



LEO SYSTEMS, INC.

2025 General Shareholders' Meeting Reference Materials for Various Proposals

Convocation Manner: Physical shareholders' meeting

Date: 27 May, 2025

Location: Meeting Hall, 2F., No. 12, Zhouzi St., Neihu Dist., Taipei City

Reported Matters

1. 2024 Business Report is submitted for review.
Illustration: For 2024 Business Report, please refer to Attachment 1 on pages 7-10 of this Handbook.
2. 2024 Audit Committee Audit Report is submitted for review.
Illustration: For Audit Committee Audit Report, please refer to Attachment 2 on page 11 of this Handbook
3. 2024 Employee and Director Remuneration Distribution Status Report is submitted for review.
 - (1) In accordance with Article 21 of the Company's Articles of Incorporation, depending on the profit of the Company in the current year, 5% shall be distributed as employee remuneration and no more than 2% of the current-year profit shall be distributed as director remuneration. However, if the Company still has accumulated losses, such losses shall be compensated.
 - (2) Employee remuneration of NT\$9,232,912 and director remuneration of NT\$3,693,165 are provisioned for 2024, both to be issued in cash.
 - (3) The above amounts are consistent with the expense accounted for in 2024.

Approval Matters

Agenda 1 Proposed by Board of Directors

Subject: 2024 Business Report and Financial Statements are submitted for approval

Illustration:

1. The Company's 2024 consolidated financial statements and annual parent company only financial statements have been audited by CPAs Chang, Chih-Yi and Shyu, Wen-Yea of Deloitte Taiwan and have submitted to the audit committee for review together with the Business Report. A written audit report has been issued.
2. 2024 Business Report, CPA Audit Report, consolidated financial statements and annual parent company only financial statements are included as Attachment 1 on pages 7-10 and Attachment 3 on pages 12-31 of this Handbook.
3. Approval requested.

Resolution:

Agenda 2 Proposed by Board of Directors

Subject: 2024 profit distribution proposal is submitted for approval.

Illustration:

1. The Company's 2024 after-tax profit is NT\$145,622,749. It is proposed that NT\$136,948,685 be distributed as cash dividend. Based on 91,299,123 outstanding shares as of 25 February 2025, cash dividend per share is NT\$1.5. According to the Company Act and the Articles of Incorporation of the Company, 2024 profit distribution table is proposed on page 5 of this Handbook.
2. Among the amount of this profit distribution, 2024 profit shall be distributed first.
3. If the number of outstanding shares changes due to subsequent change in the Company's share capital, buyback of the Company's shares, transfer or cancellation of treasury shares, exercise of employee stock options or other reasons, resulting in a change of shareholder dividend distribution ratio, it is proposed that the general shareholders' meeting authorize the chairman to handle the event with full discretion.
4. This cash dividend will be calculated up to a minimum of NT\$1 in accordance with the distribution ratio. Any fractional number shall be ignored. The sum of fractional numbers shall be adjusted based on the numbers following the decimal point in descending order and also in the order of registration of shareholder account number to calculate the final total amount of cash dividend to be distributed.
5. Upon approval of this proposal by the shareholders' meeting, the chairman is authorized to set relevant matters such as the dividend distribution record date and issue date, etc.
6. Approval requested.

Resolution:

LEO Systems, Inc.
Profit Distribution Statement of 2024

Unit: NT\$

Item	Amount
Beginning undistributed profit	90,072,735
Actuarial (loss) profit included to retained earnings	3,711,140
Undistributed profit after adjustment	93,783,875
Net profit after tax in 2024	145,622,749
Less: 10% of profit withdrawn as statutory surplus reserve	(14,933,389)
Add: Reversal of special surplus reserve in accordance with law	0
Profit available for distribution	224,473,235
Distribution items	
Shareholders' dividends-NT\$1.5 per share in cash (Note)	(136,948,685)
Undistributed profit at the end of period	87,524,550

Note: The number of shares above is calculated as 91,299,123 outstanding shares as of February 25, 2025.

Chairman:
Wang,Chau-Chyun

General Manager:
Wen,Chien-Liang

Accounting Manager:
Peng,Hung-Chin

Discussion Matters

Agenda Proposed by Board of Directors

Subject: Amendment to certain clauses of the Company's Articles of Incorporation is submitted for discussion.

Illustration:

1. In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act, the Company's Articles of Association, Article 21, Employee Remuneration Policy, was revised to stipulate that no less than 2.5% of the employee remuneration amount should be allocated for the distribution of remuneration to grassroots employees.
2. Clauses of the Articles of Incorporation before and after amendment are listed in Attachment 4 on page 32 of this Handbook.
3. Discussion requested.

Resolution:

Motions

Adjournment