

Notice of Meeting

- I. The annual shareholders' meeting for the year 2024 will be convened at 9:30 a.m. on June 7 (Friday), at No. 127, Section 7, Zhongshan North Road, Shilin District, Taipei City (Conference Room in Mellow Fields Hotel). Registration for shareholders will begin at 9:00 a.m. at the same location as the meeting venue. Major content
 - (I) Meeting Agenda: 1. The Company's 2023 business report. 2. Audit Committee's review report on 2023 financial statements. 3. The Company in 2023 Remuneration to directors and Report on the distribution of remuneration to employees. 4. Report on the 2023 distribution of cash dividends from earnings. 5. Report on the amendment of the Company's "Rules of Procedure for Board of Directors Meetings". 6. Report on the Issuance of the First Domestic Unsecured Convertible Corporate Bonds
 - (II) Matters for Ratification: 1. To approve 2023 Operating Report and Financial Statements. 2. To approve the proposal for distribution of 2023 earnings.
 - (III) Matters for Discussion: 1. Discussion about issuance of new shares from capitalization of the Company's retained earnings. 2. Discussion about issuance of new shares from cash capital increase as the source of public underwriting of shares prior to listing, and original shareholders' abandonment of subscription. 3. Amendment to the Articles of Incorporation of the Company 4. Proposal to issue Restricted Stock Awards. 5. Proposal to conduct a private placement of securities.
Extraordinary motion.
- II. The main content of year 2023 profit distribution of the Company is as following:
 1. Cash dividends: It is proposed to allocate NT\$408,000,000, with an intended distribution of NT\$4.02575365 per share.
 2. Stock dividends: It is proposed to allocate NT\$25,500,000, issuing 2,550,000 new shares through capitalization, with a par value of NT\$10 per share. For every one thousand shares held, shareholders will receive 25.5 shares free of charge. In the event that changes in the company's share capital affect the number of outstanding shares, leading to adjustments in the shareholders' allotment rate, it is proposed to seek authorization from the shareholders' meeting for the Board of Directors to make necessary adjustments.
 3. Upon the resolution's approval in the shareholders' meeting and subsequent approval by the regulatory authority, the Board of Directors will be authorized to determine the record date of the capital increase.
 4. The new ordinary shares issued shall rank pari passu with the issued and outstanding shares of the Company.
- III. Explanation of the proposed issuance of Restricted Stock Award by the Company
 1. In order to attract and retain key talents to achieve the company's medium and long-term goals, and to motivate employees to fully commit to achieving the company's operational objectives, the company proposes to issue Restricted Stock Award in accordance with Article 267, Paragraph 9 of the Company Act and the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" (hereinafter referred to as the "Offering Guidelines") issued by the Financial Supervisory Commission.
 2. The details of the proposed issuance of Restricted Stock Awards are as follows:
 - (1) Expected total amount (shares) of issuance: Limited to no more than 1,000,000 shares of common stock, approximately 1% of the currently issued common shares. Each share has a par value of NT\$10, with a total value of NT\$10,000,000. Within two years after receipt of notice indicating that the registration has become effective, the issuance will be conducted either once or in multiple installments. The actual number of shares issued and the associated costs will be determined based on the prevailing stock price at the time of issuance.
 - (2) Issuance conditions:
 - (2-1) Expected issuance price: Free of charge.
 - (2-2) Type of shares to be issued: Common shares.
 - (2-3) Conditions for recipients:
 - (2-3-1) Employees who receive Restricted Stock Awards shall remain

employed on the respective vesting dates and shall not have been found in violation of any company employment-related contracts, code of conduct, trust agreements, integrity guidelines, employee rules, non-compete agreements, confidentiality agreements, or any contractual agreements with the company. Additionally, they must meet the performance evaluation criteria set by the company and contribute to achieving the company's operational objectives. The proportion of vested shares for each vesting date is as follows:

- Upon completion of one year, recipients are eligible to receive 25% of the vested shares.
- Upon completion of two years, recipients are eligible to receive 25% of the vested shares.
- Upon completion of three years, recipients are eligible to receive 25% of the vested shares.
- Upon completion of four years, recipients are eligible to receive 25% of the vested shares.

(2-4) Individual Performance Indicators: Recipients must have achieved a performance rating of "Good" or above in the most recent annual performance evaluation conducted upon the completion of the vesting period and must have met the individual employee performance indicators set by the company.

(2-5) Company Operational Objectives: For the fiscal year of the issuance of Restricted Stock Awards and the subsequent three fiscal years, the calculation basis for revenue growth rate and earnings per share growth rate will be the consolidated financial statements audited by CPAs. Both the annual revenue growth rate and earnings per share must grow by at least 10% annually.

(2-6) Handling of Employees Who Fail to Meet Vesting Conditions or in the Event of Inheritance: Details can be found in Article 6 of the issuance regulations.

(3) Qualifications for Employee Eligibility and Allocation of Shares:

(3-1) The eligible participants for this incentive plan are limited to full-time employees of the company and its controlling or subsidiary companies who are still employed on the day of issuance of the Restricted Stock Awards and have achieved a certain level of performance.

(3-2) Qualified employees must either (A) have significant influence on the operational decisions of the company, or (B) be key personnel for the future development of core technologies and strategic initiatives of the company.

(3-3) The number of shares eligible employees may receive will be determined based on the company's operational performance, as well as individual job level, work performance, and other relevant factors. Allocation criteria will be formulated accordingly, subject to approval by the Board of Directors after review and approval by the Chairman. However, employees holding positions as directors or managers of the company must first obtain approval from the Compensation Committee, while employees who do not hold positions as directors or managers of the company must first obtain approval from the Audit Committee.

(3-4) The determination and calculation of the number of shares eligible for allocation shall be conducted in accordance with the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" and relevant regulations.

(4) The necessary reasons for implementing the issuance of restricted employee equity shares are as follows: The company aims to attract and retain key talented individuals to achieve its medium and long-term goals. By motivating employees to fully commit to achieving the company's operational objectives, the company anticipates creating greater benefits for both the company and its shareholders. Moreover, this initiative ensures the alignment of interests between company employees and shareholders.

(5) The potential costs involved and their impact on earnings per share dilution, as well as other factors affecting shareholder equity, include:

(5-1) Possible Cost Impact: The company should measure the fair value of the stock on the grant date and recognize the relevant expenses over the vesting period on a yearly basis. Based on the closing price of NT\$156 per share of the company's

common stock on April 9, 2024, the total potential expense recognition amount under the assumption of full achievement of vesting conditions would be NT\$140,400,000. If the issuance occurs at the end of December 2024, the estimated expense recognition amounts for the years 2025 to 2028 would be NT\$73,125,000, NT\$38,025,000, NT\$20,475,000, and NT\$8,775,000 respectively.

(5-2) Dilution of Earnings per Share for the Company:

Based on the current outstanding common shares in circulation and the Restricted Stock Awards issued within the proposed limit, the estimated decrease in earnings per share for the years 2025 to 2028 would be NT\$0.64, NT\$0.33, NT\$0.18, and NT\$0.08 respectively.

(5-3) Other Impact on Shareholder Equity: The dilution of earnings per share for the company is relatively limited, thus having no significant impact on shareholder equity.

- (6) Should any of the conditions set for the issuance of restricted employee equity shares require revision or amendment due to instructions from regulatory authorities, changes in relevant laws and regulations, or adjustments necessitated by financial market conditions, it is proposed to seek authorization from the shareholders' meeting for the Board of Directors or its authorized representatives to handle such matters with full authority.
- (7) The issuance of Restricted Stock Awards this time, along with related restrictions, important provisions, or any unresolved matters, will be handled in accordance with relevant regulations and the issuance regulations established by the company.

IV. Explanation of the Proposed Private Placement of Common Shares by the Company:

To expand our operational scale, enhance operational funding, attract strategic investors, strengthen our financial structure, or meet other future funding needs for the company's development, thereby enhancing operational capabilities and competitiveness, we have a capital requirement. Therefore, we propose to conduct a private placement of common shares within a limit of up to 15,000,000 shares, with a par value of NT\$10 per share. In accordance with Article 43-6 of the Securities and Exchange Act, the following matters should be explained when conducting a private placement:

(1) Basis and Reasonableness of Price Determination:

- A. The determination of the private placement price shall not be lower than 80% of the higher of the following two criteria calculated by the Board of Directors based on the pricing basis authorized by the shareholders' meeting before the pricing date:
- The simple average closing price of the common shares of the Company for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction.
 - The simple average closing price of the common shares of the Company for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.
- B. The basis for the aforementioned private placement price determination complies with the regulations governing the issuance of privately placed securities by publicly traded companies. Therefore, the setting of the common stock price in this private placement should be considered reasonable.

(2) Selection Method for Specific Individuals:

Selection Method for Specific Individuals: Limited to individuals as defined in accordance with the provisions of Article 43-6 of the Securities and Exchange Act and the letter issued by the Financial Supervisory Commission of the Executive Yuan, dated September 1, 2010, with the reference number 0990046878. The company has not yet contacted specific prospective investors. It is proposed to seek authorization from the shareholders' meeting for the Board of Directors to prioritize individuals who can directly or indirectly benefit the company's future operations and select from among those who meet the requirements set by the regulatory authorities.

(3) The Necessity for Conducting the Private Placement:

- A. Reasons for Not Opting for Public Offering: Compared to public offerings, the provision that privately placed securities cannot be freely transferred within three years ensures a more secure long-term cooperative relationship between the company and strategic investment partners. Therefore, we choose not to pursue a public offering and instead

propose issuing common shares through private placement.

- B. Private Placement Limit: It is proposed to conduct a private placement of common shares within a limit of up to 15,000,000 shares. The total amount of the private placement will be determined based on the actual private placement situation, with authorization given to the Board of Directors to make the final decision.
- C. Purpose and Expected Benefits of the Private Placement: The company intends to conduct the private placement either in one time or multiple times (up to a maximum of 3 times), with the total number of shares issued not exceeding 15,000,000 shares. The funds raised from each time of the private placement will be utilized to enhance operational funding and repay bank loans. Each time of the private placement is expected to enhance the company's competitiveness, improve operational efficiency, and strengthen its financial structure. These initiatives are anticipated to have a positive impact on shareholder equity.
- (4) If it is anticipated that the private placement transactions cannot be completed within the specified timeframe or if there are no plans to continue with the remaining times of the private placement within the remaining period, but the original plan is still considered feasible, it will be deemed that the subscription funds for the privately placed securities have been fully collected.
 - (5) The newly issued shares in this private placement of common stock will rank pari passu with the origin shares. However, according to Article 43-8 of the Securities and Exchange Act, the privately placed common shares cannot be freely transferred within three years after delivery, except under specific circumstances as stipulated by law. The company also intends to apply for public offering and listing on the stock exchange from the regulatory authorities after the privately placed common shares have been held for a period of three years, in accordance with relevant legal regulations.
 - (6) The proposal for the private placement of common stock seeks authorization from the shareholders' meeting for the Board of Directors to conduct the private placement, either in one time or multiple times, within one year from the date of the shareholders' meeting resolution. If the private placement cannot be completed within this one-year period, the Board will convene a meeting before the deadline to discuss discontinuing the private placement. Furthermore, the company will disclose relevant information in accordance with the regulations of the Taiwan Stock Exchange Corporation's Market Observation Post System as if it were a significant event.
 - (7) Independent Directors' Dissenting Opinions: None.
 - (8) Significant change in managerial control within the 1 year period immediately preceding the day on which the Board of Directors resolves on the private placement, or a significant change in managerial control after the introduction of a strategic investor through private placement: None.
 - (9) The main contents of the private placement plan, including but not limited to pricing ration, the actual issuance price, number of shares to be issued, amount to be raised, terms of issuance, project items, expected progress of fund utilization, expected potential benefits, and other related matters, are intended to be submitted to the shareholders' meeting for authorization for the Board of Directors to determine, depending on the market conditions and the Company's operational needs. The Board of Directors is also authorized to handle any subsequent changes or amendments that may be necessary as a result of amendments made by the competent authorities or changes in the objective environment or laws and regulations.
 - (10) To facilitate the private placement of common stock, it is proposed to authorize the Chairman or person assigned by the Chairman to represent the Company to negotiate, arrange and sign any document and contract regarding the private placement plan.
 - (11) Investors who wish to inquire about information related to the private placement can visit the Private Placement section under the Market Observation Post System on the Taiwan Stock Exchange Corporation's website (<https://mops.twse.com.tw/>) and our company's website (<https://ddei5-0-ctp.trendmicro.com:443/wis/clicktime/v1/query?url=https%3a%2f%2fwww.hdrenewables.com%2f&umid=82DD6C41-1630-2306-A3FA-5BF8DBBB75D9&auth=ed353181d4a6bc2571138b25f49fa707428522ea->

a5bf592fdbd25867df397e6f4b433825ee41bf2d).

- V. If there are matters that should be listed and explained in the reasons for convening according to Article 172 of the Company Law, please visit the Market Observation Post System. (website: <https://mops.twse.com.tw/mops/web/index>), enter the company code and select basic information/e-book/annual report and relevant information of the shareholders' meeting "references for various proposals of the shareholders' meeting" for an inquiry.
- VI. According to Article 165 of the Company Act, the stock transfer registration will be suspended from April 9, 2024 to June 7, 2024.
- VII. Please find one attendance sign-in card and one proxy form in the mail. If you decide to attend the meeting in person, please sign or stamp your name on the "attendance sign-in card" (no need to return it). Please bring it to the venue on the day of the meeting for registration. If you appoint a proxy to attend the meeting on your behalf, please sign or stamp your name on the "proxy form" and fill in the name and relevant information of the appointed proxy. Then, submit the form to your appointed proxy for their signature or stamp. Please ensure that the proxy form reaches the Transfer Agency Department of SinoPac Securities at least five days before the meeting, so that they can attend the meeting on your behalf with the attendance sign-in card provided.
- VIII. Shareholders, solicitors, and appointed proxies should bring identification documents to the shareholders' meeting for verification purposes.
- IX. If there are solicitation proxies, the company will compile the solicitor's solicitation information and disclose it on the Securities and Futures Institute website before May 7, 2024. Shareholders who wish to inquire can directly visit the "Proxy Notice Data Free Inquiry" section by entering the website address: <https://free.sfi.org.tw> and entering the securities code for inquiry.
- X. The shareholder voting right could be exercised through the Internet from May 8, 2024 to June 4, 2024. Please login to the TDCC (Taiwan Depository & Clearing Corporation) website to exercise voting rights in accordance with the online instruction (website: <https://stockservices.tdcc.com.tw>).
- XI. The Transfer Agency Department of SinoPac Securities is the proxy tallying and verification institution for this Annual meeting.
- XII. Please be advised and perform accordingly.

Board of Directors
HD Renewable Energy Co., Ltd.