

IntelliEPI Inc. (Cayman)

2025 Annual Shareholders Meeting Minutes (Translation)

Time : 09:00 a.m. on Wednesday, June 25, 2025

Place : Lane 193, Sec. 3, Zhongxiao E. Rd., Daan Dist., Taipei (GIS Taipei Tech Convention Center Room 303)

Total outstanding shares : 39,985,743 shares

Total shares represented by shareholders present in person or by proxy : 26,601,830 shares

Percentage of shares held by shareholders present in person or by proxy : 66.52 %

Chairman : Yung-Chung Kao

Recorder : Vicky Cheng

Director present :

Yung-Chung Kao, Virginia Shu and WH Wu, Total 3 of 8 Directors present at this Shareholders meeting.

On leave director :

Lily Wu, KingMax Semiconductor (Representitive Henry Chen), Independent director KM Tsai (Convener of the Audit Committee), Independent director Tom Chang, Independent director Norman Cheng, Total 5 of 8 Directors.

1. The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.
2. Chairman Remarks (omitted)
3. Reporting Items :

#1 : Operation Report for Fiscal Year 2024 (Proposed by the Board)

Explanations : The Company's annual operation report for fiscal year 2024 is attached as Attachment 1.

#2 : Audit Committee audit report for Fiscal Year 2024 (Proposed by the Board)

Explanation : Audit Report by Audit Committee for Fiscal Year 2024 is attached as Attachment 2.

4. Ratifications Items :

#1 : Operation report and financial statements for 2024 (Proposed by the Board)

Explanation :

1. The Company's Financial Statements were audited by independent auditors, Wendy Liang and Alan Chien of PriceWaterhouseCoopers.
2. 2024 Operation report is attached as Attachment 1. Financial Statements are attached as Attachment 3.
3. The Company's operation report and financial statements for 2024 are submitted to the shareholders for ratification.

Voting results : shares represented at the time of voting : 25,706,830 shares

Votes	Voting shares	% of the total represented share present
Votes in favor	23,335,913	90.77%
Votes against	3,124	0.01%
Votes invalid	0	0.00%
Votes abstained	2,367,793	9.21%

RESOLVED, that Operation report and financial statements for 2024 is hereby accepted as submitted.

#2 : Profit and loss appropriation for 2024 (Proposed by the Board)

Explanation :

1. Distributable Unappropriated Retained Earnings of 2024 is negative and profit and loss appropriation table as follows :

IntelliEPI Inc. (Cayman)	
2024 Profit and loss appropriation	
	(NTD)
Net profit of 2024	(131,720,216)
Plus : Reversal of Special reserve	69,594,388
Distributable Unappropriated Retained Earnings of 2024	(62,125,828)
Plus : Unappropriated Retained Earnings at the Beginning of 2024	429,718,199
Distributable Unappropriated Retained Earnings at the end of 2024	367,592,371
Distribution Items :	
Deduct : Cash Dividends	-
Unappropriated Retained Earnings at the end of 2024	367,592,371

2. The Company's profit and loss appropriation for 2024 is submitted to the shareholders for ratification.

Voting results : shares represented at the time of voting : 25,756,830 shares

Votes	Voting shares	% of the total represented share present
Votes in favor	23,342,866	90.62%
Votes against	4,170	0.01%
Votes invalid	0	0.00%
Votes abstained	2,409,794	9.35%

RESOLVED, that Profit and loss appropriation for 2024 is hereby accepted as submitted.

5. Discussion Item :

#1 : Amendment on “Memorandum and Articles of Association” (Proposed by the Board)

Explanation :

1. The Company proposes to amend its Memorandum and Articles of Association pursuant to amendments made to the Checklist for Protection of Shareholders' Rights and Interests promulgated by the Taipei Exchange, a copy of the proposed 9th Amended and Restated Memorandum and Articles of Association is attached hereto as attachment 4 (the "Amended M&A").
2. The board of directors have considered the amendments in the Amended M&A to be in the best interest of the Company and proposed that the Amended M&A be submitted to the shareholders for approval by way of a special resolution at the annual general meeting, and that, subject to approval by way of a special resolution, the 8th Amended and Restated Memorandum and Articles of Association of the Company currently in effect be amended and restated by the deletion in their entirety and the substitution in their place of the Amended M&A.
3. Upon approval of the Amended M&A by the shareholders at the annual general meeting, the Amended M&A will be filed with the Registrar of Companies in the Cayman Islands.

Voting results : shares represented at the time of voting : 25,756,830 shares

Votes	Voting shares	% of the total represented share present
Votes in favor	23,343,674	90.63%
Votes against	4,164	0.01%
Votes invalid	0	0.00%
Votes abstained	2,408,992	9.35%

RESOLVED, that Amendment on “Memorandum and Articles of Association” is hereby accepted as submitted.

Questions and Motions

Adjournment at 09:16AM

This shareholders' meeting had no questions from shareholders.

IntelliEPI Inc. (Cayman)

2024 Operation Report

In 2024, the global semiconductor market showed a slow recovery. Growth momentum within the compound semiconductor sector remains uneven, with demand driven by advances in artificial intelligence (AI) and high-performance computing (HPC), while the consumer electronics market remains weak. The 2024 sales revenue of IET went to total NTD717,235 thousand, an 8.29% year-over-year increase compared to 2023, which was attributed to strong year-end demand of InP wafers, as well as substantial increases in both defense-related contracts and commercial sales of GaSb wafers.

Looking at the annual sales distribution by product category, sales of GaAs wafers declined slightly compared to the previous year due to conservative inventory management by customers. While hardware components sales decreased and GaSb wafers sales increased, the combined revenue of these two categories remained on par with 2023.

In terms of business operations, the company has secured a funding grant under the Texas Semiconductor Innovation Fund (TSIF) and received preliminary approval under the U.S. CHIPS Act, pending further due diligence. For R&D projects, the company is primarily developing high-speed and high-performance wafers for AI-related applications. We believe that in the coming year, amidst increasing localization of supply chains and intensified industry competition, the IET team will continue to leverage its accumulated technical strength and management experience to meet challenges and achieve new milestones.

1. 2024 Operation Report:

1.1 Operation Results

The consolidated total revenue of the Company in 2024 was NTD 717,235 thousand, representing an increase of 8.29% compared to 2023. The after-tax net loss was NTD 131,776 thousand, equivalent to an 18.37% loss margin, a decrease of NTD 140,136 thousand from 2023. Net loss per share after tax was NTD 3.58, compared to earnings per share of NTD 0.23 in 2023.

1.2 Financial Income, Expenditures, and Profitability Analysis

In terms of financial and capital management, current assets accounted for 34% of total assets in 2024, slightly down from 37% in the previous year, but still reflecting a stable position. The debt ratio decreased modestly from 15% in 2023 to 13% in 2024, mainly due to a reduction in liabilities following the conversion of convertible bonds into common shares. Capital expenditures for property, plant, and equipment amounted to NTD 171,405 thousand in 2024. All capital and operating expenditures were executed in line with the approved budget scheme.

The gross profit margin in 2024 was 16%, lower than the 23% recorded in 2023. The decline was primarily attributable to a relatively smaller increase in sales, while the costs of materials, labor, and other manufacturing expenses rose due to capacity expansion, putting pressure on gross margin performance.

Selling, general and administrative (G&A) and R&D expenses totaled NTD 206,430

thousand, an increase of NTD 19,306 thousand or 10.32% compared to the previous year. After accounting for non-operating expenses of NTD 43,728 thousand and income tax benefit of NTD 4,894 thousand, the company reported a net loss after tax of NTD 131,776 thousand, a downturn from the net profit of NTD 8,360 thousand in 2023.

1.3 Budget Execution

The company's annual budget was approved by the board of directors, while no financial forecast was publicly disclosed. Overall budget execution was under good control.

1.4 Research and Development

In 2024, the R&D expense was NTD 61,504 thousand, slightly higher than NTD 45,454 thousand in the previous year. The main R&D projects include high-performance VCSEL, high-speed opto-communication InP PIN and APD wafers, and GaSb wafers for defense applications.

2. 2025 Business Plans and Strategies

2.1 Management Policy :

With a strong commitment to quality and performance management, the Company will cooperate with the due diligence procedures required under the U.S. CHIPS Act subsidy program, proceed with the phase II expansion of its facility and manage the reimbursement process under the Texas Semiconductor Innovation Fund (TSIF). The Company remains focused on developing the following epitaxial products and expanding markets :

- InP : InP wafers are expected to be the main driver of 2025 revenue growth. Products include PIN and APD wafers used in optical communications and data centers, as well as HBT wafers for high-speed applications. The Company has gradually received volume production orders since the year end of 2024 and has adjusted capacity allocations to meet the delivery schedules.
- GaAs : GaAs pHEMT remains the core product. Major customers are still managing inventory levels, and the sales volume is expected to remain stable. Price adjustments have been completed with customers. On the R&D front, the Company will continue co-developing the advanced VCSEL for network communication, aiming to create new business opportunities.
- GaSb : In 2025, demand for GaSb infrared epitaxial wafers from both domestic and international defense customers is expected to grow steadily. The Company plans to expand its production capacity to fulfill volume order requirements.
- Hardware components : Customer interest in purchasing GaN regrowth MBE system is increasing. The company is actively pursuing the selling of MBE hardware components and has initialed the project to install Gan regrowth machine in Taiwan as a way to provide timely support to local customers. In addition to the above-mentioned projects, new machines will be built as in line with the requirements of U.S. CHIPS Act subsidies and future production expansion plans.
- GaN : Orders for GaN regrowth wafers continue to rise. The Company plans to expand its workforce including preparations for future production operation in Taiwan.

2.2 Projected Sales Volume and its Basis :

The projected sales volume is based on demand forecasts provided by customers, industry trends, and overall market supply and demand, aligned with the Company's production capacity and business strategy.

2.3 Key Production and Marketing policies

2.3.1. Enhance product quality.

2.3.2. Strengthen product research and development capabilities.

2.3.3. Increase production efficiency.

3. Future Development Strategies

3.1 Ensure a stable supply of materials and substrates.

3.2 Integrate into the AI supply chain.

3.3 Focus on both volume production and advanced product development.

3.4 Leverage strong MBE hardware and software capabilities to pursue customized and long-term service-oriented opportunities.

3.5 Enhance employee training and foster team synergy.

4. Effects from External Competition, Legal and Regulation, and Economic Environments

In 2025, to address external competition, the Company plans to localize production, ensure stable supply of materials and hardware components and integrate into optical communication and AI applications. In terms of regulatory compliance, the Company will adhere to the principle of integrity and adjust the management policies in accordance with regulatory updates and government policy changes. Considering the overall business environment, the Company will enhance its production capabilities, scale up revenue, and increase market penetration as the ways to grow sustainably within the industry.

Chairman : Yung-Chung Kao

Chief Officer : Kevin Vargason

CFO : George Wang

Audit Committee's Report

The Board of Directors has prepared the Company's 2024 Operation Report, Financial Statements and Profit and loss appropriation. The certified public accountants of PriceWaterhouseCoopers Taiwan, were retained by the Company to audit the financial statements and have issued an audit report relating to the financial statements. Operation report, financial statements and Profit and loss appropriation have been reviewed and determined to be correct and accurate by the Audit Committee members of the Company. In accordance with Article 14-4 of the ROC Securities and Exchange Act we hereby submit this report.

To
2025 annual shareholders meeting

IntelliEPI Inc. (Cayman)

Convener of Audit Committee
KM Tsai

Date : March 12, 2025



INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of IntelliEPI Inc. (Cayman)

Opinion

We have audited the accompanying consolidated balance sheets of IntelliEPI Inc. (Cayman) and its subsidiaries (the “Group”) as at December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 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 that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the 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 Group's 2024 consolidated financial statements. 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.

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

Evaluation of inventories

Description

Refer to Note 4(10) for accounting policies on evaluation of inventories, Note 5 for the uncertainty of accounting estimates and assumptions in relation to evaluation of inventories and Note 6(4) for the details of loss allowance for inventories.

The Group is primarily engaged in the manufacture of compound semiconductor wafers and the manufacture and sales of epitaxy products. Due to the rapid technological innovations, intense market competition and fluctuations in market prices, there is a higher risk of inventory losses due from market value decline or obsolescence. The Group uses the net realizable value to make provisions for estimated loss related to inventories aged over a certain period and individually identified as obsolete. The aforementioned identification of obsolete inventories and net realizable value is subject to management's judgment. Considering that the Group's inventory and allowance for inventory valuation loss have a significant impact on the Group's consolidated financial statements, we considered the allowance for inventory valuation loss a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Obtained an understanding and assessed the reasonableness of accounting policies and procedures in relation to allowance for inventory valuation;
- B. Validated the appropriateness of inventory aging report system logic used by management to ensure that the information in the inventory aging report is consistent with the corresponding accounting policies; and

- C. Obtained the net realizable value calculation report prepared by management, ensured the calculation logic is consistently applied, selected samples of inventory items, checked the supporting purchase or sales documents against the accounting records and recalculated the net realizable value to assess the adequacy of allowance for inventory valuation loss.

Existence of sales revenue

Description

Refer to Note 4(25) for accounting policies on sales revenue.

The Group's sales revenue mainly arises from manufacturing and sales of epitaxy wafers related products. The consolidated operating revenue for 2024 amounted to NTD 717,235 thousand, and is significant to the consolidated financial statements. Further, as the Group's customers are spread out across several continents, including America, Asia and Europe, the consolidated sales revenue is easily affected by the demand of terminal market. Thus, we considered the occurrence and existence of sales revenue a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Evaluated and tested the internal controls over sales revenue and the execution of actual process.
- B. Reviewed the public data of the new top 10 major customers and their official company websites and selected samples on related sales transaction documents to assess the appropriateness of sales revenue recognition for these customers.
- C. Obtained the sales details of customers, selected samples of sales transactions at random and examined corresponding documents, such as sales orders, delivery orders, invoices and other related vouchers, to confirm the existence of sales revenue transactions.

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 that came into effect as endorsed by the Financial Supervisory Commission, 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 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 Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

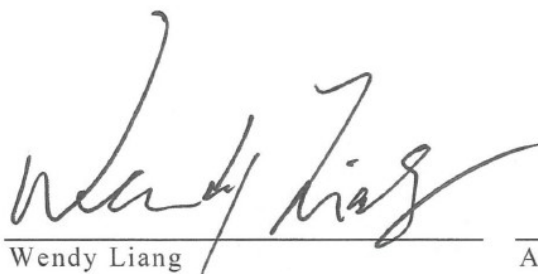
As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgement and professional skepticism throughout the audit. We also:

- A. 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.
- B. 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 Group's internal control.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. 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.
- E. 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.
- F. 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 of the current period 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.



Wendy Liang

Alan Chien

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 12, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows 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 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.

INTELIEPI INC. (CAYMAN) AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash	6(1)	\$ 149,324	7	\$ 68,471	4
1136	Current financial assets at amortized cost	6(2)	27,675	1	240,464	12
1170	Accounts receivable, net	6(3)	182,510	9	98,524	5
1200	Other receivables	6(28)	74,689	4	73,834	4
130X	Inventories, net	6(4)	216,809	11	232,554	12
1410	Prepayments	6(28)	43,564	2	5,898	-
1479	Other current assets		6	-	240	-
11XX	Total current assets		<u>694,577</u>	<u>34</u>	<u>719,985</u>	<u>37</u>
Non-current assets						
1600	Property, plant and equipment	6(5)	1,263,133	63	1,204,487	62
1755	Right-of-use assets	6(6)	2,652	-	3,198	-
1780	Intangible assets	6(7)	419	-	780	-
1840	Deferred income tax assets	6(24)	14,275	1	8,628	-
1900	Other non-current assets	6(8)	47,886	2	14,994	1
15XX	Total non-current assets		<u>1,328,365</u>	<u>66</u>	<u>1,232,087</u>	<u>63</u>
1XXX	Total assets		<u>\$ 2,022,942</u>	<u>100</u>	<u>\$ 1,952,072</u>	<u>100</u>

(Continued)

INTELLIEPI INC. (CAYMAN) AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2120	Current financial liabilities at fair value through profit or loss	6(9)	\$ 51,344	3	\$ 40,720	2
2130	Current contract liabilities	6(17)	4,350	-	5,174	-
2170	Accounts payable		54,016	3	31,800	2
2200	Accrued expenses and other payables	6(11)	39,304	2	42,099	2
2230	Income tax payable		3	-	108	-
2280	Current lease liabilities		1,214	-	919	-
2305	Other current financial liabilities	6(10)	110,359	5	167,559	9
21XX	Total current liabilities		<u>260,590</u>	<u>13</u>	<u>288,379</u>	<u>15</u>
Non-current liabilities						
2580	Non-current lease liabilities		1,584	-	2,438	-
25XX	Total non-current liabilities		<u>1,584</u>	<u>-</u>	<u>2,438</u>	<u>-</u>
2XXX	Total liabilities		<u>262,174</u>	<u>13</u>	<u>290,817</u>	<u>15</u>
Equity attributable to owners of parent						
Share capital						
3110	Common share	6(13)	380,065	19	367,857	19
Capital surplus						
3200	Capital surplus	6(14)	736,254	36	648,664	33
Retained earnings						
3310	Legal reserve	6(15)	122,954	6	122,120	6
3320	Special reserve		69,594	3	-	-
3350	Unappropriated retained earnings		297,999	15	500,147	26
Other equity						
3400	Other equity interest	6(16)	153,284	8	21,793	1
31XX	Equity attributable to owners of the parent		<u>1,760,150</u>	<u>87</u>	<u>1,660,581</u>	<u>85</u>
36XX	Non-controlling interest		618	-	674	-
3XXX	Total equity		<u>1,760,768</u>	<u>87</u>	<u>1,661,255</u>	<u>85</u>
Significant contingent liabilities and unrecognized contract commitments						
Significant event after the balance sheet date						
3X2X	Total liabilities and equity		<u>\$ 2,022,942</u>	<u>100</u>	<u>\$ 1,952,072</u>	<u>100</u>

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

INTELLEPI INC. (CAYMAN) AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

Items	Notes	2024		2023	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(17)	\$ 717,235	100	\$ 662,355	100
5000 Operating costs	6(4)(18)(19)	(603,747)	(84)	(507,808)	(77)
5950 Net gross profit		<u>113,488</u>	<u>16</u>	<u>154,547</u>	<u>23</u>
Operating expenses	6(18)(19)				
6100 Selling expenses		(5,919)	(1)	(4,215)	-
6200 General and administrative expenses		(147,396)	(20)	(132,318)	(20)
6300 Research and development expenses		(61,504)	(9)	(45,454)	(7)
6450 Reversal of impairment loss (impairment loss) determined in accordance with IFRS 9	10(4)	<u>8,389</u>	<u>1</u>	<u>(5,137)</u>	<u>(1)</u>
6000 Total operating expenses		<u>(206,430)</u>	<u>(29)</u>	<u>(187,124)</u>	<u>(28)</u>
6900 Operating loss		<u>(92,942)</u>	<u>(13)</u>	<u>(32,577)</u>	<u>(5)</u>
Non-operating income and expenses					
7100 Interest income	6(2)(20)	9,166	1	7,557	1
7010 Other income	6(21)	372	-	114	-
7020 Other gains and losses	6(22)	(42,595)	(6)	(7,350)	(1)
7050 Finance costs	6(23)	(10,671)	(1)	(1,326)	-
7000 Total non-operating income and expenses		<u>(43,728)</u>	<u>(6)</u>	<u>(1,005)</u>	<u>-</u>
7900 Loss before income tax, net		<u>(136,670)</u>	<u>(19)</u>	<u>(33,582)</u>	<u>(5)</u>
7950 Income tax benefit	6(24)	4,894	1	41,942	6
8200 (Loss) profit for the year		<u>(\$ 131,776)</u>	<u>(18)</u>	<u>(\$ 8,360)</u>	<u>1</u>
Other comprehensive income, net					
Other comprehensive income (loss) that will not be reclassified to profit or loss					
8361 Cumulative translation differences of foreign operations		\$ 125,181	17	(\$ 10,137)	(1)
8500 Total comprehensive loss for the year		<u>(\$ 6,595)</u>	<u>(1)</u>	<u>(\$ 1,777)</u>	<u>-</u>
(Loss) profit attributable to:					
8610 Owners of the parent		(\$ 131,720)	(18)	\$ 8,343	1
8620 Non-controlling interest		(56)	-	17	-
Total		<u>(\$ 131,776)</u>	<u>(18)</u>	<u>(\$ 8,360)</u>	<u>1</u>
Comprehensive (loss) income attributable to:					
8710 Owners of the parent		(\$ 6,539)	(1)	(\$ 1,794)	-
8720 Non-controlling interest		(56)	-	17	-
Total		<u>(\$ 6,595)</u>	<u>(1)</u>	<u>(\$ 1,777)</u>	<u>-</u>
Earnings per share (in dollars)					
9750 Basic earnings per share	6(25)	<u>(\$ 3.58)</u>		<u>\$ 0.23</u>	
9850 Diluted earnings per share	6(25)	<u>(\$ 3.58)</u>		<u>\$ 0.23</u>	

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

INTELLIEPI INC. (CAYMAN) AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to owners of the parent										
	Capital			Retained Earnings				Other equity	Total	Non-controlling interest	Total equity
	Notes	Common share	Share capital awaiting retirement	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings				
For the year ended December 31, 2023											
Balance at January 1, 2023		\$ 367,684	(\$ 136)	\$ 647,230	\$ 106,341	\$ 121,993	\$ 459,076	\$ 23,527	\$ 1,725,715	\$ 657	\$ 1,726,372
Profit for the year		-	-	-	-	-	8,343	-	8,343	17	8,360
Other comprehensive loss for the year		-	-	-	-	-	-	(10,137)	(10,137)	-	(10,137)
Total comprehensive income (loss) for the year		-	-	-	-	-	8,343	(10,137)	(1,794)	17	(1,777)
Appropriations of 2022 earnings											
Special reserve		-	-	-	-	(121,993)	121,993	-	-	-	-
Legal reserve		-	-	-	15,779	-	(15,779)	-	-	-	-
Cash dividends	6(15)	-	-	-	-	-	(73,486)	-	(73,486)	-	(73,486)
Compensation cost of restricted stocks to employees	6(12)(14)(16)	-	-	(705)	-	-	-	10,851	10,146	-	10,146
Retirement of restricted stocks to employees	6(13)(14)	(252)	252	-	-	-	-	-	-	-	-
Issuance of restricted stocks to employees	6(13)(14)(16)	425	-	2,023	-	-	-	(2,448)	-	-	-
Repurchase of restricted stocks to employees	6(14)	-	(116)	116	-	-	-	-	-	-	-
Balance at December 31, 2023		\$ 367,857	\$ -	\$ 648,664	\$ 122,120	\$ -	\$ 500,147	\$ 21,793	\$ 1,660,581	\$ 674	\$ 1,661,255
For the year ended December 31, 2024											
Balance at January 1, 2024		\$ 367,857	\$ -	\$ 648,664	\$ 122,120	\$ -	\$ 500,147	\$ 21,793	\$ 1,660,581	\$ 674	\$ 1,661,255
Loss for the year		-	-	-	-	-	(131,720)	-	(131,720)	(56)	(131,776)
Other comprehensive income for the year		-	-	-	-	-	-	125,181	125,181	-	125,181
Total comprehensive (loss) income for the year		-	-	-	-	-	(131,720)	125,181	(6,539)	(56)	(6,595)
Appropriations of 2023 earnings											
Special reserve		-	-	-	-	69,594	(69,594)	-	-	-	-
Legal reserve		-	-	-	834	-	(834)	-	-	-	-
Compensation cost of restricted stocks to employees	6(12)(14)(16)	-	-	234	-	-	-	6,310	6,544	-	6,544
Conversion of convertible bonds into new shares issued	6(10)(13)(14)	12,208	-	87,356	-	-	-	-	99,564	-	99,564
Balance at December 31, 2024		\$ 380,065	\$ -	\$ 736,254	\$ 122,954	\$ 69,594	\$ 297,999	\$ 153,284	\$ 1,760,150	\$ 618	\$ 1,760,768

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

INTELLIEPI INC. (CAYMAN) AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Loss before income tax for the year		(\$ 136,670)	(\$ 33,582)
Adjustments			
Adjustments to reconcile loss before income tax to net cash			
Depreciation	6(5)(6)(18)	117,650	117,378
Amortization	6(7)(18)	403	361
Compensation cost of share-based payment	6(12)(16)(19)	6,544	10,146
Interest income	6(20)	(9,166)	(7,557)
Interest expense	6(23)	10,671	1,326
Expected credit (gain) loss	10(4)	(8,389)	5,137
Net loss on financial liabilities at fair value through profit or loss	6(9)(22)	42,432	12,000
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		(68,773)	31,940
Inventories		31,496	(13,754)
Prepayments		2,292	(1,223)
Other receivables		435	(187)
Other current assets		250	(39)
Changes in operating liabilities			
Accounts payable		20,062	(6,304)
Contract liabilities		(1,174)	(3,943)
Accrued expenses and other payables		(1,885)	(25,037)
Cash inflow generated from operations		6,178	86,662
Income tax paid		(117)	(1,052)
Interest paid		(116)	(143)
Interest received		11,212	5,325
Net cash flows from operating activities		17,157	90,792
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment	6(26)	(171,405)	(166,432)
Acquisition of intangible assets	6(7)	-	(987)
Decrease (increase) in financial assets at amortized cost		230,519	(86,305)
Net cash flows from (used in) investing activities		59,114	(253,724)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Repayment of principal portion of lease liabilities	6(27)	(1,172)	(1,059)
Issuance of convertible bonds	6(27)	-	195,096
Cash dividends paid	6(15)	-	(73,486)
Net cash flows (used in) from financing activities		(1,172)	120,551
Effect of exchange rate changes on cash		5,754	(5,444)
Net increase (decrease) in cash		80,853	(47,825)
Cash at beginning of year		68,471	116,296
Cash at end of year		\$ 149,324	\$ 68,471

Attachment 4

Article	After Amendment	Before Amendment	Note
3.2	The Company shall not issue Shares to bearer. <u>The Company shall issue shares with a nominal or par value and shall not convert the shares with a nominal or par value into shares without nominal or par value.</u>	The Company shall not issue Shares to bearer.	In accordance with <TPEX Checklist for Protection of Shareholders' Equity, and their impact on shareholders' equity>