

Leo Systems Inc.

Director election method

Last Established/Revised on: 26 July 2021

Article 1: The election of directors of the company shall be handled in accordance with these Regulations.

Article 2: The election of directors of the company shall be held at the meeting of shareholders.

Article 3: The election of directors of the company shall be in accordance with the procedures for the nomination of candidates stipulated in Article 192-1 of the Company Act.

The professional qualifications, shareholding, part-time job restrictions, nomination and election methods, and other compliance matters of independent directors are handled in accordance with the relevant laws and regulations of the Company Act and the Securities and Exchange Law.

Article 4: The election of the directors of the company adopts the cumulative voting system, Each share has the same voting rights as the number of directors to be elected, and one person may be elected collectively or several persons may be elected separately.

Article 5: The company shall calculate the voting rights of independent directors and non-independent directors separately according to the quota stipulated in the company's articles of association.

Article 6: Delete

Article 7: The ballots shall be issued by the person who has the right to convene, and shall be numbered according to the number of the attendance card and the number of voting rights shall be filled in.

Article 8: At the beginning of the election, the chairman shall designate a number of scrutineers and counters to perform various related duties. The scrutineers shall have the status of shareholders.

Article 9: The ballot box shall be prepared by the person with the right to convene, and shall be inspected by the scrutineers in public before voting.

Article 10: If the elected person is a shareholder, the elector must fill in the elected person's account name and shareholder account number in the elected person column of the ballot; if he is not a shareholder, the elector's name and identity certificate should be filled in serial number. However, when the government or juristic person shareholder is the elected person, the name of the elector should be filled in the name of the government or juristic person in the voter's account column, and the name of the government or juristic person and the name of its representative may also be filled in; if there are several representatives, The name of the representative should be added separately.

Article 11: Ballots are invalid if one of the following conditions occurs:

1. Those who do not use ballot papers prepared by persons with the right to convene.
2. Those who put blank ballot papers into the ballot box.
3. The handwriting is illegible or altered.
4. The list of elected candidates and director candidates has been verified to be inconsistent.
5. In addition to filling in the number of allocated voting rights, other words are inserted.

Article 12: After the voting is over, votes will be counted and recorded on the spot, under the supervision of the scrutineers, and the results of the counting will be announced by the chairman on the spot.

Article 13: The elected directors shall be notified separately by the company after the shareholders' meeting.

Article 14: Matters not stipulated in these measures shall be handled in accordance with the Company Act and other relevant laws and regulations.

Article 15: These measures shall come into force after the resolution of the shareholders' meeting is passed, and the same shall apply when amended.

Article 16: This regulation was enacted on June 26, 2002.
The first revision was on June 10, 2011.
The second revision was on June 24, 2014.
The third revision was on July 26, 2021.

Appendix 4

Leo Systems Inc. Director Shareholding

1. The Company's paid-in capital is NT\$893,891,230 and has 89,389,123 outstanding shares.
2. The Company has 3 independent directors. According to the ratio stipulated in Article 26 of the Securities and Exchange Act and the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies promulgated by the Securities and Futures Commission, Financial Supervisory Commission, when there are two or more independent directors, the statutory minimum shareholding held by all directors other than independent directors and supervisors may be lowered to 80%. Therefore, the statutory shares to be held by all directors of the Company are 7,151,129 shares (8%).
3. The shares held by all directors have satisfied the statutory requirement.
4. The Company has an audit committee. Therefore, shareholding requirement by supervisors does not apply.
5. As of the share-transfer cutoff date for this ordinary shareholders meeting, individual and all director shareholdings registered in the shareholders register are as follows:

Share-Transfer Cutoff Date: 7 April 2024

Title	Name	Shareholding at the time of election		Shareholding recorded in shareholders register on the share-transfer cutoff date	
		No. of shares	%	No. of shares	%
Chairman	University Venture Co., Ltd. Chairman: Wang, Chau-Chyun	981,399	1.12%	981,399	1.10%
Director	WYC God-loving Foundation for Charity Chairman: Chien, Lambert Ming Long	7,218,436	8.26%	7,218,436	8.08%
Director	WYC God-loving Foundation for Charity Chairman: Jou, Shao-Huey	7,218,436	8.26%	7,218,436	8.08%
Independent Director	Liu, Thu-Hua	0	0%	0	0%
Independent Director	Chen, Yen-Hui	0	0%	0	0%
Independent Director	Cheng, Sheng-In	0	0%	0	0%
Independent Director	Liao, Hsiang-Ruei	0	0%	0	0%
Total shareholding by directors		8,199,835	9.38%	8,199,835	9.20%