-	-
2230	Current income tax liabilities		105	-	301	-	1,563	-
2280	Lease liabilities-current		2,770	-	15,372	1	6,305	-
2320	Long-term liabilities-current portion	6(10)(11) and 7	312,646	7	276,841	6	898,205	23
2399	Other current liabilities		3,942	-	8,616	-	14,781	1
21XX	Total current liabilities		<u>965,573</u>	<u>22</u>	<u>978,284</u>	<u>23</u>	<u>1,644,051</u>	<u>41</u>
Non-current liabilities								
2530	Bonds payable	6(10)	-	-	-	-	273,484	7
2540	Long-term borrowings	6(11) and 7	1,206,851	28	1,258,640	29	174,000	4
2570	Deferred income tax liabilities	6(24)	245,959	6	210,905	5	200,591	5
2580	Lease liabilities-non current		23,142	1	4,490	-	6,605	-
2640	Net defined benefit liability-non current	6(12)	13,956	-	21,467	-	28,096	1
2670	Others non-current liabilities		388	-	528	-	527	-
25XX	Total non-current liabilities		<u>1,490,296</u>	<u>35</u>	<u>1,496,030</u>	<u>34</u>	<u>683,303</u>	<u>17</u>
2XXX	Total liabilities		<u>2,455,869</u>	<u>57</u>	<u>2,474,314</u>	<u>57</u>	<u>2,327,354</u>	<u>58</u>
Equity								
	Share capital	6(13)						
3110	Common stock		1,714,587	40	1,680,883	38	1,616,234	41
	Capital surplus	6(14)						
3200	Capital surplus		143,838	3	177,242	4	241,891	6
	Retained earnings	6(15)						
3310	Legal reserve		19,061	-	6,819	-	1,203	-
3320	Special reserve		140,561	3	63,024	1	12,484	-
3350	Unappropriated retained earnings		34,345	1	123,037	3	56,104	1
	Other equity interest	6(16)						
3400	Other equity interest		(170,220)	(4)	(150,740)	(3)	(261,922)	(6)
31XX	Equity attributable to owners of the parent		<u>1,882,172</u>	<u>43</u>	<u>1,900,265</u>	<u>43</u>	<u>1,665,994</u>	<u>42</u>
3XXX	Total equity		<u>1,882,172</u>	<u>43</u>	<u>1,900,265</u>	<u>43</u>	<u>1,665,994</u>	<u>42</u>
	Significant contingent liabilities and unrecognized contract commitments	9						
	Significant subsequent events	11						
3X2X	Total liabilities and equity		\$ 4,338,041	100	\$ 4,374,579	100	\$ 3,993,348	100

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

COSMO ELECTRONICS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

Items	Notes	2023		(Restated) 2022	
		Amount	%	Amount	%
4000 Operating revenue	6(17) and 7	\$ 1,053,420	100	\$ 1,390,778	100
5000 Operating costs	6(4) and 7	(897,585)	(85)	(1,053,647)	(76)
5900 Gross profit		<u>155,835</u>	<u>15</u>	<u>337,131</u>	<u>24</u>
Operating expenses					
6100 Selling expenses		(50,116)	(5)	(62,740)	(4)
6200 General and administrative expenses		(222,991)	(21)	(219,598)	(16)
6300 Research and development expenses		(3,914)	(1)	(4,905)	-
6450 Expected credit impairment gains(losses)		<u>8,462</u>	<u>1</u>	(10,789)	(1)
6000 Total operating expenses		(268,559)	(26)	(298,032)	(21)
6900 Operating (loss)profit		(112,724)	(11)	<u>39,099</u>	<u>3</u>
Non-operating income and expenses					
7100 Interest income	6(18)	10,963	1	3,289	-
7010 Other income	6(19)	14,026	1	25,477	2
7020 Other gains and losses	6(20)	229,401	22	99,777	7
7050 Finance costs	6(21)	(85,467)	(8)	(54,304)	(4)
7000 Total non-operating income and expenses		<u>168,923</u>	<u>16</u>	<u>74,239</u>	<u>5</u>
7900 Profit before income tax		<u>56,199</u>	<u>5</u>	<u>113,338</u>	<u>8</u>
7950 Income tax expense	6(24)	(26,116)	(2)	(2,442)	-
8200 Profit for the year		<u>\$ 30,083</u>	<u>3</u>	<u>\$ 110,896</u>	<u>8</u>
Other comprehensive income(loss)					
Components of other comprehensive income(loss) that will not be reclassified to profit or loss					
8311 Gain on remeasurements of defined benefit plans	6(12)	\$ 3,763	-	\$ 15,501	1
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss		(821)	-	(3,308)	-
8310 Other comprehensive income(loss) that will not be reclassified to profit or loss		<u>2,942</u>	<u>-</u>	<u>12,193</u>	<u>1</u>
Components of other comprehensive income(loss) that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations	6(16)	(19,480)	(2)	111,182	8
8300 Other comprehensive income(loss) for the year		(\$ 16,538)	(2)	<u>\$ 123,375</u>	<u>9</u>
8500 Total comprehensive income for the year		<u>\$ 13,545</u>	<u>1</u>	<u>\$ 234,271</u>	<u>17</u>
Profit attributable to:					
8610 Owners of the parent		<u>\$ 30,083</u>	<u>3</u>	<u>\$ 110,896</u>	<u>8</u>
Comprehensive income(loss) attributable to :					
8710 Owners of the parent		<u>\$ 13,545</u>	<u>1</u>	<u>\$ 234,271</u>	<u>17</u>
Earnings per share					
9750 Basic earnings per share		<u>\$ 0.18</u>		<u>\$ 0.65</u>	
9850 Diluted earnings per share		<u>\$ 0.18</u>		<u>\$ 0.64</u>	

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

COSMO ELECTRONICS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent						
		Retained earnings				Financial statements translation differences of foreign operations		Total equity
Notes	Share capital- common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings			
<u>2022(Restated)</u>								
	Balance at January 1, 2022	\$ 1,616,234	\$ 241,891	\$ 1,203	\$ 12,484	\$ 56,156	(\$ 261,922)	\$ 1,666,046
	Effect of retrospective application and retrospective restatement	-	-	-	-	(52)	- (52)	
	Balance at January 1, 2022 as restated	1,616,234	241,891	1,203	12,484	56,104	(261,922)	1,665,994
	Profit for the year	-	-	-	-	110,896	-	110,896
	Other comprehensive income(loss) for the year	-	-	-	-	12,193	111,182	123,375
	Total comprehensive income(loss) for the year	6(16) -	-	-	-	123,089	111,182	234,271
	Distribution of 2021 earnings							
	Legal reserve	-	-	5,616	-	(5,616)	-	-
	Special reserve	-	-	-	50,540	(50,540)	-	-
	Issuance of share from capital surplus	64,649	(64,649)	-	-	-	-	-
	Balance at December 31, 2022	\$ 1,680,883	\$ 177,242	\$ 6,819	\$ 63,024	\$ 123,037	(\$ 150,740)	\$ 1,900,265
<u>2023</u>								
	Balance at January 1, 2023	\$ 1,680,883	\$ 177,242	\$ 6,819	\$ 63,024	\$ 122,417	(\$ 150,740)	\$ 1,899,645
	Effect of retrospective application and retrospective restatement	-	-	-	-	620	-	620
	Balance at January 1, 2023 as restated	\$ 1,680,883	\$ 177,242	\$ 6,819	\$ 63,024	\$ 123,037	(\$ 150,740)	\$ 1,900,265
	Profit for the year	-	-	-	-	30,083	-	30,083
	Other comprehensive income(loss) for the year	-	-	-	-	2,942	(19,480)	(16,538)
	Total comprehensive income(loss) for the year	6(16) -	-	-	-	33,025	(19,480)	13,545
	Legal reserve	6(15) -	-	12,242	-	(12,242)	-	-
	Special reserve	-	-	-	77,537	(77,537)	-	-
	Cash dividends	-	-	-	-	(31,938)	- (31,938)	
	Conversion of convertible bonds	6(10) 85	215	-	-	-	-	300
	Issuance of share from capital surplus	6(13) 33,619	(33,619)	-	-	-	-	-
	Balance at December 31, 2023	\$ 1,714,587	\$ 143,838	\$ 19,061	\$ 140,561	\$ 34,345	(\$ 170,220)	\$ 1,882,172

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

COSMO ELECTRONICS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Consolidated profit before tax for the year		\$ 56,199	\$ 113,338
Adjustments			
Income and expenses having no effect on cash flows			
Depreciation	6(5)(6)	110,542	109,990
Amortization	6(8)	2,028	2,112
Expected credit impairment losses(gains)	12	(8,462)	10,789
Interest expense	6(21)	85,467	54,304
Interest income	6(18)	(10,963)	(3,289)
Gain on fair value changes of investment property	6(20)	(241,679)	(77,537)
Provision for inventory and obsolescence	6(4)	25,146	4,366
Loss(Gain) on disposal of property, plant and equipment	6(20)	8,816	(743)
Changes in assets and liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Notes receivable		248	(3,388)
Accounts receivable		212,127	42,665
Accounts receivable from related parties		(73,891)	-
Other receivables		19,508	(8,487)
Other receivables from related parties		3,786	716
Inventories		35,918	(155,811)
Prepayments		51,577	(41,220)
Net defined benefit assets		(2,311)	(5,844)
Other current assets		1,882	(491)
Other non-current assets		7,361	574
Net changes in liabilities relating to operating activities			
Contract liabilities-current		(9,219)	7,294
Notes payable		(37)	(951)
Accounts payable		(76,782)	(3,512)
Accounts payable to related parties		(15,237)	2,764
Other payables		(50,180)	26,754
Other payables to related parties		2,783	3,736
Other current liabilities		(4,674)	(6,165)
Net defined benefit liability		(3,749)	8,872
Cash flows generated from operations		126,204	80,836
Interest received		10,963	3,289
Income taxes paid		24,009	(11,279)
Net cash flows generated from operating activities		161,176	72,846

(Continued)

COSMO ELECTRONICS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisitions of financial assets at amortized cost	\$	-	(\$ 69,721)
Proceeds from disposal of financial assets at amortized cost		38,064	-
Acquisitions of property, plant and equipment	6(5)(26)	(57,367)	(90,552)
Proceeds from disposal of property, plant and equipment	6(5)	114	1,085
Decrease in refundable deposits		11,240	1,904
Acquisitions of intangible assets	6(8)	(893)	(285)
Acquisitions of right-of-use assets	6(6)	-	(31,566)
Acquisitions and payments for investment properties	6(7)	(22,701)	(36,371)
Increase in prepayments for equipment		1,019	(14,743)
Net cash flows used in investing activities		(30,524)	(240,249)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(27)	1,446,440	2,067,490
Decrease in short-term borrowings	6(27)	(1,416,440)	(2,159,213)
Increase in short-term bills payable		49,922	-
Repayment for bonds	6(27)	(277,100)	-
Repayment for long-term borrowings	6(27)	(103,600)	(886,440)
Proceeds from long-term borrowings	6(27)	364,520	1,061,550
Lease principal repayment	6(27)	(11,758)	(12,678)
Interest paid		(85,537)	(50,872)
Net cash flows (used in)/generated from financing activities		(33,553)	19,837
Effect due to changes in exchange rate		(35,382)	104,314
Net Increase(decrease) in cash and cash equivalents		61,717	(43,252)
Cash and cash equivalents at beginning of year		542,994	586,246
Cash and cash equivalents at end of year		\$ 604,711	\$ 542,994

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

Attachment 5

Cosmo Electronics Corporation PROFIT DISTRIBUTION TABLE

Year 2023

(Unit: NTD)

Unappropriated earnings at the beginning of the period		\$698,930
Add : Effect of retrospective application of IAS 12		620,540
Adjusted unappropriated earnings		1,319,470
Net profit for 2023	\$30,083,398	
Add : OTHER COMPREHENSIVE INCOME (Re-measurement of defined benefit Plan recognized in retained earnings)	2,942,150	
Subtotal		34,345,018
Less: 10% legal reserve		(3,434,502)
Less: Special reserves		(30,910,516)
Unappropriated earnings at the end of the period		\$ 0

Notes:

In accordance with Letter No. 1090150022 issued by the Financial Supervisory Commission of the Executive Yuan, a special reserve of the same amount should be set aside from the current period's net income plus the amount of items other than the current period's net income included in the current period's unappropriated earnings in respect of the net increase in fair value of NT\$241,679,476 in the current year's accounts, or from the prior period's undistributed earnings if there is a shortfall; provided that if the current year's after-tax income and the total amount of the prior year's unappropriated earnings is not enough to meet the total amount of NT\$210,768,960, a special reserve shall only be set aside until the unappropriated earnings reaches zero.

Chairman: Hsieh Shu-chuan / General Manage: Chao Chia-chi /Accounting Supervisor: Hung Yu-han

Attachment 6

COSMO ELECTRONICS CORPORATION Comparison Table of Amended Rules of Procedure for Shareholders' Meeting Amendment Articles comparison table

Content		Amendment basis and reasons
Amendment provision	Amendment basis and reasons	
<p>Article 3 Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors. <u>When a company convenes a video meeting of shareholders, unless otherwise specified in the stock affairs management standards of a company that publicly issues shares, it should be stated in the articles of association and approved by the board of directors, and the video meeting of shareholders should be approved by the board of directors with the attendance and attendance of more than two-thirds of the directors. The resolution shall be carried out if approved by more than half of the directors.</u></p> <p>The following is omitted °</p>	<p>Article 3 Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.</p> <p>The following is omitted °</p>	<p>In line with the amendments to the Taiwan Securities Regulatory Commission Letter No. 1120004167 dated March 17, 2023.</p>
<p>Article 6-1 To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the shareholders meeting notice: The first and second paragraphs are omitted. 3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified. <u>Except for the circumstances stipulated in Paragraph 6 of Article 44-9 of the Standards for Handling Stock Affairs of Companies with Public Issuance of Stocks, shareholders should at least be provided with connection equipment and necessary assistance, and the period during which shareholders can apply to the company and other relevant matters should be noted. matter</u></p>	<p>Article 6-1 To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the shareholders meeting notice: The first and second paragraphs are omitted. 3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.</p>	<p>In line with the amendments to the Taiwan Securities Regulatory Commission Letter No. 1120004167 dated March 17, 2023.</p>
<p>Article 22 When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online. <u>Except for the circumstances stipulated in Paragraph 6 of Article 44-9 of the Standards for Handling Stock Affairs of Companies with Public Issuance of Stocks, shareholders should at least be provided with connection equipment and necessary assistance, and the period during which shareholders can apply to the company and other relevant matters should be noted. matter</u></p>	<p>Article 22 When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</p>	<p>In line with the amendments to the Taiwan Securities Regulatory Commission Letter No. 1120004167 dated March 17, 2023.</p>
<p>Article 27 These Rules were firstly established on April 20, 1998. The second amendment was made on June 28, 2002. The third amendment was made on June 15, 2004. The fourth amendment was made on June 18, 2020. The fifth amendment was made on June 23, 2021. The sixth amendment was made on June 24, 2022. <u>The seventh amendment was made on June 26, 2024.</u></p>	<p>Article 27 These Rules were firstly established on April 20, 1998. The second amendment was made on June 28, 2002. The third amendment was made on June 15, 2004. The fourth amendment was made on June 18, 2020. The fifth amendment was made on June 23, 2021. The sixth amendment was made on June 24, 2022.</p>	

Attachment 7

COSMO ELECTRONICS CORPORATION

List of director candidates and related information

Title	Name of Candidate	Number of Shares Held (Unit: Shares)	Education	Experience	Current position	Whether or not he has served as an independent director for three consecutive terms/ Reasons for continuing to nominate a person who has served as an independent director for three consecutive terms
Director	DIGICROWN TECHNOLOGIES LTD. (Representative: Hsieh Shu-chuan)	15,914,684	Department of Industrial Engineering and Management, Tungnan University	Chairperson of Da Liang Investment Ltd	Chairperson of Cosmo Electronics Corporation	Not applicable
Director	DIGICROWN TECHNOLOGIES LTD. (Representative: Chao Chia-chi)	15,914,684	Department of Money and Banking, NCCU	Assistant Manager of Jin Sun International Commercial Bank Co., Ltd. Vice President of Taishin International Bank (HK)	President of Cosmo Electronics Corporation Director of PT Cosmo Technology Director of DONG GUAN GUAN ZHEN XING TRADING LIMITED Chairperson of Tinglin Co., Ltd. Chairperson of Tingyuan Co., Ltd. Chairperson of Juyang Technology Co., Ltd.	Not applicable
Director	DIGICROWN TECHNOLOGIES LTD. (Representative: Hung Yu-han)	15,914,684	Department of Accounting, National Taipei University	Supervisor of Ernst & Young Global Limited Junior Manager of PACIFIC SECURITIES CO., LTD. Division Chief of APEX SCIENCE & ENGINEERING CORP.	Finance Supervisor and Corporate Governance Officer of Cosmo Electronics Corporation Director of Tinglin Co., Ltd. Director of Tingyuan Co., Ltd. Director of Juyang Technology Co., Ltd.	Not applicable
Director	Bank SinoPac as Custodian for Fine Asia Int'l Ltd. Investment Account (Representative : Ho Wei-chuan)	1,174,709	Department of Medicine, TMU	Attending Physician, Shu-Ming Clinic Former part-time attending physician at the Taichung East District Branch of China Medical University Hospital Chairperson of Cosmo Recycling Inc.	Vice President of Cosmo Electronics Corporation	Not applicable
Director	Bank SinoPac as Custodian for Fine Asia Int'l Ltd. Investment Account (Representative : Liu Chin-mu)	1,174,709	Department of Business Administration, Tatung Institute of Technology	Director of Cosmo Electronics Technology (Kunshan) Co., Ltd. Vice President of DIGICROWN TECHNOLOGIES LTD. Chairperson of PT CICJAMBE	Vice President of Cosmo Electronics Corporation	Not applicable
Director	Bank SinoPac as Custodian for Fine Asia Int'l Ltd. Investment Account (Representative : Lee Chih-chin)	1,174,709	Department of Industrial Management, NCKU	Assistant Manager of GLOBAL BRANDS MANUFACTURE LTD. Material Manager of Elitegroup Computer Systems Co., Ltd. Assistant Manager of DIGICROWN TECHNOLOGIES LTD.	Vice President of Cosmo Electronics Corporation	Not applicable
Independent director	Wu Yong-fu	0	Department of Accountancy, NCCU	Assistant Manager of KPMG Audit Office Sales Manager of Yuanta Securities Co., Ltd. Underwriting Department Adjunct Lecturer, Department of Accounting, O.C.U.	1.Assistant Manager of Finance Division, SUNSPRING METAL CORPORATION 2.Independent Director of PAIHO SHIH HOLDINGS CORPORATION 3.Independent Director of KOAN HAO TECHNOLOGY CO., LTD. 4.Supervisor of SUNSPRING METAL (Zhuhai) CORPORATION 5.Supervisor of Zhaoqing Baoxin Metaleare Industries Co., Ltd. 6.Supervisor of SUNSPRING AUTOMATION CORPORATION	YES / Because of his accounting experience and familiarity with relevant laws and regulations, he will continue to be nominated as a candidate for independent director.
Independent director	Xu Bo-yu	0	Department of Accountancy, Chung Yuan Christian University	Associate, Sincere & Associates, Inc.	1. CPA of QMCPA 2. Chairperson of CHING RONG CEREAL CO., LTD. 3.Chairperson of MAU QUAN CEREAL CO., LTD.	NO
Independent director	Li Dan	0	Ph.D. in International Business, NTU Master of International Trade, NCCU	Lecturer and Associate Professor of Department of International Trade and Banking Insurance, Deming University of Finance and Economics Assistant Professor and Associate Professor, Department of International Business, Yuan Ze University The University of Auckland, New Zealand Senior Lecturer	Professor, Department of Finance, NCU	NO

Attachment 8

COSMO ELECTRONICS CORPORATION

New directors who also hold positions in other companies

Title	Name	Being a director or manager of another company at the same time	
Director	DIGICROWN TECHNOLOGIES LTD. (Representative: Hsieh Shu-chuan)	Da Liang Investment Ltd	Chairperson
Director	DIGICROWN TECHNOLOGIES LTD. (Representative: Chao Chia-chi)	Tinglin Co., Ltd.	Chairperson
		Tingyuan Co., Ltd.	Chairperson
		Juyang Technology Co., Ltd.	Chairperson
Director	DIGICROWN TECHNOLOGIES LTD. (Representative: Ho Wei-chuan)	Tinglin Co., Ltd.	Director
		Tingyuan Co., Ltd.	Director
		Juyang Technology Co., Ltd.	Director
Independent director	Wu Yong-fu	PAIHO SHIH HOLDINGS CORPORATION	Independent director
		KOAN HAO TECHNOLOGY CO., LTD.	Independent director
Independent director	Xu Bo-yu	CHING RONG CEREAL CO., LTD.	Chairperson
		MAU QUAN CEREAL CO., LTD.	Chairperson