Stock Code: 3694

AzureWave Technologies, Inc.

Handbook for the 2025 Annual Meeting of Shareholders
(Translation)

Meeting method：physical shareholders' meeting

Date: 9:00 a.m. on Friday, June 20, 2025

Location: 2F., No. 213, Sec. 3, Beixin Rd., Xindian Dist., New Taipei City,
(Taipei Innovation City Convention Center)

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AzureWave Technologies, Inc.

Procedure for the 2025

Annual Meeting of Shareholders

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2. Chairperson Remarks
3. Reports
4. Adoptions
5. Discussion
6. Questions and Motions
7. Adjournment

AzureWave Technologies, Inc.

2025 Annual Shareholders' Meeting Agenda

Date: 9:00 a.m. on Friday, June 20, 2025

Location: 2F., No. 213, Sec. 3, Beixin Rd., Xindian Dist., New Taipei City
(Taipei Innovation City Convention Center)

Meeting Procedure:

1. Call the Meeting to Order (Announce the number of shares represented by shareholders present at the meeting)
2. Chairperson Remarks
3. Report
   (1) 2024 Business Report
   (2) Audit Committee's Review Report on the 2024 Financial Statements
   (3) Report on 2024 Profit Sharing Bonus to Employees and Remuneration to Directors
4. Adoption
   (1) 2024 Business Report and Financial Statements
   (2) Proposal for Distribution of 2024 Earnings
5. Discussion: Amendments to the Company's "Articles of Incorporation"
6. Questions and Motions
7. Adjournment

1. Reports

Report No. 1：

The Company’s 2024 Business Report for review.

Explanation：Refer to attachment 1 of the Handbook (page 8) for the 2024 Business Report .

Report No. 2：

Audit Committee's Review Report on the 2024 financial statements for acknowledgment.

Explanation：Refer to attachment 2 of the Handbook (page 12) for the Audit Committee's Review Report.

Report No. 3：

Distribution of employees’ compensation and directors’ remuneration for 2024.

Explanation：

1.) Pursuant to Article 26 of the Company's Articles of Incorporation.
2.) The Company's profit before tax without deduction the sums of employees’ compensation and directors’ remuneration for the year ended December 31, 2024 was NT$448,363,390. The distribution of the profit sharing bonus to employees was proposed to be NT$17,934,536 in the form of cash, allocated from the rate at 4% of the balance.
3.) Directors' remuneration will be handled in accordance with the current method, and no additional directors' remuneration is proposed for allocation.
4.) The above amount resolved for the distribution is the same as the sums of employees’ compensation recognized in the 2024 financial statements.

2. Adoptions

Proposal No. 1： (Proposed by the Board)

Adoption of the 2024 Business Report and Financial Statements.

Explanation：

1.) Pursuant to Article 228 of the "Company Act" and Article 36 of the "Securities and Exchange Act".
2.) The Company's Financial Statements were audited by CPAs Chin-Chuan Shih and Wen-Ya Hsu of Deloitte & Touche. Business Report and Financial Statements have been reviewed by the Audit Committee of AzureWave Technologies, Inc..
3.) Please refer to attachment 1 (page 8) and attachment 3 (page 13) of the Handbook for the Financial Statements and Business Report.

Resolution：

Proposal No. 2： (Proposed by the Board.)

Adoption of the Company’s distribution of 2024 earnings.

Explanation：

1.) The Company's 2024 net profit after tax was NT$417,022,727. The following is the earnings distribution table.

AzureWave Technologies, Inc.

PROFIT DISTRIBUTION TABLE

Unit: NT$

Item	Amount	
Beginning Retained Earnings		137,864,881
Add: Net profit of 2024	417,022,727	
Add: Remeasurement of Defined Benefit plans	674,141	
Sum of current profit after tax and items other than profit after tax added to current unappropriated earnings		417,696,868
Less:10% Legal Reserve	(41,769,687)	
Add: Special Reserve	71,661,905	
Distributable net profit		585,453,967
Items for Allocation		
Dividends- Cash (NT$1.5 per share) (Note)		(228,832,212)
Unappropriated Retained Earnings		356,621,755

Note: As of February 28, 2025, outstanding shares of 152,554,808 shares issued by the Company shall serves as the basis for this calculation.

Chairman：	Managerial Officer：	Accounting Officer：
Jason Cheng	Kuang-Chih Cheng	Ching-I Hung

2.) The cash dividend distribution will be calculated to the nearest dollar, with amounts less than one dollar rounded down. The total amount of fractional shares less than one dollar will be transferred to other revenue. The chairman of the board of directors will be authorized to set a new ex-dividend base date and related distribution operations after approval by the shareholders' regular meeting.

3.) If the number of outstanding shares is subsequently affected due to the issuance of employee stock warrants, the issuance of new restricted employee shares, the repurchase of the company's shares, or the transfer, conversion and cancellation of the repurchased shares, and the shareholder dividend rate changes accordingly, the chairman of the board of directors is authorized to distribute with full authority to handle it within the scope of the amount.

Resolution：

3. Discussion

(Proposed by the Board)

Proposal：Resolution of amendments to the Company's "Articles of Incorporation".

Explanation：

1.) Pursuant to Jin-Guan-Certificate No. 1130385442 approved and certified by Financial Supervisory Commission on November 08, 2024.

2.) Please Refer to attachments 4 (pages 33) of the Handbook for a comparison of the amendments to the "Articles of Incorporation"

Resolution：

4. Questions and Motions

5. Adjournment

Attachments

【Attachment 1】

AzureWave Technologies, Inc.
2024 Business Report

In 2024, the global economy demonstrated resilience and vitality despite challenges from geopolitical tensions and internal political instability in some major economies. However, overall growth momentum remained weak. The global economic growth rate for 2024 was 3.2%, slightly lower than the 3.3% in 2023 and below the pre-pandemic average. The United States maintained steady economic performance, supported by strong private consumption, a stable labor market, and active government efforts to expand consumption and investment. In China, growth in investment and exports partially offset weak consumption, but the struggling real estate market continued to suppress private spending and strain local fiscal expenditures, putting pressure on the economic growth structure. The Eurozone saw a recovery in consumer confidence as inflation eased and real incomes rose, supporting regional economic growth despite sluggish manufacturing activity. Japan's economy underperformed expectations due to natural disasters such as earthquakes and typhoons, which damaged infrastructure and supply chains, along with worsening crises in the automotive industry, severely impacting production and exports.

Although the global notebook computers market experienced a slow recovery due to the impact of the general economy, worldwide shipments still grew by 3.7% year on year to 174 million units in 2024, thanks to multiple factors including rebounding commercial demand, increased penetration of AI notebooks, supply chain diversification, Windows 10 upgrade demand, and potential new tariff threats following the U.S. government transition. Through the relentless efforts of our team, the Company adeptly navigated market fluctuations by adjusting product strategies, enhancing procurement bargaining power, and optimizing automation to reduce labor costs and inventory levels. With disciplined capital expenditure control, we successfully achieved our operational targets for the year.

The Company's operating results for the previous year and future business outlook are summarized as follows：

1.Revenue and profitability

In 2024, the Company's consolidated revenue was NT$9,250,634 thousand, a decline of 2.94% compared to NT$9,531,300 thousand in 2023. This decline was mainly due to weak end-market demand for notebook computers and consumer electronics products. However, through achieving economies of scale in production capacity, which reduced fixed manufacturing cost allocation rates, improving manufacturing efficiency, optimizing product mix, introducing higher-value models, and strengthening procurement bargaining power, the

Company delivered positive operational improvements. As a result, the full-year gross margin increased from 13.28% in 2023 to 14.52% in 2024. Net profit after tax rose by 25.07% year-on-year to NT$417,023 thousand compared to NT$333,439 thousand in 2023, with earnings per share after tax was NT$2.75.

2.Research and development

The R&D expenses for 2024 were NT$545,012 thousand, accounting for 5.89% of annual revenue, an increase of NT$14,610 thousand compared to NT$530,402 thousand for 2023. The focus of product development for the year was on wireless modules and camera modules applied to notebook computers, game consoles, consumer electronics, wearable devices, vehicle-mounted electronics, drones, robots, and other Internet of Things (IoT) related products.

In wireless communication product development, the Company successfully completed R&D and mass production of WiFi 7 module solutions for multiple IC manufacturers in 2024, achieving comprehensive coverage of industry WiFi 7 module solutions with the most complete product portfolio in the sector. Same year in vehicle wireless modules products, we accomplished our first AEC-Q104 automotive module development while continuing to expand the product line to provide customers with more diversified options. Additionally, we continue to develop Thread, WiFi HaLow, SoM, SiP, MCU+WiFi, and UWB product lines, to meet the customers' requirements in various sectors around the world.

In the R&D of camera modules, the primary application remains notebook computers. In 2024, we completed the development of multiple 2M and 5M resolution camera modules. Notably, by leveraging our patented Flip-chip packaging + GOS (IR Glass on Sensor) + AA (Active Alignment) process, we introduced the industry's narrowest and thinnest 2M camera module, which has been successfully adopted by multiple customers. Additionally, camera modules developed using our DIH (Die in Through Hole) process have entered the initial customer validation phase. These modules are expected to provide customers with thickness and width comparable to Flip-chip solutions but at a lower cost. Throughout 2024, we actively collaborated with AI solution chip manufacturers to develop camera modules with built-in AI ISPs and standalone AI chips, addressing diverse application needs such as HPD. Beyond notebook computers, we are also expanding into automotive, IoT, 360-degree panoramic systems, AR/VR, drones, and robotics camera modules to meet varied customer requirements.

3. Business development

Affected by weak end-market demand for notebook computers and consumer electronics, the Company's revenue decreased by 2.94% year-over-year. However, shipment volume saw a slight increase of 1.48% compared to the previous year. Both annual revenue and shipment volume remained above pre-pandemic levels.

1) In wireless modules products

In 2024, the market demonstrated diversified development trends, driven by applications such as AI PCs, WiFi 7, smart city infrastructure, and vehicle connectivity. However, emerging display technologies like OLED, Mini LED backlight, and glasses free 3D products faced limited market demand due to their relatively high prices. Annual shipments of wireless modules reached 117 million units. Looking ahead, wireless modules will evolve toward higher speeds, broader coverage, lower power consumption, enhanced security, and multi-standard support to meet increasingly diverse communication needs. The Company offers a comprehensive range of wireless modules optimized for different applications, delivering best performance, extended range, compact size, or ultra-low power consumption. And continue to create maximum value for customers through superior quality, on-time delivery, and cutting-edge technology, expanding our client base. Additionally, vehicle wireless modules are expected to enter trial production, positioning them as a key growth driver for the future.

2) In camera modules products

The Company currently ranks among the top three suppliers in the notebook camera module industry, serving most major global brands. Amid market adjustments, we continue to optimize our customer portfolio by phasing out low-margin clients and securing more high-value customers and expand into gaming, consumer, and commercial/education notebook camera module segments with advanced camera solutions. Leverage our ultra-thin, ultra-narrow module technology to increase market share in narrow-bezel notebook camera modules. Develop Value IoT and handheld device applications to diversify revenue streams. These strategic initiatives aim to strengthen our leadership in high-quality imaging products and drive tangible growth in our digital imaging business.

4. 2025 business outlook

Looking ahead to 2025, the global economy is expected to enter an era of “three lows.” Affected by U.S. and China protectionism and excessive intervention, global economic growth momentum will continue to face pressure. Major Western countries are expected to enter a "gradual interest rate cut" cycle, with interest rates slowly declining from their peaks, while volatility in the U.S. Treasury market and rising market uncertainties also increase. It is anticipated that the global economy will still face adjustment challenges in 2025. However, with the post-pandemic device replacement demand warming up and the launch of new AI PC models, notebook products are expected to gain new shipment momentum. The Company will continue to leverage our technological leadership in wireless communication products and utilize key ultra-thin camera technologies to expand development opportunities. We will actively develop next-generation wireless technologies (WiFi 7, LPWA low-power wide-area network modules, SOM wireless system modules), AI camera modules, smart glasses, 360-degree panoramic systems, drones, and robotics products by leveraging our system integration capabilities, aiming to seize opportunities in the new era of the electronics industry.

The management team will also continue to advance smart manufacturing initiatives to enhance production efficiency and quality stability, while strengthening workforce and inventory management. By implementing prudent financial strategies and flexible market approaches, we aim to improve operational efficiency and drive sustainable growth momentum. In terms of global manufacturing deployment, in addition to our primary production base in Mainland China, Vietnam operation center has commenced mass production with ongoing production line expansions. This allows us to flexibly respond to changes in customer demand, ensure stable shipments and realize regionalized services. Furthermore, aligned with global ESG trends, AzureWave rigorously adheres to the Responsible Business Alliance (RBA) Code of Conduct. We continuously improve employee working conditions and occupational health & safety management in compliance with international initiatives and client requirements. Our active energy-saving and carbon reduction initiatives embed sustainability across every operational facet, fostering shared value creation while maximizing shareholder value.

Chairman Jason Cheng

President and CEO Kuang-Chih Cheng

Accounting Officer Ching-I Hung

【Attachment 2】

AzureWave Technologies, Inc.
Audit Committee's Review Report

The Board of Directors has prepared the Company's 2024 Financial Statements, the Financial Statements have been audited by Deloitte & Touche, and an audit report has been issued.

The Audit committee members have reviewed the 2024 Business Report and Proposal for Distribution of 2024 Earnings and determined they are in compliance with the Company Act and other applicable laws and regulations and pursuant to the provisions of Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

We hereby submit this report for your review.

AzureWave Technologies, Inc.
Chairman of the Audit Committee：Tony Chen

Date: March 12, 2025

【Attachment 3】

Deloitte.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
AzureWave Technologies, Inc.

Opinion

We have audited the accompanying parent company only financial statements of AzureWave Technologies, Inc. (the "Company"), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

In our opinion, 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, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, 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 judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
The key audit matters of the parent company only financial statements for the year ended December 31, 2024 are stated as follows:

Revenue Recognition

Revenue from the sale of goods is recognized when significant risks and control are transferred to the customers. We conducted an analysis of the sales revenue for the year ended December 31, 2024. Some of the sales revenue amounts have a significant impact on the parent company only financial statements. After considering the sales process, these sales revenues are recognized as key audit matters for the current year.

For the accounting policy on revenue recognition, refer to Note 4.

We understood and tested the effectiveness of the main internal control design and execution regarding the authenticity of sales revenue. We also conducted sampling and confirmation procedures for the full-year sales revenue of these sales to test the authenticity of sales transactions.

Evaluation of Investments Accounted for Using the Equity Method

As stated in Note 10 to the parent company only financial statements, as of December 31, 2024, the carrying amount of the investment in subsidiaries accounted for using the equity method was $3,196,340 thousand, representing 42% of the Company's assets. For the year ended December 31, 2024, the amount of share of gain of subsidiaries was $349,722 thousand, representing 81% of the Company's profit before income tax, which is material to the parent company only financial statements. Therefore, evaluation of investments in subsidiaries accounted for using the equity method was deemed to be a key audit matter.

In order to evaluate investments in subsidiaries accounted for using the equity method appropriately, we performed the audit procedures as follows:

1. We conducted our audits of the parent company only financial statements of subsidiaries in accordance with the Standards on Auditing of the Republic of China, the subsidiaries' financial statements have been prepared in accordance with the same accounting principles as the Company.

2. We obtained the investments in subsidiaries accounted for using the equity method for the year ended December 31, 2024, reviewed the calculation by the Company and evaluated the accuracy and completeness of the recognition of investment gain or loss.

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 management and the audit committee, are responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

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

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

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of 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 audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Chin-Chuan Shih and Wen-Yea Shyu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 12, 2025

Notice to Readers

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

For the convenience of readers, the independent 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. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

AZUREWAVE TECHNOLOGIES, INC.

PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 2,037,350	27	$ 918,076	16
Trade receivables, net (Notes 4, 5 and 8)	1,601,756	21	1,596,460	28
Trade receivables - related parties (Notes 4, 5, 8 and 25)	50,585	1	27,458	-
Other receivables (Notes 4, 8 and 25)	24,592	-	1,890	-
Inventories (Notes 4, 5 and 9)	584,504	8	557,334	10
Other current assets (Notes 4 and 14)	31,030	-	29,758	-
Total current assets	4,329,817	57	3,130,976	54
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 7)	49,579	1	19,596	1
Investments accounted for using the equity method (Notes 4 and 10)	3,196,340	42	2,569,681	45
Property, plant and equipment (Notes 4 and 11)	17,760	-	17,754	-
Right-of-use assets (Notes 4 and 12)	14,214	-	15,310	-
Intangible assets (Notes 4 and 13)	1,273	-	733	-
Deferred tax assets (Notes 4 and 20)	13,196	-	19,052	-
Refundable deposits (Note 14)	2,260	-	2,262	-
Net defined benefit assets (Notes 4 and 17)	5,718	-	4,883	-
Total non-current assets	3,300,340	43	2,649,271	46
TOTAL	$ 7,630,157	100	$ 5,780,247	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Trade payables (Note 15)	$ 1,767,486	23	$ 1,490,293	26
Trade payables - related parties (Notes 15 and 25)	2,225,472	29	1,167,971	20
Other payables (Notes 16 and 25)	75,276	1	78,397	1
Other payables - related parties (Note 25)	27,349	1	4,980	-
Current tax liabilities (Notes 4 and 20)	1,154	-	-	-
Lease liabilities - current (Notes 4 and 12)	9,365	-	11,337	-
Other current liabilities (Notes 16 and 25)	93,328	1	47,705	1
Total current liabilities	4,199,430	55	2,800,683	48
NON-CURRENT LIABILITIES				
Lease liabilities - non-current (Notes 4 and 12)	5,029	-	4,346	-
Credit balance of investments accounted for using the equity method (Notes 4 and 10)	24,487	-	24,538	1
Total non-current liabilities	29,516	-	28,884	1
Total liabilities	4,228,946	55	2,829,567	49
EQUITY (Notes 18 and 22)				
Share capital				
Ordinary shares	1,525,548	20	1,525,976	26
Capital surplus	1,100,472	15	1,101,742	19
Legal reserve	40,236	1	6,924	-
Special reserve	71,662	1	52,355	1
Unappropriated earnings	555,562	7	343,082	6
Total retained earnings	667,460	9	402,361	7
Other equity	107,731	1	(79,399)	(1)
Total equity	3,401,211	45	2,950,680	51
TOTAL	$ 7,630,157	100	$ 5,780,247	100

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

AZUREWAVE TECHNOLOGIES, INC.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4 and 25)				
Sales	$ 7,626,995	100	$ 7,918,535	100
Other operating revenue	3,554	-	9,540	-
Total operating revenue	7,630,549	100	7,928,075	100
OPERATING COSTS (Notes 9, 19 and 25)	7,221,910	95	7,533,585	95
GROSS PROFIT	408,639	5	394,490	5
OPERATING EXPENSES (Notes 8, 17, 19 and 25)				
Selling and marketing expenses	59,173	1	74,585	1
General and administrative expenses	109,792	1	103,559	1
Research and development expenses	240,030	3	226,479	3
Total operating expenses	408,995	5	404,623	5
(LOSS) PROFIT FROM OPERATIONS	(356)	-	(10,133)	-
NON-OPERATING INCOME AND EXPENSES (Notes 10, 19, 25 and 27)				
Finance costs	(226)	-	(2,727)	-
Share of profit or loss of subsidiaries	349,722	5	314,216	4
Interest income	66,552	1	16,340	-
Other income	162	-	143	-
Other gains and losses	4,114	-	3,444	-
Gain on foreign exchange	10,484	-	14,754	-
Loss on disposal of property, plant and equipment	(23)	-	-	-
Total non-operating income and expenses	430,785	6	346,170	4
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	430,429	6	336,037	4
INCOME TAX EXPENSE (Notes 4 and 20)	(13,406)	-	(2,598)	-
NET PROFIT FOR THE YEAR	417,023	6	333,439	4

(Continued)

AZUREWAVE TECHNOLOGIES, INC.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 17)	$ 674	-	$ (317)	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income (Note 18)	(17)	-	(91)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations (Note 18)	180,118	2	(19,216)	-
Other comprehensive income (loss) for the year, net of income tax	180,775	2	(19,624)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 597,798	8	$ 313,815	4
EARNINGS PER SHARE (Note 21)				
From continuing operations				
Basic	$ 2.75		$ 2.18	
Diluted	$ 2.73		$ 2.18	

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

AZUREWAVE TECHNOLOGIES, INC.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

			Retained Earnings			Other Equity			
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	(Accumulated Deficit) Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Loss on Financial Assets at Fair Value Through Other Comprehensive Income	Unearned Employee Benefits	Total Equity
BALANCE AT JANUARY 1, 2023	$ 1,527,388	$ 1,103,725	$ -	$ -	$ 69,239	$ (52,355)	$ -	$ (28,475)	$ 2,619,522
Appropriation of 2022 earnings									
Legal reserve	-	-	6,924	-	(6,924)	-	-	-	-
Special reserve	-	-	-	52,355	(52,355)	-	-	-	-
Share-based payments transaction	(1,412)	(1,983)	-	-	-	-	-	20,738	17,343
Net profit for the year ended December 31, 2023	-	-	-	-	333,439	-	-	-	333,439
Other comprehensive loss for the year ended December 31, 2023	-	-	-	-	(317)	(19,216)	(91)	-	(19,624)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	333,122	(19,216)	(91)	-	313,815
BALANCE AT DECEMBER 31, 2023	1,525,976	1,101,742	6,924	52,355	343,082	(71,571)	(91)	(7,737)	2,950,680
Appropriation of 2023 earnings									
Legal reserve	-	-	33,312	-	(33,312)	-	-	-	-
Special reserve	-	-	-	19,307	(19,307)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(152,598)	-	-	-	(152,598)
Share-based payments transaction	(428)	(1,270)	-	-	-	-	-	7,029	5,331
Net profit for the year ended December 31, 2024	-	-	-	-	417,023	-	-	-	417,023
Other comprehensive income for the year ended December 31, 2024	-	-	-	-	674	180,118	(17)	-	180,775
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	417,697	180,118	(17)	-	597,798
BALANCE AT DECEMBER 31, 2024	$ 1,525,548	$ 1,100,472	$ 40,236	$ 71,662	$ 555,562	$ 108,547	$ (108)	$ (708)	$ 3,401,211

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

AZUREWAVE TECHNOLOGIES, INC.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 430,429	$ 336,037
Adjustments for:		
Depreciation expense	24,827	28,362
Amortization expense	385	333
Finance costs	226	2,727
Interest income	(66,552)	(16,340)
Compensation costs of employee share options	5,331	17,343
Share of profit (loss) of subsidiaries	(349,722)	(314,216)
Loss on disposal of property, plant and equipment	23	-
Changes in operating assets and liabilities		
Trade receivables	(5,296)	1,496
Trade receivables - related parties	(23,127)	36,605
Other receivables	(24,592)	-
Other receivables - related parties	1,890	-
Inventories	(27,170)	290,757
Net defined benefit assets	(161)	(129)
Other current assets	(1,054)	1,481
Trade payables	277,193	(77,093)
Trade payables - related parties	1,057,501	930,372
Other payables	(3,121)	6,948
Other payables - related parties	22,369	-
Other current liabilities	45,623	2,708
Cash generated from operations	1,365,002	1,247,391
Interest received	66,552	16,340
Interest paid	(226)	(2,727)
Income tax paid	(6,614)	(1,578)
Net cash flows generated from operating activities	1,424,714	1,259,426
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(30,000)	(19,687)
Acquisition of the investments accounted for using the equity method	(96,870)	(191,313)
Payments for property, plant and equipment	(12,665)	(7,156)
Decrease in refundable deposits	2	-
Payments for intangible assets	(925)	-
Dividends received from subsidiaries	-	4,000
Net cash used in investing activities	(140,458)	(214,156)

(Continued)

AZUREWAVE TECHNOLOGIES, INC.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term borrowings	$ -	$ (380,000)
Repayment of the principal portion of lease liabilities	(12,384)	(12,181)
Dividends paid	(152,598)	-
Net cash used in financing activities	(164,982)	(392,181)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,119,274	653,089
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	918,076	264,987
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 2,037,350	$ 918,076

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

Deloitte.

勤業眾信

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
AzureWave Technologies, Inc.

Opinion

We have audited the accompanying consolidated financial statements of AzureWave Technologies, Inc. and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

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, 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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the 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 judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the consolidated financial statements for the year ended December 31, 2024 is stated as follows:

<u>Revenue Recognition</u>

Revenue from the sale of goods is recognized when significant risks and control are transferred to the customers. We conducted an analysis of the consolidated sales revenue for the year ended December 31, 2024. Some of the sales revenue amounts have a significant impact on the consolidated financial statements. After considering the sales process, these sales revenues are recognized as key audit matters for the current year.

For the accounting policy on revenue recognition, refer to Note 4.

We understood and tested the effectiveness of the main internal control design and execution regarding the authenticity of sales revenue. We also conducted sampling and confirmation procedures for the full-year sales revenue of these sales to test the authenticity of sales transactions.

Other Matters

We have also audited the parent company only financial statements of AzureWave Technologies, Inc. as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion.

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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) 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 management and 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 Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 Group'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 and appropriate audit evidence regarding the financial information of 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, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors’ report are Chin-Chuan Shih and Wen-Yea Shyu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 12, 2025

Notice to Readers

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

For the convenience of readers, the independent 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. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ report and consolidated financial statements shall prevail.

AZUREWAVE TECHNOLOGIES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 2,168,875	35	$ 1,171,114	21
Trade receivables, net (Notes 4, 5 and 8)	1,883,601	30	1,762,492	32
Trade receivables - related parties (Notes 4, 5, 8 and 27)	50,585	1	27,458	1
Other receivables (Note 8)	25,272	-	109	-
Inventories (Notes 4, 5 and 9)	971,987	15	1,383,700	25
Other current assets (Notes 4, 15 and 27)	70,536	1	64,693	1
Total current assets	5,170,856	82	4,409,566	80
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 7)	49,579	1	19,596	-
Property, plant and equipment (Notes 4 and 11)	836,773	13	831,960	15
Right-of-use assets (Notes 4, 12 and 27)	153,377	3	187,558	4
Investment properties (Notes 4 and 13)	30,025	1	31,023	1
Intangible assets (Notes 4 and 14)	2,501	-	2,676	-
Deferred tax assets (Notes 4 and 21)	13,196	-	19,303	-
Refundable deposits (Note 15)	12,040	-	11,617	-
Net defined benefit assets (Notes 4 and 18)	5,718	-	4,883	-
Other non-current assets (Note 15)	1,959	-	2,488	-
Total non-current assets	1,105,168	18	1,111,104	20
TOTAL	$ 6,276,024	100	$ 5,520,670	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Trade payables (Note 16)	$ 2,391,149	38	$ 2,096,765	38
Trade payables - related parties (Notes 16 and 27)	388	-	363	-
Other payables (Notes 17 and 27)	224,437	4	209,722	4
Current tax liabilities (Notes 4 and 21)	1,624	-	-	-
Lease liabilities - current (Notes 4, 12 and 27)	77,400	1	78,221	1
Other current liabilities (Notes 17 and 27)	101,310	2	55,041	1
Total current liabilities	2,796,308	45	2,440,112	44
NON-CURRENT LIABILITIES				
Lease liabilities - non-current (Notes 4, 12 and 27)	78,411	1	129,840	3
Guarantee deposits received (Note 17)	94	-	38	-
Total non-current liabilities	78,505	1	129,878	3
Total liabilities	2,874,813	46	2,569,990	47
EQUITY (Notes 19 and 23)				
Share capital				
Ordinary shares	1,525,548	24	1,525,976	28
Capital surplus	1,100,472	17	1,101,742	20
Legal reserve	40,236	1	6,924	-
Special reserve	71,662	1	52,355	1
Unappropriated earnings	555,562	9	343,082	6
Total retained earnings	667,460	11	402,361	7
Other equity	107,731	2	(79,399)	(2)
Total equity	3,401,211	54	2,950,680	53
TOTAL	$ 6,276,024	100	$ 5,520,670	100

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

AZUREWAVE TECHNOLOGIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4 and 27)				
Sales	$ 9,244,813	100	$ 9,519,539	100
Other operating revenue	5,821	-	11,761	-
Total operating revenue	9,250,634	100	9,531,300	100
OPERATING COSTS (Notes 9, 20 and 27)	7,907,197	86	8,265,853	87
GROSS PROFIT	1,343,437	14	1,265,447	13
OPERATING EXPENSES (Notes 18, 20 and 27)				
Selling and marketing expenses	147,311	2	139,840	1
General and administrative expenses	298,183	3	280,895	3
Research and development expenses	545,012	6	530,402	6
Total operating expenses	990,506	11	951,137	10
PROFIT FROM OPERATIONS	352,931	3	314,310	3
NON-OPERATING INCOME AND EXPENSES (Notes 20, 27 and 29)				
Interest income	67,619	1	18,392	-
Rental income	162	-	143	-
Finance costs	(10,127)	-	(12,782)	-
Gain on foreign exchange	19,766	-	15,241	-
Other gains	1,177	-	2,650	-
Loss on disposal of property, plant and equipment	(368)	-	(373)	-
Total non-operating income and expenses	78,229	1	23,271	-
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	431,160	4	337,581	3
INCOME TAX EXPENSE (Notes 4 and 21)	(14,137)	-	(4,142)	-
NET PROFIT FOR THE YEAR	417,023	4	333,439	3

(Continued)

AZUREWAVE TECHNOLOGIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 18)	$ 674	-	$ (317)	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income (Note 19)	(17)	-	(91)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations (Note 19)	180,118	2	(19,216)	-
Other comprehensive income (loss) for the year, net of income tax	180,775	2	(19,624)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 597,798	6	$ 313,815	3
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ 417,023	5	$ 333,439	4
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 597,798	6	$ 313,815	3
EARNINGS PER SHARE (Note 22)				
From continuing operations				
Basic	$ 2.75		$ 2.18	
Diluted	$ 2.73		$ 2.18	

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

AZUREWAVE TECHNOLOGIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

			Retained Earnings			Other Equity			
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	(Accumulated Deficit) Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Loss on Financial Assets at Fair Value Through Other Comprehensive Income	Unearned Employee Benefits	Total Equity
BALANCE AT JANUARY 1, 2023	$ 1,527,388	$ 1,103,725	$ -	$ -	$ 69,239	$ (52,355)	$ -	$ (28,475)	$ 2,619,522
Appropriation of 2022 earnings									
Legal reserve	-	-	6,924	-	(6,924)	-	-	-	-
Special reserve	-	-	-	52,355	(52,355)	-	-	-	-
Share-based payments transaction	(1,412)	(1,983)	-	-	-	-	-	20,738	17,343
Net profit for the year ended December 31, 2023	-	-	-	-	333,439	-	-	-	333,439
Other comprehensive loss for the year ended December 31, 2023	-	-	-	-	(317)	(19,216)	(91)	-	(19,624)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	333,122	(19,216)	(91)	-	313,815
BALANCE AT DECEMBER 31, 2023	1,525,976	1,101,742	6,924	52,355	343,082	(71,571)	(91)	(7,737)	2,950,680
Appropriation of 2023 earnings									
Legal reserve	-	-	33,312	-	(33,312)	-	-	-	-
Special reserve	-	-	-	19,307	(19,307)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(152,598)	-	-	-	(152,598)
Share-based payments transaction	(428)	(1,270)	-	-	-	-	-	7,029	5,331
Net profit for the year ended December 31, 2024	-	-	-	-	417,023	-	-	-	417,023
Other comprehensive income for the year ended December 31, 2024	-	-	-	-	674	180,118	(17)	-	180,775
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	417,697	180,118	(17)	-	597,798
BALANCE AT DECEMBER 31, 2024	$ 1,525,548	$ 1,100,472	$ 40,236	$ 71,662	$ 555,562	$ 108,547	$ (108)	$ (708)	$ 3,401,211

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

AZUREWAVE TECHNOLOGIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 431,160	$ 337,581
Adjustments for:		
Depreciation expense (including depreciation of investment properties)	348,512	404,855
Amortization expense (including amortization of other non-current assets)	2,161	3,118
Finance costs	10,127	12,782
Interest income	(67,619)	(18,392)
Compensation costs of employee share options	5,331	17,343
Loss on disposal of property, plant and equipment	368	373
Gains on lease modification	(14)	-
Changes in operating assets and liabilities		
Trade receivables	(121,090)	(83,321)
Trade receivables - related parties	(23,127)	35,276
Other receivables	(25,163)	10
Inventories	411,713	613,191
Net defined benefit assets	(161)	(129)
Other current assets	(5,625)	(614)
Trade payables	294,384	(8,851)
Trade payables - related parties	25	(889)
Other payables	17,247	3,847
Other current liabilities	46,269	(81,965)
Cash generated from operations	1,324,498	1,234,215
Interest received	67,619	18,392
Interest paid	(10,127)	(12,782)
Income tax paid	(6,624)	(7,188)
Net cash generated from operating activities	1,375,366	1,232,637
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(30,000)	(19,687)
Payments for property, plant and equipment	(229,870)	(68,644)
Proceeds from disposal of property, plant and equipment	-	320
Payments for right-of-use assets	(10,014)	-
Increase in refundable deposits	(62)	-
Decrease in refundable deposits	-	21
Payments for intangible assets	(1,204)	(1,418)
Net cash used in investing activities	(271,150)	(89,408)

(Continued)

AZUREWAVE TECHNOLOGIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term borrowings	$ -	$ (380,000)
Repayment of the principal portion of lease liabilities	(79,186)	(46,673)
Dividends paid	(152,598)	-
Net cash used in financing activities	(231,784)	(426,673)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	125,329	(22,454)
NET INCREASE IN CASH AND CASH EQUIVALENTS	997,761	694,102
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,171,114	477,012
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 2,168,875	$ 1,171,114

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

【Attachment 4】

AzureWave Technologies, Inc.

Comparison of Amendments to the Articles of Incorporation

Article	Amended Content	Current Content	Reason for Amendment
Article 26	Where there is profit at the end of a fiscal year, after covering the accumulated losses of the prior years, the Company's allocation for profit sharing bonus to employees and compensation to directors is as follows: 1. Allocation at the rate of 4% to 12% of the remaining earnings for distributing profit sharing bonus to employees, <u>of which no less than 30% shall be allocated to non-managerial employees</u> by way in cash and/or stocks. 2. Allocation at the rate no more than 2% of the remaining earnings for distributing compensation to directors. The aforesaid profit is the profit before tax without deduction from pay for employees' profit sharing bonus and directors' compensation. The Company's treasury stocks, employee stock options certificates, employee acquiring new shares, restricted stock awards and employees' profit sharing bonus may be distributed to the employees reaching certain requirements or under the subsidiaries/headquarters of the Company. Qualification requirements of the employees who are entitled to receive the employees' compensation shall be specified by the Board of Directors. <u>Employees' profit sharing bonus and directors' compensation shall be resolved by the Board of Directors and reported to the shareholders' meeting.</u>	Where there is profit at the end of a fiscal year, after covering the accumulated losses of the prior years, the Company's allocation for profit sharing bonus to employees and compensation to directors is as follows: 1. Allocation at the rate of 4% to 12% of the remaining earnings for distributing profit sharing bonus to employees by way in cash and/or stocks. 2. Allocation at the rate no more than 2% of the remaining earnings for distributing compensation to directors. The aforesaid profit is the profit before tax without deduction from pay for employees' profit sharing bonus and directors' compensation. The Company's treasury stocks, employee stock options certificates, employee acquiring new shares, restricted stock awards and employees' profit sharing bonus may be distributed to the employees reaching certain requirements or under the subsidiaries/headquarters of the Company. Qualification requirements of the employees who are entitled to receive the employees' compensation shall be specified by the Board of Directors.	Pursuant to the Financial Supervisory Commission (FSC) Order No. 1130385442 dated November 8, 2024, under Article 14, Paragraph 6 of the Securities and Exchange Act, A company whose stock is listed on a stock exchange or traded over-the-counter shall stipulate in its articles of incorporation the allocation of a certain percentage of annual earnings for adjusting salaries or distributing profit-sharing bonuses to non-managerial employees.
Article 29	These Articles of Incorporation were established on March 30, 2005. ………. The twelfth Amendment was made on June 20, 2019. The thirteenth Amendment was made on June 21, 2023. <u>The fourteenth Amendment was made on June 20, 2025.</u>	These Articles of Incorporation were established on March 30, 2005. …….. The twelfth Amendment was made on June 20, 2019. The thirteenth Amendment was made on June 21, 2023.	Add an update to the amendment date.

Appendices

【Appendix 1】

AzureWave Technologies, Inc.

Articles of Incorporation

Chapter 1 General Provisions

Article 1: The Company shall be incorporated, as a company limited by shares, under the Company Act of the Republic of China, and its name shall be 海華科技股份有限公司 in the Chinese language, and AzureWave Technologies, Inc. in the English language.

Article 2: The scope of business of the Company shall be as follows:

1. F113020 Wholesale of Electrical Appliances
2. F113030 Wholesale of Precision Instruments
3. F113050 Wholesale of Office Machinery and Equipment
4. F116010 Wholesale of Camera Equipment
5. F118010 Wholesale of Computer Software
6. F119010 Wholesale of Electronic Materials
7. F213010 Retail Sale of Household Appliance
8. F213030 Retail Sale of Office Machinery and Equipment
9. F213040 Retail Sale of Precision Instruments
10. F216010 Retail Sale of Photographic Equipment
11. F218010 Retail Sale of Computer Software
12. F219010 Retail Sale of Electronic Materials
13. CB01020 Office Machines Manufacturing
14. CC01080 Electronics Components Manufacturing
15. CC01110 Computer and Peripheral Equipment Manufacturing
16. F113070 Wholesale of Telecommunication Apparatus
17. F401021 Restrained Telecom Radio Frequency Equipment and Materials Import
18. CC01060 Wired Communication Mechanical Equipment Manufacturing
19. CC01070 Wireless Modules Mechanical Equipment Manufacturing
20. CC01101 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing
21. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: When the Company becomes a shareholder of limited liability in other companies, the total amount of its investments is not subject to the provisions of Article 13 of the Company Act indicating "the total amount of its investments in such other companies shall not exceed forty percent of the amount of its own paid-up capital ".

Article 4: The Company may provide guarantees to third parties when it is needed for business operation.

Article 5: The headquarters of the Company is located in New Taipei City. When necessary, branches can be established in the national territory and/or foreign countries in accordance with the resolution of the Board of Directors and the approval of the competent authority.

Article 6: Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

Chapter 2 Shares

Article 7: The total capital authorized of the Company shall be in the amount of NT$2 billion, divided into 200 million shares, at NT$10 per share, issued by the authorized Board of Directors depending on actual needs. The amount of NT$200 million among the aforesaid total capital authorized should be reserved for issuing employee stock options certificates, divided into 20 million shares, at NT$10 per share.

Article 7-1: After the Company offers its respective shares to the public, subject to compliance with Article 56-1 of Regulations Governing the Offering and Issuance of Securities by Securities Issuer, the Company may issue employee stock options certificates at a price lower than the closing price on the date of issue, based on the approval given by the shareholders who represent more than two-thirds of the total number of voting shares present in the shareholders' meeting, which shall represent more than one-half of the total number of issued shares.

Article 7-2: After the Company's shares are listed on the exchange market, according to Article 10-1 of the Measures for Listed Companies or OTC Companies to Buy back Their Own Shares, the Company may transfer the buyback shares to employees at a price lower than the average buyback price based on the approval given by the shareholders who represent more than two-thirds of the total number of voting shares present in the latest shareholders' meeting, which shall represent more than one-half of the total number of issued shares.

Article 8: The shares of the Company are all registered shares the share certificates shall be affixed with the signatures or personal seals of the director representing the company, and shall be duly certified by the competent authority or its approved issuing registration agency. The Company may be exempted from printing any share certificate for the shares issued, but shall register or secure the issued shares with a centralized securities depositary enterprise.

Article 9: Shareholders shall report their real names and addresses to the Company, and also fill in a signature card with identification seal signature and send it to the Company for keeping in the files for future reference, the same procedure of which shall be done if there is any modification. When every time shareholders draw dividends, bonuses, or contact the Company by way in writing and exercise all other shareholder rights, the aforesaid identification seal signature is always used for verification. When the identification seal signature of a shareholder is lost or broken, the shareholder shall report the loss to the Company by way in writing, so as to apply for new identification seal signature as a replacement.

Article 10: Registration for transfer of shares shall be suspended for 60 days before the date of the shareholders' general meeting, and for 30 days before the date of the shareholders' special meeting, or for 5 days before the base date for distribution of dividends, and bonuses, or other benefit determined by the Company.

Chapter 3 Shareholders' Meeting

Article 11: Shareholders' meeting includes general meeting and special meeting. The general meeting is convened at least once a year by the Board of Directors within 6 months after the end of each fiscal year. Special meeting can be convened whenever necessary according to the relevant laws and regulations. If a shareholder is unable to attend the shareholder meeting in person, a proxy can be appointed by filling in the Company's proxy form with the scope of the authority delegated to the proxy present in the meeting.

Unless otherwise regulated in the Company Act, delegation of proxies representing shareholders in the meeting shall be conducted in accordance with the provisions of "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" issued by the competent authority.

Article 12: All shareholders shall be notified of the meeting date, place and detailed agenda 30 days before convention of the shareholders' general meeting, and 15 days before convention of the shareholders' special meeting. A notice to convene a shareholders' meeting may be sent by way in electronic transmission. The registered stock shareholders whose shareholding is less than one thousand shares may be notified through a public notice for the aforementioned convention of shareholders' meetings.

Article 13: Unless otherwise provided by applicable laws or regulations, each share has one voting right for all shareholders of the Company.

Article 14: Unless otherwise regulated in the Company Act, a resolution given in a shareholders' meeting shall be approved by a majority vote of the shareholders who represent more than one-half of the total number of voting shares present in the shareholders' meeting, which shall represent more than one-half of the total number of issued shares. The Company's shareholders may also exercise their voting rights by way in electronic transmission; the shareholders, who exercise their voting rights by way in electronic transmission, are deemed his/her presence in the meeting in person.

Article 15: The Chairman shall preside at the shareholders' meeting. When the Chairman is absent from the meeting for any cause, the Chairman shall designate one of the Directors to act on his/her behalf. In the absence of such a designation, the Directors shall elect from among themselves an acting Chairman of the Board of Directors. For a shareholders' meeting convened by any other person having the convening right, he/she shall act as the Chairman of that meeting provided, however, that if there are two or more persons having the convening rights, the Chairman of the meeting shall be elected from among themselves.

Article 16: Resolutions given in a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signatures or seals of the Chairman and the recorder of the meeting and shall be distributed to all shareholders of the Company within 20 days after the close of the meeting. The preparation and distribution of the Company's minutes for a shareholders' meeting will be conducted according to Article 183 of the Company Act. The minutes of a shareholders' meeting shall record the date, place of the meeting, the name of the Chairman, the method of approving resolutions, a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be kept permanently throughout the life of the Company. The attendance list bearing the signatures of shareholders present in the meeting and the powers of attorney of the proxies/representatives shall be kept by the Company for a minimum period of at least one year.

Article 17: The Company's withdrawal of application for public issuance shall be resolved by the shareholders' meeting. In addition, this Article shall not be modified as long as the Company is under the process of applying for the qualifications of an emerging stock company and OTC/listed company.

Chapter 4 Directors and Audit Committee

Article 18: The Company shall have 5 to 9 directors with the service term for 3 years, to be elected at the shareholders' meeting from among the individuals of legal capacity listed as the roster on the nomination list. The directors are eligible for re-election. The number of Directors having a spousal relationship or familial relationship within the second degree of kinship with any Directors shall be less than one-half of the total number of the Directors.

Directors' aggregate shareholding percentage is subject to compliance with the regulations of the securities authority.

To comply with Article 14-2 of the Securities and Exchange Act, when the Company shall have independent directors, no less than 2 independent directors shall be placed accounting for no less than one-fifth of the total number of the Directors. The independent directors shall be elected by shareholders from the nomination list. The profession qualifications of independent directors, and their shareholding numbers, non-competition limitation, nomination, election and other items requiring compliance shall be ascertained with referring to the regulations of the securities authority.

Article 18-1: The Company shall establish an Audit Committee according to Article 14-4 of the Securities and Exchange Act, which shall consist of all independent directors. The Audit Committee shall be obligated to perform those duties of Supervisors specified under the Company Act, Securities and Exchange Act and other relevant laws and regulations.

Article 18-2: The Company establishes the Remuneration Committee, the organizational regulations of which are determined by the Board of Directors according to the relevant laws and regulations.

Article 19: The Company places one position as a Chairman, elected from among the Directors. The Chairman shall internally preside at shareholders' meetings and meetings of the Board of Directors, and shall externally represent the Company and exercise his/her power and authority according to the laws. In case the Chairman is on leave or unable to exercise his/her power and authority for any cause, the Chairman shall designate one of the Directors to act on his/her behalf. In the absence of such a designation, the Directors shall elect from among themselves an acting Chairman of the Board of Directors.

Article 20: Unless otherwise provided by applicable laws, the meetings of the Board of Directors are convened by the Chairman. Unless otherwise provided by applicable laws and provisions of Articles, a resolution given by the Board of Directors shall be approved by a majority of the Directors present in the meeting, which shall represent more than one-half of the total number of the Directors. The meeting of the Board of Directors is convened at least once every three months. Directors may appoint another Director as his/her proxy to attend the meeting of the Board of Directors by each time submitting a proxy form filled in with the scope of the authority reflecting to each set forth subject to be discussed, being delegated to the proxy present in the meeting; each director can act as a proxy for only one other Director. The meeting minutes made for the meeting of the Board of Directors follow this Article 16 of Incorporation related to the records and minutes of shareholders' meetings. The meeting of the Board of Directors may be convened inside or outside R.O.C. territory; in case that a Director attends a meeting of the Board of Directors via video conference call, he/she shall be deemed his/her attendance at that meeting in person.

Article 21: The Article 204 of the Company Act and relevant laws and regulations about securities shall be followed for calling a meeting of the Board of Directors. However, in the case of emergency, the meeting may be convened at any time.

Notification about convening the aforesaid meeting may be given by way in writing, fax or E-mail.

Article 22: Unless otherwise regulated in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors.

Article 23: Powers of the Audit Committee are as follows:

1. Audit budgets and settlements of accounts of the Company.
2. Investigate sales and financial status of the Company together with its relevant books and documents.
3. Review account books, statements and reports compiled and submitted by the Board of Directors to shareholders' meetings.

4. Exercise other powers granted by the laws and Act.

Article 24: The Board of Directors is authorized to determine the compensation for all Directors, taking into account the extent and value of the services provided for the management of the Company and the standards of the industry within the R.O.C. and overseas, no matter whether the Company has profit or suffers loss.

When there is a Director of the Company concurrently holding other position(s) in the Company, the compensation paid for his/her position(s) shall be handled, according to the Company's internal management measures, by the Board of Directors authorized by shareholders' meetings.

During the Directors' service term, the Company shall purchase liability insurance covering the scope of their position(s) and duties executed for the Company.

Chapter 5 Managerial Officers

Article 25: The Company may have several managerial officers. The appointment, removal, and compensation of the aforesaid managerial officers shall be made in accordance with Article 29 of the Company Act and reference to the table of the salary criteria for different positions made internally by the Company.

Chapter 6 Accounting

Article 26: Where there is profit at the end of a fiscal year, after covering the accumulated losses of the prior years, the Company's allocation for profit sharing bonus to employees and compensation to directors is as follows:

1. Allocation at the rate of 4% to 12% of the remaining earnings for distributing profit sharing bonus to employees by way in cash and/or stocks.
2. Allocation at the rate no more than 2% of the remaining earnings for distributing compensation to directors.

The aforesaid profit is the profit before tax without deduction from pay for employees' profit sharing bonus and directors' compensation.

The Company's treasury stocks, employee stock options certificates, employee acquiring new shares, restricted stock awards and employees' profit sharing bonus may be distributed to the employees reaching certain requirements or under the subsidiaries/headquarters of the Company. Qualification requirements of the employees who are entitled to receive the employees' compensation shall be specified by the Board of Directors.

Article 27: The fiscal year of the Company is from January 1 of each year to December 31. The settlement of accounts is conducted at the end of each fiscal year, and the Board of Directors shall issue the following reports, statements and relevant documents and submit them to the Audit Committee for review 30 days before the general shareholders' meeting, then present them in the general shareholders' meeting for ratification according to the legal procedures:

1. A Business Report;
2. The Financial Statements; and
3. The Proposal for Earnings Distribution or Deficit Compensation.

Annual surpluses concluded by the Company in a given year shall first be allocated for taxation according to the laws and regulations, and then allocated for the following order:

1. Compensate losses of previous years.
2. Set aside a legal reserve at 10% of the remaining earnings provided that the amount of accumulated legal reserve has not reached the amount of the paid-in capital of the Company.
3. Set aside or reverse special reserve in accordance with relevant laws or regulations or as

requested by the authorities in charge. When a special reserve is set aside, for the insufficient amount of "the net increase in the fair value of investment real estate accumulated in the previous period" and the "net decrease in other equity accumulated in the previous period", the same amount of special reserve shall be set aside from the distributed surplus. If there is still a shortfall, the amount of items other than the net profit after tax for the current period plus the net profit after tax for the current period will be included in the undistributed surplus for the current period.

4. The remaining earnings plus the unappropriated retained earnings of the prior years shall be distributed or retained according to a resolution given in the shareholders' meeting from the proposal for earnings distribution proposed by the Board of Directors with the following reference:
   (1) Earnings of the Company may be distributed by way of cash dividend and/or stock dividend. Since the Company is operated with high-tech business in the capital-intensive and technology-intensive industry, which is continuously in growth for a long run and needed for huge capital, the dividend policy made by the Company is first considered on the future capital needs measured at the future capital and budget planned by the Company so that the ratio adopted between distributions in cash dividends and/or stock dividends can be decided. The distribution of bonuses to shareholders shall be no less than 10% of the distributable earnings for the year, among which the distribution in cash dividends shall be no less than 30% of the total dividends.
   (2) The Company shall not pay dividends or bonuses to shareholders when there are no earnings. However, when the Company considers finance, sales, operation, capital structures and various factors, all or partial capital surplus may be allocated for distribution in stock dividends to every shareholder.

Article 28: The Company Act and relevant laws and regulations shall govern any matters not provided in these Articles of Incorporation of the Company.

Article 29: These Articles of Incorporation were agreed to and signed on March 30, 2005.
The first Amendment was approved on September 27, 2005.
The second Amendment was approved on June 1, 2006.
The third Amendment was approved on June 1, 2006.
The fourth Amendment was approved on November 6, 2008.
The fifth Amendment was approved on June 26, 2009.
The sixth Amendment was approved on May 27, 2010.
The seventh Amendment was approved on June 21, 2012.
The eighth Amendment was approved on June 24, 2013.
The ninth Amendment was approved on June 16, 2016.
The tenth Amendment was approved on June 14, 2017.
The eleventh Amendment was approved on June 14, 2018.
The twelfth Amendment was approved on June 20, 2019.
The thirteenth Amendment was approved on June 21, 2023.

AzureWave Technologies, Inc.

Chairman：Jason Cheng

【Appendix 2】

AzureWave Technologies, Inc.

Rules of Procedure for Shareholders' Meetings

Article 1: The Company has adopted the rules of procedure for shareholders' meetings ("these Rules") for compliance with the Corporate Governance Best Practice Principles for the Taiwan Stock Exchange Corporation ("TWSE") and the Taipei Exchange ("TPEx") Listed Companies of the R.O.C. in order to establish a sound shareholder's meeting governance system and strengthen the supervisory and management functions.

Article 2: The procedures of the shareholders' meetings of the Company ("Shareholders' Meetings") shall be conducted in accordance with these Rules unless otherwise provided by applicable laws or provisions of Articles.

Article 3: A shareholder may appoint a proxy to attend the Shareholders' Meeting on his/her behalf by executing a proxy form prepared by the Company filled in with the scope of appointment in the proxy.

A shareholder may only appoint one proxy under one proxy form to attend the Shareholders' Meeting, and shall serve such written proxy to the Company no later than 5 days prior to the meeting date. In cases where the Company receives multiple proxies from one shareholder, the first one arriving at the Company shall prevail unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later.

Article 4: The Shareholders' Meeting shall be held at the location of the Company or at any other appropriate place that is convenient for the shareholders to attend and commence no earlier than 9:00 in the morning and no later than 3:00 in the afternoon. The election of Shareholders' Meeting place and time shall take full consideration of independent directors' opinions.

Article 5: The Company shall prepare an attendance book for shareholders, whether attending in person or by proxy (hereinafter referred to as the "Shareholders"), to sign in. Attending Shareholders may also hand in an attendance card in lieu of signing on the attendance book.

The Company shall prepare and make available to the attending Shareholders the agenda handbooks, annual reports, attendance cards, speech note, voting cards and other relevant meeting materials. If a director and/or a supervisor are/is to be elected at the Shareholders' Meeting, the ballots shall also be attached to the said materials.

A Shareholder shall present the attendance card, attendance signing card or other attendance certificate to attend the Shareholders' Meeting. A proxy solicitor shall present other related documents to verify his/her identity.

If the Shareholder is a government agency or a juristic person, more than one representative thereof may attend the Shareholders' Meeting. However, if a juristic person is authorized to attend the Shareholders' Meeting on behalf of another Shareholder, only one representative of such juristic person may attend the meeting.

The Company may appoint designated lawyers, CPAs, or other related persons to attend the Shareholders' Meeting.

Article 6: If a Shareholders' Meeting is convened by the Board of Directors, such meeting shall be chaired by the Chairman of the Board. In case where the Chairman is on leave or for any reason is unable to exercise the powers of the Chairman, the vice chairman shall do so in place of the Chairman, or, if there is no vice chairman or the vice chairman is also on leave or for any reason is unable to act, by a managing director designated by the Chairman, or, if there is no managing director, by a director designated thereby, or, if the Chairman does not make such a designation, by a managing director or director elected from among themselves.

It is advisable that a Shareholders' Meeting is convened by the Board of Directors be attended by a majority of the directors.

Where a Shareholders' Meeting is convened by any person entitled to call the meeting other than the Board of Directors, such meeting shall be chaired by the person entitled or, if there are two or more persons entitled to call the meeting, they shall choose one person from among themselves to chair the meeting.

Article 7: The Company shall make audio and video recording of the entire process of the Shareholders' Meeting. The recording shall be preserved for at least one year provided that if any Shareholder files a litigation in accordance with Article 189 of the Company Act, the relevant audio or video recordings shall continue to be preserved until the litigation is concluded.

Article 8: The attendance of a Shareholder shall be calculated based on the shares he/she holds. The number of shares present at the meeting shall equal the aggregate of shares held by the Shareholders having signed in the attendance book or having submitted their attendance cards, and shares that Shareholders having exercised their voting rights by way in writing or electronic transmission.

At the scheduled time for a Shareholders' Meeting, the Chairman shall announce the commencement of the meeting provided that if the number of shares represented by the Shareholders present at the meeting fails to exceed half of the outstanding shares of the Company, the Chairman may announce that the meeting is postponed. The postponements shall be limited to twice, which shall not last for more than one hour. If, after two such delays, the number of shares represented by the Shareholders present at the meeting still fails to reach one-third of the outstanding shares of the Company, the Chairman shall announce to abandon the meeting.

If, after two such delays as provided in the preceding paragraph, the number of shares represented by the Shareholders present at the meeting still fails to meet the quorum but reaches one-third of the outstanding shares of the Company, a provisional resolution may be passed at such meeting pursuant to paragraph 1 of Article 175 of the Company Act and another Shareholders' Meeting may be reconvened within one month by giving a notice to each Shareholder of the provisional resolution.

If, before the Shareholders' Meeting is closed, the number of shares represented by the Shareholders present at the meeting reaches one-half of the outstanding shares of the Company, the Chairman may propose the Shareholders to vote on the provisional resolution passed in accordance with Article 174 of the Company Act.

Article 9: Where a Shareholders' Meeting is convened by the Board of Directors, the meeting agenda shall be prepared by the Board. The meeting shall proceed in accordance with the agenda. No modification to the agenda shall be made unless otherwise resolved at the Shareholders' Meeting.

The preceding paragraph shall apply mutatis mutandis to cases where a Shareholders' Meeting is convened by any person entitled to call the meeting other than the Board.

Before the procedure set forth in the agenda prepared pursuant to the preceding two paragraphs (including questions and motions) has been completely ended, the Chairman may not adjourn the meeting unless otherwise resolved at such meeting. In the event that the Chairman adjourns the meeting in violation of these Rules, other members of the Board shall immediately assist the Shareholders in designating one person as Chairman to continue the meeting by a majority of votes represented by the attending Shareholders.

The Chairman shall allow each of the proposals, and amendments, or questions and motions proposed by the Shareholders the opportunity to be fully explained and discussed, and when the Chairman is of the opinion that a proposal has been sufficiently discussed to be put to vote, the Chairman may announce the cease of discussion and bring the proposal to vote.

Article 10: When a Shareholder present at the Shareholders' Meeting wishes to speak, a speech note should be filled out with summary of the speech, the Shareholder's account number (or the number of attendance card) and the name of the Shareholder. The sequence of speeches by Shareholders should be decided by the Chairman.

If any Shareholder present at the Shareholders' Meeting submits a speech note but does not speak, no speech should be deemed to have been made by that Shareholder. In case the contents of the speech of a Shareholder are inconsistent with the contents of the speech note, the contents of actual speech shall prevail.

Unless otherwise permitted by the Chairman, each Shareholder shall not, for each item for discussion, speak more than two times, as well as each time not exceeding 5 minutes. In case the speech of any Shareholder violates these Rules or exceeds the scope of the item for current discussion, the Chairman may stop the Shareholder from continuing delivering the speech.

Unless otherwise permitted by the Chairman and the Shareholder in speaking, no Shareholder shall interrupt the speeches of the other Shareholders, or the Chairman shall stop such interruption.

If a juristic Shareholder designates two or more representatives to attend the Shareholders' Meeting, only one representative can speak for each item for discussion.

After the speech of a Shareholder, the Chairman may respond by himself/herself or appoint an appropriate person to respond.

Article 11: The number of votes a Shareholder is entitled to shall be calculated based on the shares he/she holds.

The shares held by a Shareholder prohibited from exercising voting rights shall not be included when calculating the outstanding shares of the Company in respect to a resolution at the Shareholders' Meeting.

A Shareholder who has a personal interest in any motion discussed at the Shareholders' Meeting, which interests maybe in conflict with and impairs those of the Company, the Shareholder shall not participate in voting on that agenda item, and shall not act as proxy of another Shareholder to exercise voting rights on that matter.

Those shares held by a Shareholder prohibited from exercising voting rights under preceding paragraph shall not be counted in determining the number of votes represented by the Shareholders present at the said meeting.

Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more Shareholders, the number of votes represented by him/her shall not exceed 3% of the total number of voting shares of the Company; otherwise, the portion of excessive votes shall not be counted.

Article 12: Each Shareholder shall have one vote for each share he/she holds except those restricted or prohibited from exercising voting rights.

Except otherwise specified in the Company Act or in the Articles of Incorporation of the Company, a resolution shall be passed by a majority of the votes represented by the Shareholders present at the Shareholders' Meeting. When voting on each proposal, the Chairman or any person designated thereby shall announce the number of votes represented by the Shareholders present at the Shareholders' Meeting.

If the Chairman puts the matter before all Shareholders present at the meeting and none voices an objection to the matter, the matter is deemed approved and have the same effect as a resolution received on a poll. If objection is voiced in response to the Chairman's inquiry, such proposal should be put to vote in accordance with the preceding paragraph.

If there is an amendment or a substitute to a proposal for resolution, the Chairman shall decide the sequence of voting. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is required.

The persons supervising the casting of votes and the counting thereof for resolutions shall be designated by the Chairman, provided that a person supervising the casting of votes shall be a Shareholder. The counting of votes shall be conducted in public at the meeting place. The result of voting shall be announced at the meeting and recorded in the meeting minutes.

Article 13: Where any Director and/or supervisor are/is to be elected at the Shareholders' Meeting, the election shall be conducted in accordance with the relevant rules promulgated by the Company and the results thereof shall be announced at the meeting.

The ballots in respect of the election provided in the preceding paragraph shall be sealed and signed by the person supervising the casting of votes, and be well preserved for at least one year provided that if any Shareholder files a litigation in accordance with Article 189 of the Company Act, the relevant ballots shall continue to be preserved until the litigation is concluded.

Article 14: Discussions and resolution at every Shareholders' Meeting shall be recorded in the meeting minutes and the minutes shall bear the signature or seal of the Chairman. A copy of the minutes shall be distributed to each Shareholder within 20 days after the meeting, and the production and distribution of the meeting minutes may be done in electronic transmission.

The distribution of the meeting minutes as provided in the preceding paragraph may be replaced by a public announcement made in the Market Observation Post System.

The Shareholders' Meeting minutes shall accurately record items such as the date and the place of the meeting, name of the Chairman, the resolution method, summary of the discussion procedure and the results, and shall be well preserved during the life time of the Company.

Article 15: The staff in charge of the administrative affairs at the Shareholders' Meeting shall wear a badge or an identification card.

The Chairman may direct disciplinary personnel or security personnel to maintain the order of the meeting and when doing so, such personnel shall wear a badge with the words "Disciplinary Personnel" or an identification card.

If public address equipment is available at the meeting place, the Chairman may stop a Shareholder's speech when such speech is not given by means of the said equipment provide by the Company.

In case where a Shareholder violates any of these Rules, ignores the Chairman's correction and interrupts the procedure of the meeting without following the order to stop, the Chairman may instruct the disciplinary personnel or the security personnel to expel such Shareholder from the meeting place.

Article 16: During the Shareholders' Meeting, the Chairman may announce a break for a period of time in his/her sole discretion. In any event of force majeure, the Chairman may decide to suspend the meeting and announce the time when the meeting is to be continued depending on the actual situation.

If the meeting place becomes unavailable for use before the procedure set forth in the agenda (including the questions and motions) has been completely ended, it may be resolved by the attending Shareholders to continue the meeting at another place.

A Shareholders' Meeting may resolve to postpone the meeting for no more than, or to reconvene the meeting within, 5 days pursuant to Article 182 of the Company Act.

Article 17: The Company shall explicitly disclose on the meeting date in the meeting place the numbers of shares which a proxy solicitor and an agent represent in the form and manner required by the applicable rules.

After the Company offers its respective shares to the public, if the matters resolved by a Shareholders' Meeting are categorized as "Material Information" pursuant to the applicable laws or regulations or the rules of TWSE (TPEx), the Company shall upload the contents of such resolution to the Market Observation Post System within the prescribed time.

Article 18: These Rules and any amendment thereof shall take effect upon resolution by the Shareholders' Meeting.

These Rules were set on June 26, 2009.

The first Amendment was approved on June 21, 2012.

【Appendix 3】

AzureWave Technologies, Inc.
Shareholding of Directors

1. The paid-in capital of the Company is NT$1,524,792,080,with a total of 152,479,208 outstanding shares.
2. According to Article 26 of the Securities and Exchange Act, the minimum number of shares required to be held by the entire directors is 9,148,752 shares.
3. As of the date for suspending the share transfer for this shareholders meeting, the shareholding of each individual and entire directors stipulated in the shareholders roster is as follows:

Book closure date: April 22, 2025

Title	Name	Date elected	Service Term	Shareholding shares	Shareholding ratio
Chairman	Pegatron Corporation Rep.: Jason Cheng	June 20, 2024	3 Years	35,750,000	23.45%
Director	Pegatron Corporation Rep.: Te-Tzu Yao	June 20, 2024	3 Years	35,750,000	23.45%
Director	Pegatron Corporation Rep.: Kuang-Chih Cheng	June 20, 2024	3 Years	35,750,000	23.45%
Director	Advantech Co., Ltd.	June 20, 2024	3 Years	28,124,000	18.44%
Independent Director	Chang Chi-Tung	June 20, 2024	3 Years	0	0%
Independent Director	Chou, Ming-Chih	June 20, 2024	3 Years	0	0%
Independent Director	Tony Chen	June 20, 2024	3 Years	0	0%
Total of All Directors				63,874,000	41.89 %

Note:1. The directors of the Company include 3 independent directors. According to Article 2 (2) of "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" providing the minimum shareholding requirements, the percentage adopted to calculate the shareholdings is down to 80%.

2. As the Company has established the Audit Committee, the minimum shareholding requirements for supervisors pursuant to applicable laws do not apply.