

**CHENG MEI MATERIALS TECHNOLOGY CORP.**  
**2025 Annual General Meeting Minutes**  
**(Translation)**

Time: 9:00 AM, Tuesday, May 27, 2025

Venue: No.12, Zhongxin E. Rd., Xinshi Dist., Tainan City (Audio Visual Conference Hall at Tree Valley science center)

Method of Meeting: Physical Meeting

Total shares attended by shareholders in person or by proxy: 465,879,485 shares (including the 167,585,097 shares attended by the shareholders exercising voting rights through electronic votes), accounted for 81.48% of the total shares of the company, 571,705,388 shares.

Attending directors : Yen-Yi Sung (Chairperson), Yi-Chang Lin, (Convener of the Audit Committee/INED), Heng-Zhen Ho (INED), Wei-Chung Lian (Director), Zhi-Zhen Lin (Director, Representative of Abraham Investment Co., Ltd.). Five directors attended in person, exceeding half of the total nine board seats.

Other attendees : C. C, Wu (PWC CPA), J.L, Chen (Attorney), Officer of Finance

Chairperson: Yen-Yi Sung (Chairperson)

Recorded by: J.R., Li

**1. The Chairman Calls the Meeting to order.**

**2. Chairman's Remark : (Omitted)**

**3. Report Items :**

Item 1. 2024 Business Report

Explanatory note: Please refer to Attachment 1.

Item 2. 2024 Audit Committee's Review Report

Explanatory note: Please refer to Attachment 2.

Item 3. Report on amended Regulations Governing Procedure for Board of Directors Meeting

Explanatory note: Please refer to Attachment 3.

Item 4. Report on remuneration to Directors in 2024

Explanatory note: The remuneration to directors of the Company is in accordance with the Company's Articles of Incorporation. Board of Directors' Compensation Policy, Individual Compensation Details, and Amounts, please refer to the Attachment 4.

Summary of shareholder speech:

Shareholder (NO.: 90004174): The shareholder expressed objections to the convening procedures and the resolution methods of each proposal and reserved the right to initiate legal action.

The Chairperson instructed that the shareholder's statement be recorded in the minutes.

With respect to Reporting Items 1 through 4, no objections were raised by the shareholders present after inquiry by the Chairperson. The items were duly reported; shareholders are requested to take note.

#### **4. Ratification Items**

Item 1. 2024 Business Report & Financial Statements Report (Proposed by the Board of Directors)

Explanatory note :

1. The Company's 2024 annual parent company only financial statements and consolidated financial statements, including the Balance Sheet, Comprehensive Income Statement, Statement of Changes in Equity, and Statement of Cash Flows, were audited by Independent Auditors, Wu, Chien-Chih and Liao, A-Shen of Pierce Water Coopers Taiwan. The financial statements and the Business Report were submitted to the Audit Committee for review, and an Audit Report has been duly issued accordingly.
2. Please refer to the Attachment 1 and CMMT's website ([www.cmmt.com.tw](http://www.cmmt.com.tw)) for Business Report, Audit Reports issued by Audit committee, and the aforementioned Financial Statements.
3. Please Ratify.

Resolution :

Votes presented at the meeting in total : 465,879,485 votes (including by electronic votes 167,585,097 votes)

Valid voting rights at the time of voting: 464,792,235 votes (Deduction of non-voting rights: 1,087,250 votes)

For : 285,846,372 votes (including by electronic votes 6,277,492 votes)

Against : 141,408,953 votes (including by electronic votes 140,854,953 votes)

Invalid : 0 vote (including by electronic votes 0 vote)

Abstain : 37,536,910 votes (including by electronic votes 20,452,652 votes)

The votes cast "For" are of 61.49% of the votes presented at the meeting in total.

The proposal has resolved as proposed.

Item 2. 2024 Deficit Compensation (Proposed by the Board of Directors)

Explanatory Note :

1. The net loss after tax in 2024 was NT\$266,912,217. Accordingly, no dividends will be distributed. The 2024 Deficit Compensation Statement is as follows:

CHENG MEI MATERIALS TECHNOLOGY CORP.  
2024 Deficit Compensation Statement

Unit: NT\$

Items	Amount
The initial unappropriated retained earnings	\$ 1,660,151,638
Current Net Loss (EPS NT\$-0.47 per share)	(266,912,217)
Less: 10% Legal Reserve	0
Less: Special Reserve (Note)	(4,139,789)
Earnings Available for Distribution	1,389,099,632
Distribution Items:	0
Cash Dividends to Shareholders	
The end unappropriated retained earnings	\$ 1,389,099,632

Note: The accumulated balances of the "Exchange Differences on Translation of Foreign Financial Statements" and "Unrealized Gain or Loss on Available-for-sale Financial Assets" have booked the reduction of shareholders' rights and determined a special reserve of NT\$ 4,139,789.

Chairperson : Yen-Yi Sung    Acting President : Yen-Yi Sung    Accounting Officer : Shih-Hua Chang

2. Please ratify.

Resolution :

Votes presented at the meeting in total : 465,879,485 votes (including by electronic votes 167,585,097 votes)

Valid voting rights at the time of voting: 464,792,235 votes (Deduction of non-voting rights 1,087,250 votes)

For : 286,053,114 votes (including by electronic votes 6,484,234 votes)

Against : 141,455,451 votes (including by electronic votes 140,901,451 votes)

Invalid : 0 vote (including by electronic votes 0 vote)

Abstain : 37,283,670 votes (including by electronic votes 20,199,412 votes)

The votes cast "For" are of 61.54% of the votes presented at the meeting in total.

The proposal has resolved as proposed.

## 5. Discussion Items

### Item 1. Amendment to the Company's Articles of Incorporation

Explanatory Note :

1. In accordance with legal amendments, it is proposed to amend Article 25 and 28 of the Company's Articles of Incorporation.
2. Please refer to attachment 6 for Comparison Table for Company's Articles of Incorporation.
3. Submitted for discussion.

Resolution:

Votes presented at the meeting in total : 465,879,485 votes (including by electronic votes 167,585,097 votes)

Valid voting rights at the time of voting: 464,792,235 votes (Deduction of non-voting rights 1,087,250 votes)

For : 286,074,119 votes (including by electronic votes 6,505,239 votes)

Against : 141,419,844 votes (including by electronic votes 140,865,844 votes)

Invalid : 0 vote (including by electronic votes 0 vote)

Abstain : 37,298,272 votes (including by electronic votes 20,214,014 votes)

The votes cast "For" are of 61.54 % of the votes presented at the meeting in total.

The proposal has resolved as proposed.

### Item 2. Amendment to Regulations Governing Making of Endorsements/Guarantees.

Explanatory Note :

1. In accordance with regulatory requirements and to correct certain textual errors, it is proposed to amend Regulations Governing Making of Endorsements/Guarantees.
2. Please refer to attachment 7 for Comparison Table for Regulations Governing Making of Endorsements/Guarantees.
3. Submitted for discussion.

Resolution:

Votes presented at the meeting in total : 465,879,485 votes (including by electronic votes 167,585,097 votes)

Valid voting rights at the time of voting: 464,792,235 votes (Deduction of non-voting rights 1,087,250 votes)

For : 286,065,982 votes (including by electronic votes 6,497,102 votes)

Against : 141,410,910 votes (including by electronic votes 140,856,910 votes)

Invalid : 0 vote (including by electronic votes 0 vote)

Abstain : 37,315,343 votes (including by electronic votes 20,231,085 votes)

The votes cast "For" are of 61.54 % of the votes presented at the meeting in total.

The proposal has resolved as proposed.

Item 3. Private Placement Issuance of Common Shares or Domestic/Overseas Convertible Bonds  
(Including Secured or Unsecured Convertible Bonds)

Explanatory Note :

1. In order to explore opportunities for advanced technology cooperation or strategic alliances in the fields of semiconductors and polarizers with domestic and foreign partners, as well as to strengthen operating capital in response to future business needs, it is proposed to raise funds through private placement of common shares or domestic/overseas convertible bonds (including secured or unsecured convertible bonds) to attract strategic investors based on market conditions and its operational requirements. The issuance may be conducted in one or multiple tranches, either separately or in combination. The actual number of shares to be issued or converted is proposed to be authorized by the shareholders' meeting to the Board of Directors to handle within a limit not exceeding 100,000,000 common shares, in accordance with the item explanation provided in Attachment 8.
2. Regarding the important contents of this private placement of securities, including the actual number of privately placed shares, issuance period, actual private placement price, fundraising amount, bond coupon rate, actual issuance method, issuance terms, conversion price, subscriber selection, record date, project details, fund usage and progress, expected benefits, and other related matters, as well as all other matters related to the issuance plan, it is proposed that the shareholders authorize the Board of Directors to determine, adjust, and execute such matters in accordance with market conditions. Furthermore, in the event of any amendments to laws or requirements imposed by competent authorities, or based on operational assessments or objective environmental considerations, it is proposed that the Board of Directors be fully authorized by the shareholders' meeting to make necessary adjustments and handle all related matters.
3. To coordinate with this private placement method of issuing common shares, or issuing domestic/overseas convertible bonds (including secured or unsecured convertible bonds), it is proposed to the shareholders' meeting to authorize the Chairperson or a person designated by the Chairperson to represent the Company in signing, negotiating all contracts and documents related to this private placement plan, and handling all matters necessary for this private placement plan.
4. In accordance with Article 4, Paragraph 3 of the "Directions for Public Companies Conducting Private Placements of Securities," an assessment opinion on the necessity and reasonableness for conducting the private placement issued by the securities underwriter is provided. Please refer to Attachment 9.
5. Submitted for discussion.

Resolution : Following the Chairperson's ruling to conduct a vote on the motion "To suspend and not proceed with voting on Discussion Item 3", the resolution was passed, and the item was placed on hold without being put to a vote.

Summary of shareholder's statements:

Shareholder (NO.: 00063931): Before the strategic investor is confirmed, and in the interest of prudence, the shareholder proposed a procedural motion as follows: "Discussion Item 3 be temporarily put on hold and not submitted for voting at this meeting, and that it be re-submitted for discussion and resolution at a future shareholders' meeting after the Board of Directors provides additional explanation." It was requested that the Chairperson rule on the procedural motion and instruct that a vote be conducted.

The Chairperson requested the attending legal counsel to explain that procedural motion shall be handled in accordance with Article 8 of the Company's Rules of Procedure of Shareholders' Meetings. Subsequently, the Chairperson ruled that the procedural matter be addressed first and instructed that a vote be conducted on the motion "To suspend and not proceed with voting on Discussion Item 3."

Votes presented at the meeting in total : 465,870,988 votes (including by electronic votes 167,585,097 votes)

Valid voting rights at the time of voting: 464,783,738 votes (Deduction of non-voting rights 1,087,250 votes)

For : 277,823,895 votes (including by electronic votes 0 votes)

Against : 0 vote (including by electronic votes 0 vote)

Invalid : 0 vote (including by electronic votes 0 vote)

Abstain : 186,959,843 votes (including by electronic votes 167,585,097 votes)

The votes cast "For" are of 59.77 % of the votes presented at the meeting in total.

The motion "To suspend and not proceed with voting on Discussion Item 3" was approved by shareholders vote in accordance with the procedural motion proposed by the shareholder (NO: 00063931).

(Upon the close of the voting period, a shareholder requested to speak.)

Summary of shareholder's statements:

Shareholder (NO.: 90199537): I request the Chairperson to clarify that although a procedural motion was submitted for this proposal, both the voting rights and the number of attendees met the required threshold. However, only two minutes were given before proceeding to a vote, which is too short. Shareholders should be given sufficient time to consider the matter carefully, rather than moving to a vote immediately after just two minutes.

The Chairperson responded, "Thank you for your comments."

## **8. Extemporary Motion: None**

## **9. Adjournment: 09:33 AM of the meeting day, all shareholders attended in the meeting has unanimously resolved to adjourn the shareholder meeting.**

(The Minutes of the Annual General Meeting contain only excerpts summarizing the key points

of shareholders' remarks. The actual statements and the Company's responses shall be based on the on-site audio and video recordings.)

*(For the convenience of readers and for information purpose only, the Minutes of Annual General Meeting has been translated into English from the original Chinese version. In the event of any discrepancy between the English version and the original Chinese version, the Chinese-language version shall prevail.*

## 2024 Business Report

Dear Shareholders,

In 2024, Cheng Mei Materials Technology Corporation (hereinafter referred to as the “Company”) has continued to focus on the development of high-value polarizers, and continued to move towards high value-added and differentiated fields in the polarizer industry with increasing competition. With the experience and technology accumulated in the production of optical film and glue materials for 20 years, the Company accelerates the development of new businesses such as semiconductors, in order to achieve the growth momentum for next stage growth. The Company will also accelerate the development of new fields through strategic cooperation and joint development, in order to become a comprehensive and diversified material supplier.

### I. 2024 Operational Results

#### (I) Implementation Results of Operational Plans

Since 2023, the Company has adopted the key operational strategies of "adjustment of product structure, strengthening of new customer introduction" and "high value-oriented approach". Looking back on 2024, the operational policy implementation results of the Company were as follows:

I. Implementation results of adjustment of product structure, strengthening of new customer introduction: In 2024, the Company strengthened the development of differentiated products, and continued to adjust the ratio of television products, such that up to the end of 2024, the ratio of television products has reduced to 40%. In terms of customer strategy, the Company has continued to strengthen the promotion of differentiated products, accelerated the introduction of target products to major customers, and strengthened the development of strategic customers and strategic products.

II. Implementation results of high value-orientated approaches: As of the end of 2024, the revenue from high-value products has grown by 20%, and the promotion of automotive, industrial control and eye-catching products has achieved significant results in comparison to 2023.

#### (II) Financial Income and Expenditure and Profitability Analysis

Unit: NT\$ thousand; %

Item	2024	2023	Increase (decrease) (%)

Operating income	8,927,193	9,237,663	-3.4
Operating profit (loss)	443,815	365,012	+21.6
Operating income (loss)	(569,451)	(532,555)	+6.9
Net income (loss) for the year	(266,913)	(580,957)	-54.1
Gross margin	4.97	3.95	+25.8
Operating income (loss) percentage	(6.38)	(5.77)	+10.6

Unit: %

Item		2024	2023
Financial structure Analysis	Debt to assets ratio (%)	38.2	35.4
	Long-term capital to property, plant and equipment ratio (%)	255.5	257.4

### (III) Budget Implementation Status

The sales volume in 2024 was, in general, equivalent to that in 2023.

Benefiting from the continuous high-value product approach, the unfavorable factors such as market price decline pressure and customer capacity adjustment were mitigated. Although the revenue declined slightly in 2024, the loss after tax was significantly reduced in comparison to that in 2023.

### (IV) Research and Development Status

The Company has adopted the high-value and differentiated product strategies to expand into the fields of automotive, slim products, OLED, medical care, industrial control, and privacy protection display, and accelerates the investment of resources in the semiconductor field, in order to further establish and accumulate semiconductor product lines and technologies. The Company's product technology research and development goals are as follows:

1. Development of high-performance automotive polarizers
2. AMOLED polarizers
3. Business privacy protection notebook products
4. MIN LED backlight products
5. ESG-concept film
6. Semiconductor tapes

## II. Future Business Layout

### (I) Management Policy and Production and Sales Plan

In 2025, the Company will continue to strengthen the operation of the polarizers, and will also continue to develop semiconductor-related products. For polarizers,

the Company has established the goals for "adjustment of product structure" and "high value-orientated approach", in order to increase production value under the same production capacity, to increase the proportion of high-value products, and to cultivate the markets of on-board products and OLED with continuous growth. The semiconductor products have been developed for 20 years through the membrane and film technologies, and the semiconductor business has been accelerated through various strategic cooperation methods.

## (II) External Market Competition, Regulations, and Overall Economy

With the development of new production capacity for polarizers, the polarizer industry is still under the situation of supply over demand. Since 2024, mergers have taken place in the polarizer industry and the production capacity has been adjusted. Japanese and Korean manufacturers have started to discontinue their standard polarizer products, and to focus on the high-value product market. In 2025, regarding the tariff issue in the U.S., although the sales of polarizers is not affected by the tariff, the fluctuation in the end market and customer demand still change violently, such that the difficulty in overall production and sales management is increased. The overall economic performance in North America is still promising due to the AI wave, such that the process of interest rate cuts has been slowed down, and the consumption is still under expanding state. In China, the government has launched an incentive measure in the fourth quarter, and in conjunction with the tariff issue, it has created a momentum for early purchase of goods at the end of 2024. Under the overall external economic impact, China still faces the slowdown of manufacturing growth and the decline in GDP growth rate. The strong growth of Taiwan's semiconductor industry has led to outstanding economic performance; however, other industries have not shown obvious growth as the semiconductor industry. In response to the global overall economic trends and industrial trends, the Company will continue to strengthen the planning in the high-value polarizer market, and to accelerate the development of the semiconductor industry.

## (III) Environmental, Social, and Governance (ESG)

The total solar power generation in 2024 was 1.47GW, a decrease of 1.1% in the total power consumption from 2023. The reduction in carbon and emissions has been achieved through the use of energy-saving boilers and more efficient motors. In 2024, the Company was certified by the Common Wealth Sustainability Association for compliance with the Paris Agreement on temperature control goal of 1.5°C. In the same year, the Company was also certified for ISO 50001 Energy Source Management System. In 2024, the Company organized the activities of "Tainan 500 Families Health Promotion Activity," "Calling on Corporate Partners to Plant Trees," "Cheng Mei Dream

Home Campus Contest," and "Tainan Municipal Arts Museum 2024 Arts Education and Sustainability Project", in order to fulfill the 2030 Sustainable Development Goals (SDGs) of health and well-being and quality education goals announced by the United Nations (UN). In terms of corporate governance, the Company is ranked 6-10% among the top companies of capital of 50~100 million in the corporate governance assessment.

In the future, the Company will comply with the 17 sustainable development goals (SDGs) announced by the UN, and is committed to implement corporate social responsibility for sustainable development as a global citizen of our Earth.

Chairperson: Yen-Yi Sung

Acting Manager: Yen-Yi Sung

Accounting Officer : Shih-Hua Chang

Date: March 12, 2025

Attachment 2

**Cheng Mei Materials Technology Corporation**  
**Audit Committee's Review Report**

The Board of Directors has submitted the 2024 business report, financial statements, and motion for deficit compensation statement of the Company. The financial statements (including consolidated financial statements) were audited by Independent Auditors, Wu, Chien-Chih and Liao, A-Shen of Pierce Water Coopers Taiwan, and an Audit Report has been duly issued accordingly. The aforementioned business report, financial statements, and motion for deficit compensation statement have been reviewed by the Audit Committee and found to be in compliance. This report is hereby submitted in accordance with Article 14-4 of the Securities Exchange Act and Article 219 of the Company Act.

Yours sincerely

Cheng Mei Materials Technology Corporation 2025 Annual General Meeting

Convener of the Audit Commit: Lin Yi-Chang  
March 12, 2025

### Comparison Table for “Regulations Governing Procedure for Board of Directors Meeting”

Article	Before amendment	After amendment	Remark
Article 11	<p>The Board of Directors shall proceed with the meeting in accordance with the agenda set forth in the meeting notice. However, changes may be made with the consent of the Chairman.</p> <p>The Chairman shall not adjourn the meeting unless approved by a majority of the directors present, or until all matters under discussion have been resolved.</p> <p>During the meeting, if the number of directors present falls below a majority of those originally in attendance, the Chairman shall, upon proposal by the directors present, declare a suspension of the meeting. The provisions of Paragraph 1, Article 19 shall apply mutatis mutandis.</p>	<p>The Board of Directors shall proceed with the meeting in accordance with the agenda set forth in the meeting notice. However, changes may be made with the consent of the Chairman.</p> <p>The Chairman shall not adjourn the meeting unless approved by a majority of the directors present, or until all matters under discussion have been resolved.</p> <p>During the meeting, if the number of directors present falls below a majority of those originally in attendance, the Chairman shall, upon proposal by the directors present, declare a suspension of the meeting. The provisions of Paragraph 1, Article 19 shall apply mutatis mutandis.</p> <p><u>If the Chairman is unable to preside over the meeting or fails to adjourn the meeting in accordance with the preceding paragraph, the appointment of a proxy shall</u></p>	In response to legislative amendments

		<u>be handled in accordance with Paragraph 3, Article 8.</u>	
Article 19	If half of all directors fail to attend the meeting at the appointed time, the Chairman may announce the postponement of the meeting. The number of postponements is limited to two. If the number of directors is still insufficient after two postponements, the Chairman may reconvene the meeting in accordance with the procedures prescribed in Article 3, Paragraph 2. (omitted below)	If half of all directors fail to attend the meeting at the appointed time, the Chairman may announce the postponement of the meeting <u>for that day</u> . The number of postponements is limited to two. If the number of directors is still insufficient after two postponements, the Chairman may reconvene the meeting in accordance with the procedures prescribed in Article 3, Paragraph 2. (omitted below)	In response to legislative amendments

## Report on remuneration to Directors in 2024

### 1. Remuneration policies:

#### 1. Director's Remuneration

(1) Monthly benefits based on the degree of participation and value of contribution to the Company's operations, as provided in the Company's Articles of Incorporation, and by reference to the level of the technology industry.

(2) Prior to the distribution of the Company's earnings, the Company shall set aside not more than one percent of the profit for the period so distributed as remuneration to the directors. In accordance with the Company's remuneration plan, the independent directors shall not participate in the distribution of the directors' remuneration.

(3) Attendance Fee: Based on the number of times he/she attends the Board of Directors and the Functional Committee.

#### 2. Procedure for determining remuneration:

(1) The remuneration of directors shall be provided at no more than 1% for directors' remuneration, if any, in accordance with the Articles of Incorporation of the Company. Profits must first be set aside to make up for losses, if any, before the remainder can be distributed as director remuneration in the above percentages.

(2) The remuneration of Directors, shall be submitted to the Remuneration Committee and approved by the Board of Directors in accordance with regulations.

#### 2. Directors' (including Independent Directors) Remuneration:

Unit: Thousand NT\$

Title	Name	Director's Remuneration								Remuneration as Company Employees								Sum of A, B, C, D, E, F, and G, and as a percentage of net loss after tax	Remuneration from Investees Other Than Subsidiaries						
		Remuneration (A)		Retirement and Resignation (B)		Director's Remuneration (C)		Expenses and Perquisites (D)		Salary, Rewards, and Special Disbursements (E)		Pension (F)		Employee Compensation (G) (Note 6)											
		The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company		All Consolidated Entities				The Company	All Consolidated Entities				
Chairperson	Jau-Yang Ho	2,728	2,728	0	0	0	0	26	26	-1.03%	-1.03%	0	0	0	0	0	0	0	0	0	0	0	-1.03%	-1.03%	None
Chairperson	Yen-Yi Sung	0	0	0	0	0	0	0	0	0.00%	0.00%	11,999	11,999	44	44	0	0	0	0	0	0	0	-4.51%	-4.51%	None
Director	Wei-Chung Lian	0	0	0	0	0	0	0	0	0.00%	0.00%	14,536	14,536	108	108	0	0	0	0	0	0	0	-5.49%	-5.49%	None
Director	Chiang-Huang Huang	348	348	0	0	0	0	20	20	-0.14%	-0.14%	0	0	0	0	0	0	0	0	0	0	0	-0.14%	-0.14%	None
Director	Abraham Investment Co., Ltd.	720	720	0	0	0	0	0	0	-0.27%	-0.27%	0	0	0	0	0	0	0	0	0	0	0	-0.27%	-0.27%	None
	Representative: Yen-Yi Sung	0	0	0	0	0	0	10	10	0.00%	0.00%	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00%	None
	Representative: Zhi-Zhen Lin	0	0	0	0	0	0	20	20	-0.01%	-0.01%	0	0	0	0	0	0	0	0	0	0	0	-0.01%	-0.01%	None
Director	Ever Fortunes International Investment Co., Ltd.	268	268	0	0	0	0	0	0	-0.10%	-0.10%	0	0	0	0	0	0	0	0	0	0	0	-0.10%	-0.10%	None
	Representative: Wei-Chung Lian	0	0	0	0	0	0	0	0	0.00%	0.00%	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00%	None
Director	Four	720	720	0	0	0	0	0	0	-0.27%	-0.27%	0	0	0	0	0	0	0	0	0	0	0	-0.27%	-0.27%	None



### Comparison Table for “Articles of Incorporation”

Article	Before amendment	After amendment	Remark
Article 25	<p>(Articles 1 to 3 omitted)</p> <p>Before the Company distributes the earnings, it shall set aside no more than 1% of the balance for the distribution period as directors' remuneration and no less than 2% as employee remuneration; however, if the Company still has a cumulative deficit, it shall reserve an amount in advance to compensate the deficit.</p> <p>The distribution of the remuneration to employees and directors shall be carried out after a resolution is adopted by more than half of the directors present at a board meeting attended by more than two-thirds of all directors and reported to the shareholders' meeting.</p> <p>Employee remuneration may be distributed in the form of stock or cash, and the recipients may include employees of the controlling company or subsidiaries who met certain criteria. The specific measures shall be determined by the board of directors has authorized.</p>	<p>(Articles 1 to 3 omitted)</p> <p>Before the Company distributes the earnings, it shall set aside no more than 1% of the balance for the distribution period as directors' remuneration and no less than 2% as employee remuneration; however, if the Company still has a cumulative deficit, it shall reserve an amount in advance to compensate the deficit.</p> <p><u>No less than 20% of the aforementioned employee remuneration shall be allocated to grassroots employees.</u></p> <p>The distribution of the remuneration to employees and directors shall be carried out after a resolution is adopted by more than half of the directors present at a board meeting attended by more than two-thirds of all directors and reported to the shareholders' meeting.</p> <p>Employee remuneration may be distributed in the form of stock or cash, and the recipients may include employees of the controlling company or subsidiaries who met certain criteria. The specific measures shall be determined by the board of directors has authorized.</p>	Amendment is made in accordance with laws.
Article 28	These Article of Incorporation were enacted on May 9, 2005 and	These Article of Incorporation were enacted on May 9, 2005 and amended on Oct. 17, 2005	The amendment date is

	<p>amended on Oct. 17, 2005 for the first time, ..., on April 30, 2021 for the eighteenth time, on June 27, 2022 for the nineteenth time, and on June 7<sup>th</sup>, 2024 for the twentieth time.</p>	<p>for the first time, ..., on April 30, 2021 for the eighteenth time, on June 27, 2022 for the nineteenth time, on June 7<sup>th</sup>, 2024 for the twentieth time. and <u>on May 27<sup>th</sup>, 2025 for the twenty-first time.</u></p>	<p>added.</p>
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## Comparison Table for “Regulations Governing Making of Endorsements/Guarantees”

Article	Before Amendment	After Amendment	Remarks
Article 7	<p>Total amount of endorsement guarantee and individual object limit</p> <p>The total amount of endorsements or guarantees provided by the Company to others shall not exceed 100% of the Company's net worth.</p> <p>The individual limit for the endorsement or guarantee provided by the Company to others shall not exceed 50% of the Company's net worth.</p> <p>The total amount of endorsements or guarantees provided by the Company and its subsidiaries to others shall not exceed 100% of the Company's net worth.</p> <p>The amount endorsed or guaranteed by the Company and its subsidiaries as a whole for a single enterprise shall not exceed 50% of the Company's net worth.</p> <p>The aforementioned net value shall be based on the most recent financial statements audited or reviewed by a certified public accountant.</p>	<p>Total amount of endorsement guarantee and individual object limit</p> <p>The total amount of endorsements or guarantees provided by the Company to others shall not exceed 100% of the Company's net worth.</p> <p>The individual limit for the endorsement or guarantee provided by the Company to others shall not exceed 50% of the Company's net worth.</p> <p>The total amount of endorsements or guarantees provided by the Company and its subsidiaries to others shall not exceed 100% of the Company's net worth.</p> <p>The amount endorsed or guaranteed by the Company and its subsidiaries as a whole for a single enterprise shall not exceed 50% of the Company's net worth.</p> <p>The aforementioned net value shall be based on the most recent financial</p>	<p>Amendment is made in accordance with laws.</p>

		<p>statements audited or reviewed by a certified public accountant.</p> <p><u>The Company and its subsidiaries may endorse guarantees for a total amount equal to or greater than fifty percent of the Company's net worth, and shall explain the necessity and rationality of such endorsements at the shareholders' meeting.</u></p>	
Article 11	Control procedures for loans of subsidiary funds to others	Control procedures for <u>endorsement and guarantee of subsidiary</u>	Content error correction

## **Item Explanation of Private Placement Issuance of Common Shares or Domestic/Overseas Convertible Bonds (Including Secured or Unsecured Convertible Bonds)**

1. In order to explore opportunities for advanced technology cooperation or strategic alliances in the fields of semiconductors and polarizers with domestic and foreign partners, as well as to strengthen operating capital in response to future business needs, it is proposed to raise funds through private placement of common shares or domestic/overseas convertible bonds (including secured or unsecured convertible bonds) to attract strategic investors based on market conditions and its operational requirements. The issuance may be conducted in one or multiple tranches, either separately or in combination. The actual number of shares to be issued or converted is proposed to be authorized in accordance the following explanation by the shareholders' meeting to the Board of Directors to handle within a limit not exceeding 100,000,000 common shares.
2. Pursuant to Article 43-6, Paragraph 6 of the Securities and Exchange Act and the “Direction for Public Companies Conducting Private Placement of Securities”, the following explanation is provided:
  - (1). Pricing basis and its reasonableness:
    - a. The actual issuance price per share for the private placement of common shares shall be determined based on no less than 80% of the reference price. The reference price shall be the higher of the following two calculations:
      - (a). The simple average closing price of common shares for either the 1, 3, or 5 business days before the price determination date, minus dividends adjustment, plus price discount adjustment due to capital reduction.
      - (b). The simple average closing price of common shares for the 30 business days before the price determination date, minus dividends adjustment, plus price discount adjustment due to capital reduction.
    - b. Private placement of convertible bonds
      - (a). Issuance period: No more than seven years from the issuance date.
      - (b). Coupon rate: Authorize the Board of Directors for determination.
      - (c). The price for this private placement of convertible bonds shall not be lower than 80% of the theoretical value. The theoretical value shall be determined

using a valuation model that incorporates and concurrently considers all rights and terms associated with the issuance conditions.

The conversion price shall not be lower than 80% of the higher of the following two benchmark prices:

- a). The simple average closing price of common shares for either the 1, 3, or 5 business days before the price determination date, minus dividends adjustment, plus price discount adjustment due to capital reduction.
- b). The simple average closing price of common shares for the 30 business days before the price determination date, minus dividends adjustment, plus price discount adjustment due to capital reduction.
- c. The actual price determination date and private placement price (including the conversion price of privately placed convertible bonds) shall be determined by the Board of Directors within the range approved by the shareholders' meeting, based on market conditions, the Company's situation, and the selection of strategic investors. The basis for determining the private placement price complies with the relevant provisions of the "Directions for Public Companies Conducting Private Placements of Securities." Additionally, since privately placed securities are subject to transfer restrictions and cannot be publicly offered or listed within three years from the delivery date, such pricing is deemed reasonable.
- d. If future fluctuations in the securities market result in the actual issuance price per share or conversion price for this private placement of convertible bonds falling below the par value, such pricing should still be deemed necessary and reasonable. This is because it is determined in accordance with regulatory pricing guidelines and reflects prevailing market conditions, ensuring the successful raising of funds to support the Company's long-term and stable growth.

In the event that the issuance price falls below par value, leading to an increase in accumulated losses and impacting shareholder equity, the Company will assess its operational performance and market conditions. The Board of Directors will then determine appropriate remedial measures, such as capital reduction, the utilization of earnings, capital reserves, or other legally permitted methods to offset the losses.

(2). Method for selecting specific investors:

- a. Limited to strategic investors who meet the qualification requirements under Article 43-6, Paragraph 1 of the Securities and Exchange Act and letter JIN-GUAN-ZHENG-FA-ZI-DI No. 1120383220 issued by Financial Supervisory Commission on September 12, 2023. These investors should be capable of assisting the Company in enhancing technology, improving quality, reducing costs, increasing

efficiency, expanding markets, or diversifying operations, and should align with the Company's business philosophy.

b. The purpose, necessity, and expected benefits of engaging strategic investors who meet the aforementioned criteria are to address the Company's long-term development needs. By leveraging the experience, technology, expertise, business resources, or distribution channels of such strategic investors, the Company aims to achieve the aforementioned comprehensive benefits.

c. Reason for conducting private placement:

(a). Reason for conducting non-public offering:

Considering market conditions, the timeliness and feasibility of fundraising, issuance costs, and the actual need to introduce strategic investors; while private equity securities are subject to the three-year transfer restriction, which can ensure a long-term partnership with strategic investors and the Company. Additionally, authorizing the Board of Directors to proceed with the private placement based on the Company's operational needs enhances flexibility and efficiency in fundraising.

(b). Expected Number of Placements:

The Company may conduct the private placement in one or multiple tranches (not exceeding three in total), depending on market conditions and the status of negotiations with specific investors.

(c). Purpose of the Private Placement and Expected Benefits:

a). **Use of Proceeds for Each Placement:** All proceeds will be used to strengthen the Company's operating capital.

(b). **Expected Benefits of Each Placement:** The placements are expected to enhance the Company's competitiveness, improve operational efficiency, and strengthen its financial structure, thereby contributing positively to shareholders' equity.

3. Regarding the important contents of this private placement of securities, including the actual number of privately placed shares, issuance period, actual private placement price, fundraising amount, bond coupon rate, actual issuance method, issuance conditions, conversion price, subscriber selection, record date, project plan, fund usage and progress, expected benefits, and other related matters, as well as all other matters related to the issuance plan, it is proposed to authorize the Board of Directors to adjust, determine, and handle these matters according to market conditions at the shareholders' meeting. Furthermore, in the event of future legal changes, modifications required by

regulatory authorities, or based on operational assessments or objective environmental needs, it is also proposed to authorize the Board of Directors to handle such matters comprehensively at the shareholders' meeting.

4. The rights and obligations of the common shares issued in this private placement (including those converted from privately placed convertible bonds) shall be the same as those of the Company's issued common shares. However, all restrictions related to the privately placed securities shall be handled in accordance with Article 43-8 of the Securities and Exchange Act and relevant regulations and interpretations issued by the competent authorities.
5. To coordinate with this private placement method of issuing common shares, or issuing domestic/overseas convertible bonds (including secured or unsecured convertible bonds), it is proposed to request the shareholders' meeting to authorize the Chairperson or a person designated by the Chairperson to represent the company in signing, negotiating all contracts and documents related to this private placement plan, and handling all matters necessary for this private placement plan.
6. Any matters not specified above shall be fully delegated to the Chairman for handling in accordance with applicable laws and regulations.

Attachment 9

**Securities underwriter's assessment opinion on the Private Placement Issuance of  
Common Shares or Domestic/Overseas Convertible Bonds for the Year 2025.**

**CHENG MEI MATERIALS TECHNOLOGY CORP.**

**Assessment Opinion on the Necessity and  
Reasonableness of Private Placement**

(Translation)

Client: CHENG MEI MATERIALS TECHNOLOGY CORP.

Recipient: CHENG MEI MATERIALS TECHNOLOGY CORP.

Designated Purpose: For the sole use of CHENG MEI MATERIALS  
TECHNOLOGY CORP. in conducting private  
placement of securities in 2025

Report Type: Evaluation Opinion on the Necessity and Reasonableness of  
Private Placement

Evaluating Institution: Capital Securities Corporation

April 2, 2025

## **I. Introduction**

Cheng Mei Materials Technology Corporation (hereinafter referred to as "Cheng Mei Materials" or "the Company") is seeking opportunities for advanced technological cooperation or strategic alliances with domestic and foreign manufacturers in the semiconductor and polarizer fields, while also strengthening its working capital to meet future operational needs. The Company plans to resolve at the Board of Directors meeting on April 14, 2025, to issue common shares or domestic/foreign convertible bonds (including secured or unsecured convertible bonds) through private placement to raise funds by introducing strategic investors. These securities may be issued in installments or simultaneously, using either one method or a combination. The actual issuance or potential conversion of shares will be proposed for approval at the Annual General Shareholders' Meeting on May 27, 2025, with authorization requested for the Board of Directors to implement the issuance once or in installments (not exceeding three times), within a limit of 100,000,000 shares, depending on capital market conditions.

According to the Company's 2024 consolidated financial statements audited by certified public accountants, the Company reported a net loss after tax of NT\$266,913 thousand for 2024. Therefore, in accordance with Article 3 of the "Directions for Public Companies Conducting Private Placements of Securities," which states that "Public companies with after-tax net profit in the most recent fiscal year and no accumulated losses shall adopt public offering for issuing securities, except in the following circumstances where private placement may be conducted: (omitted)," the Company is eligible to issue securities through private placement.

Also in accordance with the "Directions for Public Companies Conducting Private Placements of Securities," if a significant change in management control occurs within one year prior to the board resolution on private placement until one year after the delivery date of the privately placed securities, or if the introduction of strategic investors through private placement may lead to a significant change in management control, the company shall engage a securities underwriter to issue an evaluation opinion on the necessity and reasonableness of the private placement. Cheng Mei Materials announced on June 7, 2024, that more than one-third of its directors had changed. Therefore, the Company has commissioned our securities underwriting firm to issue an evaluation opinion on the necessity and reasonableness of this private placement.

The content of this opinion is intended solely as a reference for Cheng Mei Materials' shareholders' meeting on May 27, 2025, in resolving this private placement of securities, and not for any other purpose. The content of this opinion is based on the proposal submitted to Cheng Mei Materials' Board of Directors on April 14, 2025, and the Company's financial information. We hereby declare that we bear no legal responsibility for any changes to the content of this opinion that may result from future amendments to this private placement plan or other circumstances.

## II. Company Status

Cheng Mei Materials Technology Corporation was established on May 17, 2005, and listed on the stock exchange on October 24, 2011. The Company's main business activities include the manufacturing and sales of optoelectronic materials and components (polarizers). As of December 31, 2024, the Company's paid-in capital was NT\$5,717,054 thousand. The Company's summarized financial data for the past three years is as follows:

### Balance Sheet

Unit: NT\$ thousand

Year/Item	2022	2023	2024
Current assets	10,481,657	9,576,811	9,471,137
Non-current assets	4,583,703	4,635,827	4,945,099
Total assets	15,065,360	14,212,638	14,416,236
Current liabilities	2,208,732	3,930,247	4,096,808
Non-current liabilities	1,885,730	1,102,933	1,414,213
Total liabilities	4,094,462	5,033,180	5,511,021
Share capital	6,750,849	5,723,727	5,717,054
Capital reserve	756,883	594,115	591,406
Retained Earnings	3,874,067	3,293,110	3,026,197
Other equity	(410,901)	(431,494)	(429,442)
Total Equity	10,970,898	9,179,458	8,905,215
Net Worth per Share (NT\$)	16.25	16.04	15.58

Source: The Company's consolidated financial statements for 2022-2024 audited by certified public accountants.

### Comprehensive Income Statement

Unit: NT\$ thousand

Year/Item	2022	2023	2024
Operating income	9,499,682	9,237,663	8,927,193
Gross profit margin	777,100	365,012	443,815
Gross Profit Margin	8.18	3.95	4.97
Operating Profit (Loss)	16,032	(532,555)	(569,451)
Operating Profit (Loss) Margin	0.17	(5.77)	(6.38)
Non-operating income and expenditure	446,689	(112,790)	331,921
Net Profit (Loss) Attributable to Owners of the Parent Company	462,118	(580,957)	(266,913)
Earnings per share (NT\$)	0.69	(0.99)	(0.47)

Source: The Company's consolidated financial statements for 2022-2024 audited by certified public accountants.

## III. Underwriter's Evaluation Opinion

Cheng Mei Materials Technology Corporation plans to convene a Board of Directors meeting on April 14, 2025, to approve the issuance of common shares or domestic/foreign convertible bonds (including secured or unsecured convertible bonds) through private

placement to raise funds by introducing strategic investors. These securities may be issued in installments or simultaneously, using either one method or a combination. The actual issuance or potential conversion of shares will be proposed for shareholders' approval, with authorization requested for the Board of Directors to implement the issuance once or in installments (not exceeding three times), within a limit of 100,000,000 shares, depending on capital market conditions. The funds raised will be used to strengthen the Company's working capital. According to the proposal to be submitted to the Board of Directors on April 14, 2025, the subscribers to this private placement will be specific persons who meet the requirements of Article 43-6 of the Securities and Exchange Act and the FSC Letter Jin-Guan-Zheng-Fa-Zi No. 1120383220 dated September 12, 2023. However, as of the date of this opinion, the Company has not yet identified specific subscribers.

The following is our securities underwriting firm's evaluation of the necessity and reasonableness of the Company's private placement of securities:

#### (I) Legal Compliance Evaluation

##### 1. Article 3 of the "Directions for Public Companies Conducting Private Placements of Securities"

The Company's consolidated financial statements for 2024 audited by certified public accountants show a net loss after tax of NT\$266,913 thousand for 2024. Therefore, the Company is not subject to the restriction in Article 3 of the "Directions for Public Companies Conducting Private Placements of Securities," which states that "Public companies with after-tax net profit in the most recent fiscal year and no accumulated losses shall adopt public offering for issuing securities, except in the following circumstances where private placement may be conducted."

##### 2. Article 4, Paragraph 1, Subparagraph 1 of the "Directions for Public Companies Conducting Private Placements of Securities" regarding private placement pricing and theoretical price

According to Article 4, Paragraph 1, Subparagraph 1 of the "Directions for Public Companies Conducting Private Placements of Securities," "For companies listed on the TWSE, TPEX, or the Emerging Stock Market, if the price per share for private placement of common shares is less than 80% of the reference price, or if the issue price of preferred shares, convertible bonds, preferred shares with warrants, bonds with warrants, or employee stock options is less than 80% of the theoretical price, the opinion of an independent expert regarding the basis and reasonableness of the pricing shall be included in the meeting notice as a reference for shareholders' approval." According to the proposal to be submitted to the Board of Directors on April 14, 2025, the price per share/issue price of the proposed private placement of common shares/domestic and foreign convertible bonds will not be less than 80% of the reference price/theoretical

price, and this has been included in the Board meeting agenda, which should comply with the relevant regulations.

### 3. Article 4, Paragraph 1, Subparagraph 2 of the "Directions for Public Companies Conducting Private Placements of Securities" regarding subscribers

According to Article 4, Paragraph 1, Subparagraph 2 of the "Directions for Public Companies Conducting Private Placements of Securities," if the subscribers are strategic investors, the Board of Directors shall thoroughly discuss the selection method and purpose of the subscribers, the necessity, and expected benefits, and include this information in the reasons for convening the shareholders' meeting. After reviewing the Board meeting proposal materials prepared by the Company for this private placement, the Company will thoroughly discuss matters related to the subscribers during the Board meeting and will include this information in the reasons for convening the Annual General Shareholders' Meeting on May 27, 2025, which should comply with the relevant regulations.

## (II) Evaluation of the Necessity and Reasonableness of this Private Placement of Common Shares

### 1. Necessity Evaluation

Cheng Mei Materials Technology Corporation is continuously expanding in niche markets, actively deploying high-value products such as automotive displays and OLED technology, and entering the advanced semiconductor packaging sector. The Company is seeking opportunities for advanced technological cooperation or strategic alliances with domestic and foreign manufacturers in the semiconductor and polarizer fields. The funds raised from this private placement will be entirely used to strengthen working capital to meet future operational needs. Based on our evaluation of the Company's operations, debt ratio, and cash flow conditions over the past two years, there remains room for improvement. By introducing strategic investors through this private placement, the Company can not only meet the capital requirements for future long-term operational development but also improve its financial structure, strengthen its competitiveness, and enhance operational performance. In addition to being a relatively quick and efficient fundraising method, the private placement can reduce interest expenses, avoid excessive reliance on financial institution loans, and increase financial flexibility, which will have a positive impact on future operations and profitability.

Furthermore, privately placed securities are subject to a three-year restriction on free transfer, which ensures a long-term cooperative relationship between the Company and its strategic investment partners. Therefore, introducing strategic investors who can provide management and financial resources necessary for the Company's future business development or operations through private placement will benefit

shareholders' interests. For these reasons, this private placement of securities is deemed necessary.

## 2. Reasonableness Evaluation

### (1) Reasonableness of the Type of Securities for Private Placement

Cheng Mei Materials Technology Corporation proposes to issue common shares or domestic/foreign convertible bonds (including secured or unsecured convertible bonds) through private placement, using either one method or a combination, in installments or simultaneously. The Company will consider market conditions and discussions with specific persons to implement the issuance once or in installments (not exceeding three times), within a limit of 100,000,000 shares. Since both common shares and convertible bonds are widely issued types of securities in the capital market with high investor acceptance, the types of securities chosen for this private placement are considered reasonable.

### (2) Reasonableness of the Expected Benefits of the Private Placement

The funds from this private placement will be used to strengthen the Company's working capital. In addition to meeting the Company's need for long-term stable funding, the private placement is expected to reduce the Company's dependence on bank financing and decrease interest expenses, improve its financial structure, enhance its competitiveness, and improve operational performance. These outcomes will positively benefit shareholders' interests. Therefore, the expected benefits of this private placement can reasonably be achieved.

## 3. Evaluation of the Selection of Subscribers and Possibilities

### (1) Selection of Subscribers

The subscribers for this private placement shall be limited to specific person who comply with Article 43-6 of the Securities and Exchange Act and the FSC Letter Jin-Guan-Zheng-Fa-Zi No. 1120383220 dated September 12, 2023. These strategic investors must be capable of assisting the Company in enhancing technology, improving quality, reducing costs, increasing efficiency, expanding markets, or diversifying operations, while also sharing the Company's management philosophy. At present, no specific subscribers have been identified for this private placement. Once determined, the subscriber information will be uploaded to the Market Observation Post System (MOPS) in accordance with relevant regulations.

### (2) Feasibility and Necessity of Subscribers

The Company seeks to pursue opportunities for advanced technology collaboration or strategic alliances with domestic and international manufacturers in the semiconductor and polarizer industries, while simultaneously strengthening working capital to meet future operational needs. This private placement aims to

introduce strategic investors whose experience, technology, knowledge, business connections, or distribution channels will benefit the Company in expanding into new business domains, thereby enhancing operational momentum, improving financial structure, and increasing future operational performance and shareholder equity. Therefore, the potential subscribers being approached for this private placement demonstrate both feasibility and necessity.

### (III) Impact on Company Business, Finances, and Shareholder Equity Following Transfer of Management Control

CHENG MEI MATERIALS TECHNOLOGY CORPORATION's current issued capital consists of 571,705,388 shares. This private placement proposes to issue ordinary shares or domestic/international convertible bonds (including secured or unsecured convertible bonds) within a limit of 100,000,000 shares, either at once or in installments. If fully issued, the expected total issued shares would increase to 671,705,388 shares, representing 14.89% of the total issued and converted capital. Since the subscribers for this private placement are limited to strategic investors, there is a possibility that these subscribers may obtain director positions in the Company, potentially resulting in significant changes in management control. Therefore, the impacts on the Company's business, finances, and shareholder equity are explained as follows:

#### 1. Impact on Company Business

The Company has not yet identified specific subscribers for this private placement. The specific persons being approached include strategic investors who may directly or indirectly benefit the Company's future operations. If the Company can leverage the resources provided by these strategic investors, it will be advantageous for expanding into new business domains, thereby enhancing company profitability and shareholder equity. Furthermore, since privately placed securities cannot be transferred within three years, this ensures a long-term cooperative relationship between the Company and strategic investors. Therefore, this private placement should have a positive impact on the Company's business.

#### 2. Impact on Company Finances

Through this private placement fundraising method, the Company can receive an immediate and effective capital injection. This will not only support future operational development needs in a timely manner but also strengthen the financial structure, enhance operational foundation, increase funding flexibility, and reduce operational risks. These improvements will ultimately increase operational competitiveness and contribute to the Company's mid to long-term development. Therefore, this private placement should have a positive impact on the Company's finances.

#### 3. Impact on Shareholder Equity

In addition to helping the Company secure long-term stable funding, this private placement plan will also introduce strategic investors, which is beneficial for the Company's expansion into new business areas. Expanding the operational scale can enhance the Company's profitability and shareholder equity. According to the pricing principles for this private placement, the issuance price will be set at no less than 80% of the reference price/theoretical price, which complies with the regulations set forth in the "Directions for Public Companies Conducting Private Placements of Securities." Therefore, the pricing of this private placement should not cause significant adverse effects on shareholder equity.

As the Company reported a net loss after tax in 2024, if future securities market fluctuations affect the pricing of this private placement of ordinary shares/domestic or international convertible bonds, there is a possibility that the issuance price may be set below the par value of the stock. The difference between the private placement price and the par value of the stock would increase the accumulated deficit. In the future, the Company will submit proposals to the Board of Directors for resolution based on the Company's operations and market conditions, to offset losses through capital reduction, surplus, capital reserves, or other legal methods. Therefore, this private placement will not have significant adverse effects on shareholder equity.

#### (IV) Conclusion of Evaluation

In summary, the funds raised from this private placement will be used to strengthen working capital. This will not only satisfy the Company's need for long-term stable funding but also reduce dependence on bank financing and decrease interest expenses. Additionally, it will increase flexibility in capital deployment, strengthen the financial structure, and contribute to the sound future operational development of the Company while also safeguarding shareholder interests. Furthermore, upon reviewing the Board meeting materials prepared by the Company, the issuance procedures, discussion content of proposals, basis for determining private placement pricing, and methods for selecting specific persons all comply with the Securities and Exchange Act and relevant regulations, with no significant abnormalities. After considering the Company's profitability status and the uncertainties and timing constraints associated with public offerings as fundraising methods, the Company's proposed private placement of ordinary shares demonstrates both necessity and reasonableness.

## **Independent Statement**

- I. Our company has been engaged to provide an underwriter's evaluation opinion on the necessity and reasonableness of CHENG MEI MATERIALS TECHNOLOGY CORPORATION's private placement of securities in 2025. This evaluation opinion has been maintained with complete independence.
- II. For the execution of the above business, our company hereby declares that none of the following circumstances exist:
- (1) Where any party, together with its parent company, all subsidiaries of the parent company, and venture capital enterprises managed by its subsidiaries, holds in aggregate more than ten percent of the total shares of the other party.
  - (2) Where the directors appointed by any party and its subsidiaries to the other party exceed half of the total number of directors of the other party.
  - (3) Where the chairman or general manager of any party is the same person as the chairman or general manager of the other party, or where they have a spousal relationship or are relatives within the second degree of kinship.
  - (4) Where more than twenty percent of the total shares of any party are held by the same shareholders.
  - (5) Where more than half of the directors or supervisors of any party are the same as those of the other party. The calculation method includes the spouses, children, and relatives within the second degree of kinship of such personnel.
  - (6) Where any party and its related parties together hold more than fifty percent of the total issued shares of the other party.
  - (7) Where both parties are required to apply for consolidation under relevant laws and regulations, or where the consolidation has been reported but not prohibited by the Fair Trade Commission.
  - (8) Other circumstances prescribed by laws and regulations or where factual evidence shows that any party directly or indirectly controls the personnel, financial, or business operations of the other party, resulting in a loss of independence.
- III. To present an expert evaluation opinion on the necessity and reasonableness of the private placement of securities, I have maintained complete independence in providing this professional assessment.

Declarant: Capital Securities Corporation

Representative: Chou, Hsiu-Chen

Date: April 2, 2025