

Chenbro Micom Co., Ltd.

2023 Annual Shareholders' Meeting Handbook

Stock Code : 8210

Time and Date: 9:00 a.m., Wednesday, May 31, 2023

Venue: RF, No. 558, Zhongyuan Rd., Xinzhuang Dist., New Taipei City
(Physical Shareholders Meeting)

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Chenbro Micom Co., Ltd.

2023 Annual General Meeting

Time and Date: 9:00 a.m., Wednesday, May 31, 2023

Venue: RF, No. 558, Zhongyuan Rd., Xinzhuang Dist., New Taipei City

Form of the Meeting: Physical Shareholders' Meetings

Meeting Agenda:

- I. Meeting Called to Order
- II. Chairperson Remarks
- III. Reports:
 1. 2022 Business Reports.
 2. Audit Committee's review report of 2022 financial statements.
 3. Distribution of employee compensation and remuneration to directors for 2022.
 4. Report on the Company's investment in mainland China.
 5. Report on the status of endorsements/guarantees and funds loaned to others.
- IV. Ratifications:
 1. Ratification of 2022 Business Report and Financial Statements.
 2. Ratification of Distribution of Earnings for 2022.
- V. Discussions:
 1. Amendments to the Company's "Articles of Incorporation.
- VI. Election Matters:

Complete re-election of the Company's directors (including independent directors)
- VII. Other Proposals:

Removal of non-compete agreements for new directors.
- VIII. Extempore motion
- IX. Adjournment

[Reports]

Report 1

Subject:	2022 Business Reports.
Description:	2022 Business Report (Please refer to Attachment 1 on page 10 of the handbook).

Report 2

Subject:	Audit Committee's review report of 2022 financial statements.
Description:	Audit Committee's review report (Please refer to Attachment 2 on page 16 of the handbook).

Report 3

Subject:	Distribution of employee compensation and remuneration to directors for 2022.
Description:	<ol style="list-style-type: none"> 1. The employee compensation and the remuneration to directors of the Company for 2022 were approved by the board of directors on March 14, 2023 to allocate 6.8% for employee compensation and 2% for the remuneration to directors, both of which will be distributed in cash. 2. The total amount of the Company's employee compensation for 2022 is NT\$ 89,095,369. 3. The total amount of the Company's remuneration to directors for 2022 is NT \$ 26,204,520.

Report 4

Subject:	Report on the Company's investment in mainland China.
Description:	As of December 31, 2022, the Company's investment in mainland China is as follows:

Unit: NT\$ thousand

Name of investee	Main business	Paid-in capital
Chenbro Technology (Kunshan) Co, Ltd.	Computer case manufacturing and processing	\$ 307,100
Dongguan Procace Electronic Co., Ltd.	Computer case manufacturing and processing	\$ 385,165
ChenPower Information Technology (Shang Hai) Co., Ltd.	Trade and purchase order accepting	\$ 64,491

Report 5

Subject:	Report on the status of endorsements/guarantees and funds loaned to others.
Description:	1. The aggregate amount of endorsements/guarantees provided by the Company as of December 31, 2022 should not exceed NT\$2,944,285 thousand (60% of the Company's net worth), and the limit of endorsements/guarantees to a single company is NT\$981,428 thousand (20% of the Company's net worth), and the aggregate amount of endorsements/guarantees to subsidiaries, in which the Company holds 90% or more of the equity, should not exceed NT\$2,453,571 thousand (50% of the Company's net worth). The actual implementation is as follows:

Unit: NT\$ thousand

Party being Endorsed/Guaranteed		The Highest Endorsement/ Guarantee Balance for the Current Period	Outstanding Endorsements / Guarantees - Ending Outstanding Endorsements / Guarantees - Ending	Actual Drawdown Amount	Ratio of Cumulative Endorsements/ guarantees to the Net Equity Stated in the Latest Financial Statements
Company Name	Relationship				
CLOUDWELL HOLDINGS, LLC.	Subsidiary of the Company	180,432	171,976	107,512	3.50%

2. The Company's loaning of funds to external parties as of December 31, 2022: None.

[Ratifications]

Report 1 (proposed by the board of directors)

Subject:	Ratification of 2022 Business Report and Financial Statements.
Description:	<p>1. The 2022 Financial Statements have been audited by certified public accountants (CPAs) Hui-Ling Pan and Pei-Chuan Huang from PricewaterhouseCoopers Taiwan and reviewed by the Audit Committee.</p> <p>2. Please refer to [Attachment 1] on page 10 and [Attachment</p>

	3] on page 17 of the handbook for the 2022 Business Report and Financial Statements and CPAs' audit report.
	3. The proposal is hereby submitted to the shareholders' meeting for ratification.
Resolution:	

Report 2 (proposed by the board of directors)

Subject:	Ratification of Distribution of Earnings for 2022.
Description:	<ol style="list-style-type: none"> 1. The board of directors has prepared an earnings distribution table for 2022 in accordance with the Company Act and the Company's Articles of incorporation for the proposal for the distribution of earnings for 2022. 2. Please refer to [Attachment 4] on page 44 of the handbook for the distribution of earnings. 3. The distribution of cash dividend is based on the ownership in the shareholders' register on the ex-dividend base date with NT\$4 distributed per share. The cash dividend is rounded off to the nearest NT Dollar, with the decimal places removed. The total rounded off amounts, are accounted for as other income in the Company's financial statements. 4. The earnings distribution proposal is based on the number of outstanding shares on the date of the resolution of the board of directors of the Company. If any share is converted into ordinary shares, cash capital increase, redemption of the Company's shares, transfer or cancellation of treasury shares, or other reasons due to the execution of the employee stock warrants thereafter, affecting the number of outstanding shares and leading to a change in the percentage for shareholders' dividend, the Chairperson is authorized to adjust the amount of the cash dividend per share based on the amount of cash dividends resolved in this earnings distribution proposal and the actual number of outstanding shares on the record date of dividend distribution. 5. The base date of distributing the cash dividend and relevant matters concerning the cash dividend are proposed to be determined and handled by the Chairperson after this proposal is resolved by the shareholders' meeting.

	6. The proposal is hereby submitted to the shareholders' meeting for ratification.
Resolution:	

[Discussions]

Report 1 (proposed by the board of directors)

Subject:	Amendments to the Articles of Incorporation.
Description:	<ol style="list-style-type: none"> 1. Some articles of the company's articles of association have been amended in order to meet the needs of the Company's operations. 2. The table of comparison of the provisions of Articles of Incorporation before and after the amendments, please refer to [Attachment 5] on page 45 of the handbook.
Resolution:	

[Election Matters]

Subject:	Complete re-election of the Company's directors (including independent directors) (proposed by the board of directors)
Description:	<ol style="list-style-type: none"> 1. The terms of office of our directors (including independent directors) will expire on June 22, 2023, and a general re-election is required by law to be held at the 2023 Annual Shareholders' Meeting. 2. In accordance with the Articles of Incorporation, the Company shall have seven to eleven directors, the number of independent directors shall not be less than three and the term of office shall be three years. Nine directors (including four independent directors) will be elected by the shareholders from a list of candidates under the candidate nomination system. The new directors will take office immediately after the completion of the re-election and will serve for a term of three years from May 31, 2023 to May 30, 2026. The former directors will be dismissed from their duties from the time the new directors take office. 3. For the list of candidates for directors and independent directors, please refer to [Attachment 6] on page 46 and [Attachment 7] on page 49 of this handbook. 4. A re-election is proposed for the Shareholders' Meetings.
Election Results:	

[Other Proposals]

Subject:	Release of prohibition on non-compete agreements for new directors. (proposed by the board of directors)
Description:	<ol style="list-style-type: none">1. In accordance with Article 209 of the Company Act and the Company's Articles of Incorporation.2. The directors may have investments in or serve as directors in other companies with identical or similar business as the Company. Such circumstance shall obtain approval from the shareholders' meeting. If the Company's directors meet the above conditions, the shareholders' meeting shall discuss the removal of the non-compete restriction for the Company's newly elected directors and the legal person represented by them.3. Proposal for the removal of prohibition on non-compete agreements for new directors and the positions they hold concurrently.

Company name	Positions they hold concurrently	Mei-chi Chen	Tsun-yeen Lee	Chung-pao Wu	Yu-ling Tsai	Te-feng Wu	Chung-hsing Huang	Wei-shun Cheng	Wen-cheng Liu
Chen-Source Inc.	Director	V							
Chen-Source Inc.	Director's legal representative		V						
Chen-Feng Precision Co., Ltd.	Chairperson's legal representative	V							
Promate Electronic Co., Ltd.	Independent Director	V							
Chenxergo Inc.	Chairperson's legal representative		V						
Protech Systems Co., Ltd.	Chairperson			V					
Marketch International Corp.	Independent Director			V					
Prox Systems Co., Ltd.	Chairperson			V					
Jess-Link Products Co., Ltd.	Director's legal representative				V				
Taiwan Star Telecom Corporation Limited	Director's legal representative					V			
CF Global Co., Ltd.	Chairperson					V			
Medical Imaging Corporation	Independent Director						V		
Shirre Lab Corp.	Director							V	
Daxin Materials Corporation	Independent Director							V	
Raydium Semiconductor Corporation	Independent Director							V	
Unictron Technologies Corporation	Independent Director							V	
Vanguard International Semiconductor Corporation	Independent Director								V
Advantech Co., LTD	Independent Director								V
Maywufa Company LTD.	Director's legal representative								V

Resolution:

[Extempore Motion]

[Adjournment]

Attachment

Business Report

Dear Shareholders,

The annual representative word "Permacrisis" that was selected by the Collins dictionary in 2022 reflected the turmoil and challenges encountered by the world, including but not limited to the COVID-19 pandemic, the Russian-Ukrainian war, inflation, and global energy, etc. In turn, it will affect all aspects of the global logistics, cash flow, and talent flow, and global industries, enterprises, and individuals will all have to take part. How to cope with the current situation and how to turn the crisis into an opportunity has become top priority for companies, and enhancing the ability of enterprises to cope with the crisis and sustainable operation has become the top priority for Chenbro.

The development of the cloud industry was affected by factors such as supply chain, raw materials, and inventory, but is still driven by the demand for end, edge and cloud applications as well as technological evolution in the long run. With clear and effective strategies, the concerted efforts from all employees, and the strong support from industry partners, Chenbro survived the turbulent environment by persevering and operating just like a tiger. The Company achieved NT\$10.56 billion in revenue and NT\$8.32 in EPS for the year, the highest revenue and profit in its 40-year history!

Looking ahead to 2023, uncertainties in the external business environment continue to evolve, the global political and economic situation is still changing rapidly, inflation and central bank policies continue to influence each other, but growth in the cloud industry can still be expected. Chenbro will continue to optimize its competitiveness through actively understanding market trends and customer needs, cultivating global customer and market presence, and satisfying different applications through highly compatible and customized system integration capabilities and standard products. Chenbro will also maintain good communication with the upstream and downstream supply chains, pursue prosperity with partners, and introduce flexible but precise scheduling for production that will improve the efficiency of cooperation between plants. The new Chiayi plant will start contributing to production capacity in January 2022 and is expected to continue to maximize automation results and increase production efficiency to build Chenbro's core value through various internal and external strategies. The following is a summary of Chenbro's operating performance in 2022 and the outlook to the future:

I. Operational Results in 2022

(I) Financial results

1. Results of the business plan

Unit: NT\$ thousand

Item	2022	2021	Amount of increase (decrease)	Increase (decrease)%
Operating revenue	10,557,701	9,423,020	1,134,681	12.04%

Gross income from operations	2,130,549	1,843,866	286,683	15.55%
Operating income	1,141,601	882,382	259,219	29.38%
Net income before tax	1,342,715	885,990	456,725	51.55%
Net income	1,008,463	672,026	336,437	50.06%
Net income attributable to owners of the parent company	998,685	672,901	325,784	48.41%

2. Budget execution

According to the current laws and regulations, the Company did not prepare public financial estimates for 2022.

3. Financial income and expenditure and profitability analysis

Item		2022	2021
Capital structure (%)	Debt ratio	59.95	62.88
	Long-term funds to real estate, plants and equipment ratio	149.60	139.09
Liquidity (%)	Current ratio	147.92	128.78
	Quick ratio	92.91	78.11
	Interest guarantee (times)	2900.88	5,472.89
Return on investment (%)	Return on assets (ROA) (%)	8.80	7.11
	Return on equity (ROE) (%)	22.04	16.64
	Operating income to paid-in capital (%)	94.51	73.05
	Pre-tax income to paid-in capital (%)	111.31	73.35
	Net Profit Margin (%)	9.46	7.14
	Earnings per share (NTD)	8.32	5.62

(II) R&D

Adhering to the spirit of innovation, Chenbro has been improving its R&D capabilities and developing new products through its R&D center and technology seminars, while attaching great importance to the protection of

intellectual property rights. As of 2022, it has filed 576 patent applications and obtained 481 patents in Taiwan, the U.S., and mainland China.

In 2022, Chenbro was also engaged in development of and application for new patents for various products, and acquired a total of another 16 patents worldwide. The products ranged from efficient thermal conducting server design with immersion cooling, high density storage structures, rack-mounted chassis structures, and flexible HDD mounting structure to efficient thermal design, high-performance computing, tool-free, anti-loading technology, and system modularization. Chenbro also made breakthroughs in new materials, modular system planning, support strength, energy conservation, thermal technology, and streamlined assembly. Chenbro continued to expand its layout in 5G, AI, AIoT, and cloud industries and invest resources in R&D. Through many cross-industry and academic exchanges and collaborations, it has been able to refine the product modular system integration and verification capabilities. Through modularized design, Chenbro strived to pursue the maximum sharing of various parts and accessories to greatly shorten the time for product development and verification. It could not only reduce the cost of customers' development molds, but meet the market trends of a variety of products in a small number, thus adding the value of Chenbro's products and maintaining competitiveness. To implement Chenbro's strategy and plan for sustainable development of new generation products, the Company has implemented sustainable development strategies such as Reduce, Reuse, and Recycle for product development.

II. Overview of 2023 Business Plan

(I) Management Principles

Looking ahead, Chenbro will continue to expand its global customer and market presence, optimize and develop a full range of products, improve operational efficiency, and cultivate market talents, as well as combine "lean management" to ensure efficiency, increase productivity, and reduce inventory throughout the process. In addition, the Company has also established a "Sustainable Development Committee" and a "Chief Sustainability Officer" in response to the trend of sustainable development, hoping to fulfill its sustainable obligations during the development process to be able to improve operational performance and maximize profits under the concurrent focus on corporate governance and corporate culture.

1. Investing in global markets and applications, expanding the depth and breadth as well as the layout of product lines, create flexible production along with differentiation in services will leverage the Company's competitive technologies and consolidate its position in the market.
2. The Company will continue to optimize the efficiency combine lean management and digital transformation to improve the speed and efficiency of internal and external feedback and response, at the same time strengthening its corporate foundation.

3. Chenbro will strengthen its competitiveness for sustainable development, enhance corporate governance, and maximize the interests of stakeholders through active supervision and management by the Board of Directors.
4. The Company will cultivate a full range of human resource functions, improve the quality of human resources, and promote the corporate mission, vision, and core values to stabilize operations and think globally while acting locally.

(II) Sales volume forecast and basis

Main products	Sales volume in 2023 (thousand units)
Personal computer chassis	70
Server chassis	2,150

(III) Key production and sales policy

1. Sales strategy

In line with the diverse demands of the server industry and the fast-changing market trend, Chenbro provides highly customized structural integration solutions based on customer needs. With the core strengths of "R&D and design capability" and "flexible manufacturing capability", Chenbro expands the depth and breadth of customer cooperation through three business models: ODM/JDM (joint development), OBM (standard products), and OEM Plus (contracted OEM). By building alliances with external strategic partners, a unique market position has been created for Chenbro and which has successfully served the small, medium and large customers from all over the world, becoming the market leader in white label corporate solutions and achieving the goal of sharing, benefiting others, and a win-win situation.

2. Production strategy

In response to changes in the external environment and customer needs, Chenbro continues to integrate and optimize the manufacturing capabilities of its production bases and is committed to providing high-quality services based on customer needs. Each production site continues to integrate engineering and technical teams, implement lean management and value chain cost management, optimize operational processes at each node, and simultaneously invest in key process automation facilities to transform information and automated chemical plants. Chenbro strives to achieve in-depth improvements in quality, safety, efficiency, and cost to achieve a win-win situation with suppliers and customers.

3. R&D strategy

In addition to developing technologies and products for existing markets, Chenbro has established a forward-looking R&D center and holds regular technical forums to actively conduct market research on

cutting-edge technologies and cultivate R&D technical talents. Chenbro continues to make breakthroughs in new product development and innovative patented technologies, including but not limited to research on energy saving and carbon reduction, high strength, lightweight materials, and efficient heat conducting solutions. In response to the trend of sustainable development, Chenbro has established environmentally friendly product design guidelines, proactively implemented hazardous material management, adopted environmentally friendly materials, and expanded its product portfolio with matrix modules, with lightweight, highly compatible, tool-free, and easily disassembled modules as the guidelines for design. Chenbro provides customers with non-toxic, low-pollution, recyclable, and energy-saving product designs throughout the product life cycle, and realize sustainable development strategies and plans for new-generation products.

III. Future development strategy

Looking ahead to the year 2023, Chenbro as a leading provider of E&M integrated solutions for the global cloud industry, will continue to uphold the management philosophy of "Diligence and Integrity", supplemented by the four core values of "Integrity, Innovation, Inclusion, and Benefiting Others", and devote itself to the four major directions of "Deepening the global market and applications", "Enhancing the efficiency of operations", "Strengthening the sustainable competitiveness of the company", and "Cultivating a full range of human resources".

With the booming development of the cloud industry, Chenbro focuses on four areas of application along with three innovative business models and competitive products in line with the trend, including Edge, AI, Cloud/Enterprise, and Storage. In addition to the two regional markets of China and the U.S., Chenbro is also actively expanding into the global market, striving to improve global market share and service quality.

In response to the ever-changing external environment, the Group has adopted the "Lean Management" methodology for the entire operation process and nurtured marketing talents to continuously optimize operational efficiency and enhance internal and external responsiveness. In addition, with the development of the global trend of sustainable development, the company has also established a sustainable development committee and task force. Through the supervision from the board of directors, Chenbro seeks to maximize the interests of stakeholders and build sustainable corporate competitiveness.

IV. Effect of external competition, the legal environment, and the overall business environment

Since incorporation in 1983, Chenbro has been improving its business resilience and competitiveness in the face of external competition and an ever-changing legal environment, including but not limited to fluctuations in raw materials, changes in labor costs, supply of components, and formulation of environmental regulations.

In response to external competition and the overall business environment, Chenbro will take proactive action to satisfy customer needs while strictly controlling costs by adjusting the production and sales structure, planning

for the purchase of raw materials, and adopting lean production, so as to stay competitive in terms of products and services. In response to changes in the legal environment, the Company will prepare reports and develop its products in accordance with laws or amendments promulgated by competent authorities and also request suppliers to comply with environmental regulations.

What is mentioned above are the overview of the 2022 operating performance and the 2023 outlook. We sincerely appreciate your support and recognition. Chenbro as a whole will continue to progress and maximize the enterprise value.

Wish you good health and pleasure

Chairperson:

Mei-chi Chen

Managers:

Ya-nan Chen

Accounting Supervisor:

Wan-Ming Huang

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2022 Business Report, Financial Statements, and proposal for allocation of earnings. The CPA firm of PricewaterhouseCoopers Taiwan was retained to audit Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and earnings allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of Chenbro Micom Co., Ltd. According to relevant requirements of the Securities and Exchange Act and the Company Law, we hereby submit this report.

Chenbro Micom Co., Ltd.

Chairman of the Audit Committee: Wei-shun Cheng

March 14, 2023

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

(22)PWCR 22003655

To the Board of Directors and Shareholders of Chenbro Micom Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Chenbro Micom Co., Ltd. and subsidiaries (the “Group”) as at December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2022 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2022 consolidated financial statements are stated as follows:

Valuation of inventories

Description

Refer to Note 4(12) for accounting policy on inventory valuation, Note 5 for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(6) for description of allowance for inventory valuation losses. As of December 31, 2022, the Group's inventory cost and allowance for market value decline and obsolete and slow-moving inventories amounted to NT\$2,499,628 thousand and NT\$99,699 thousand, respectively.

The Group is primarily engaged in manufacturing and sales of computer peripheral equipment. As technology changes rapidly and the life cycle of electronic products is short, inventories may become obsolete within a short period. The Group measures inventories at the lower of cost and net realisable value, and assesses whether the value of inventories has declined. For inventories exceeded certain period and individually identified as obsolete, its net realisable value was calculated from the historical information of individual inventory clearance which was periodically reviewed by management. As the value of inventory is significant, the inventory items are numerous, and the accounting estimates are subject to management's judgement, we considered the valuation of inventories a key audit matter.

How our audit addressed the matter

Our procedures in relation to valuation of inventories included:

- A. Obtained the provision policies on allowance for inventory valuation losses and comparing whether the policies applied on allowance for inventory valuation losses are consistent for all periods. Assessing the estimation determined by the management and relevant accounting estimates of allowance for inventory loss.
- B. Obtained an understanding of judgement logic of parameters in the inventory cost and net realisable value calculation report and verified the logical calculation accuracy of report..

- C. Assessing the reasonableness of obsolete loss based on the inventory aging and clearance of inventory individually identified by management, and obtaining evidences.
- D. Verifying details of net realisable value of inventory and amount of obsolescence loss, recalculating the accuracy and comparing against historical data.
- E. Obtaining details of net realisable value of inventory and amount of obsolescence loss, recalculating the accuracy and comparing against historical data.

Existence of sales revenue

Description

Please refer to Note 4(26) for the accounting policies on revenue recognition and Note 6(20) for details of revenue. The Group is primarily engaged in manufacturing and sales of computer peripheral equipment. The Group's trading counterparties are mostly world-renowned companies and are based on the long-term business partnership. The Group is primarily engaged in manufacturing and sales of computer peripheral equipment. The Group's trading counterparties are mostly world-renowned companies, with whom the Group has long-term business partnership. As the global demand for servers continues to increase, the Group is committed to increasing sales revenue. Therefore, there were significant changes in the sales revenue breakdown of the Group's top 10 trading counterparties. In addition, revenue of the Group's top 10 trading counterparties reached 70% of the total sales revenue. As the newly top 10 and significant changes in revenue of top 10 trading counterparties are significant to the consolidated financial statements, we considered the existence of such sales revenue a key audit matter.

How our audit addressed the matter

Our procedures in relation to the reasonableness of revenue recognition included:

- A. Assessing the revenue cycle and performing tests to determine that the Group's revenue process is conducted in accordance with the internal control procedures.
- B. Checking the related industry background in respect of the newly top 10 trading counterparties.
- C. Obtaining and selecting samples to verify related vouchers of the sales revenue from the newly top 10 and significant changes in revenue of top 10 trading counterparties and confirming that the sales revenue transactions of these trading counterparties actually occurred.

- D. Examining details of sales returns and discounts from the newly top 10 and significant changes in revenue of top 10 trading counterparties that occurred after the balance sheet date and confirming whether there were no significant sales returns and discounts occurred.

Additions of property, plant and equipment

Description

In order to satisfy the market demand, the Group continuously enlarged plant and increased the production line and caused increase of capital expenditure. Please refer to Note 4(13) for accounting policies on property, plant and equipment, Note 6(7) for details of property, plant and equipment. Because the addition amount of property, plant and equipment was material, thus, we consider the addition of property, plant and equipment as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures relative to the above key audit matter:

- A. Obtained the Groups' addition procedures on property, plant and equipment, exampled purchase contract and invoice of property, plant and equipment to confirm transactions had been adequately approved and the accuracy of accounted amount.
- B. Sampled the verification report of property, plant and equipment to confirm the assets was in usable state and the adequacy of timing of listing in the property catalogue and the accuracy of depreciation timing.
- C. Obtained an understanding of the reason that unfinished construction and equipment under acceptance did not reach usable state and sampled and observed physical counts to confirm the existence of unfinished construction and equipment under acceptance.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion with other matter paragraph on the parent company only financial statements of Chenbro Micom Co., Ltd. as at and for the years ended December 31, 2022 and 2021.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

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

As part of an audit in accordance with the auditing standards in the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

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

- B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- E. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Penny Pan

Huang, Pei-Chuan

For and on behalf of PricewaterhouseCoopers, Taiwan

March 14, 2023

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,852,718	15	\$ 1,437,185	13
1136	Current financial assets at amortised cost, net	6(3) and 8	15,019	-	10,000	-
1150	Notes receivable, net	6(4) and 7	18,864	-	25,808	-
1170	Accounts receivable, net	6(4) and 7	2,347,742	19	2,346,573	21
1200	Other receivables	7	51,152	-	95,129	1
1220	Current income tax assets		83,052	1	25,011	-
130X	Inventories	6(6)	2,399,929	19	2,398,731	21
1410	Prepayments		183,202	2	152,349	2
1470	Other current assets		3,689	-	4,123	-
11XX	Total current assets		6,955,367	56	6,494,909	58
Non-current assets						
1517	Non-current financial assets at fair value through other comprehensive income	6(2)	54,050	-	47,803	-
1535	Non-current financial assets at amortised cost	6(3) and 8	17,666	-	3,951	-
1600	Property, plant and equipment	6(7) and 8	5,076,048	41	4,450,022	40
1755	Right-of-use assets	6(8)	67,933	1	80,992	1
1780	Intangible assets	6(9)	21,029	-	19,145	-
1840	Deferred income tax assets	6(26)	62,364	1	52,409	-
1900	Other non-current assets	6(7)(10)	71,033	1	103,764	1
15XX	Total non-current assets		5,370,123	44	4,758,086	42
1XXX	Total assets		\$ 12,325,490	100	\$ 11,252,995	100

(Continued)

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2022		December 31, 2021					
			Notes	AMOUNT	%	AMOUNT	%			
Current liabilities										
2100	Short-term borrowings	6(11)	\$	1,545,078	13	\$	1,076,474	9		
2130	Current contract liabilities	6(20)		8,278	-		13,001	-		
2150	Notes payable			-	-		80,527	1		
2170	Accounts payable	7		1,978,598	16		2,994,287	27		
2200	Other payables	6(12) and 7		973,041	8		764,193	7		
2230	Current income tax liabilities			172,091	1		95,620	1		
2280	Current lease liabilities			9,718	-		10,370	-		
2320	Long-term liabilities, current portion	6(13)		8,116	-		7,117	-		
2399	Other current liabilities, others			7,217	-		5,074	-		
21XX	Total current liabilities			4,702,137	38		5,046,663	45		
Non-current liabilities										
2540	Long-term borrowings	6(13)		2,652,266	22		1,962,658	18		
2570	Deferred income tax liabilities	6(26)		2,677	-		21,552	-		
2580	Non-current lease liabilities			9,754	-		20,024	-		
2600	Other non-current liabilities	6(14)		21,921	-		25,461	-		
25XX	Total non-current liabilities			2,686,618	22		2,029,695	18		
2XXX	Total liabilities			7,388,755	60		7,076,358	63		
Share capital										
3110	Share capital - common stock	6(16)		1,206,320	10		1,207,885	11		
Capital surplus										
3200	Capital surplus	6(17)		148,709	2		147,144	2		
Retained earnings										
3310	Legal reserve	6(18)		885,097	7		817,355	7		
3320	Special reserve			270,716	2		260,504	2		
3350	Unappropriated retained earnings			2,599,492	21		2,039,001	18		
Other equity interest										
3400	Other equity interest	6(19)	(203,192)	(2)	(315,067)	(3)
31XX	Equity attributable to owners of the parent			4,907,142	40		4,156,822	37		
36XX	Non-controlling interests			29,593	-		19,815	-		
3XXX	Total equity			4,936,735	40		4,176,637	37		
Significant contingent liabilities and unrecorded contract commitments										
Significant events after the balance sheet date										
3X2X	Total liabilities and equity		\$	12,325,490	100	\$	11,252,995	100		

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

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share data)

				Year ended December 31			
				2022		2021	
Items	Notes	AMOUNT	%	AMOUNT	%		
4000 Operating revenue	6(20) and 7	\$ 10,557,701	100	\$ 9,423,020	100		
5000 Operating costs	6(6)(25) and 7	(8,427,152)	(80)	(7,579,154)	(80)		
5950 Net operating margin		2,130,549	20	1,843,866	20		
Operating expenses	6(25) and 7						
6100 Selling expenses		(307,749)	(3)	(323,689)	(3)		
6200 General and administrative expenses		(483,782)	(5)	(433,349)	(5)		
6300 Research and development expenses		(187,085)	(2)	(203,912)	(2)		
6450 Expected credit impairment loss	12(2)	(10,332)	-	(534)	-		
6000 Total operating expenses		(988,948)	(10)	(961,484)	(10)		
6900 Operating profit		1,141,601	10	882,382	10		
Non-operating income and expenses							
7100 Interest income	6(3)(21)	19,655	-	20,840	-		
7010 Other income	6(22)	31,566	-	45,472	-		
7020 Other gains and losses	6(23)	197,832	2	(46,214)	-		
7050 Finance costs	6(24)	(47,939)	-	(16,490)	-		
7000 Total non-operating income and expenses		201,114	2	3,608	-		
7900 Profit before income tax		1,342,715	12	885,990	10		
7950 Income tax expense	6(26)	(334,252)	(3)	(213,964)	(2)		
8200 Profit for the year		\$ 1,008,463	9	\$ 672,026	8		

(Continued)

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share data)

		Year ended December 31						
		2022		2021				
Items	Notes	AMOUNT	%	AMOUNT	%			
Other comprehensive income								
Components of other comprehensive income that will not be reclassified to profit or loss								
8311	Gain (loss) on remeasurement of defined benefit plan	6(14)						
		\$	2,585	-	\$	5,646	-	
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(2)(19)						
			6,247	-		19,607	-	
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss							
		(516)	-	(1,129)	-	
8310	Other comprehensive income that will not be reclassified to profit or loss							
			8,316	-		24,124	-	
Components of other comprehensive income that will be reclassified to profit or loss								
8361	Financial statements translation differences of foreign operations	6(19)						
			84,290	1	(33,228)	-	
8399	Income tax relating to the components of other comprehensive income	6(19)(26)						
		(1,226)	-		3,409	-	
8360	Other comprehensive loss that will be reclassified to profit or loss							
			83,064	1	(29,819)	-	
8300	Total other comprehensive income for the year		\$	91,380	1	(\$	5,695)	-
8500	Total comprehensive income for the year		\$	1,099,843	10	\$	666,331	8
Profit, attributable to:								
8610	Owners of the parent		\$	998,685	9	\$	672,901	8
8620	Non-controlling interest			9,778	-	(875)	-
			\$	1,008,463	9	\$	672,026	8
Comprehensive income attributable to:								
8710	Owners of the parent		\$	1,090,065	10	\$	667,206	8
8720	Non-controlling interest			9,778	-	(875)	-
			\$	1,099,843	10	\$	666,331	8
Earnings per share								
6(27)								
9750	Basic earnings per share		\$	8.32	\$	5.62		
9850	Diluted earnings per share		\$	8.19	\$	5.56		

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

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent														
Capital Reserves					Retained Earnings				Other equity interest					
		Capital surplus, additional paid-in capital	Treasury stock transactions	Capital Surplus, restricted stock	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Others	Total	Non-controlling interests	Total equity	
Notes	Share capital - common stock													
2021														
Balance at January 1, 2021	\$ 1,209,260	\$ 41,987	\$ 6,222	\$ 97,560	\$ 719,881	\$ 224,552	\$ 1,978,653	(\$ 254,006)	(\$ 6,498)	(\$ 88,259)	\$ 3,929,352	\$ 20,690	\$ 3,950,042	
Profit for the year	-	-	-	-	-	-	672,901	-	-	-	672,901	(875)	672,026	
Other comprehensive income (loss) for the year	6(2)(19)	-	-	-	-	-	4,517	(29,819)	19,607	-	(5,695)	-	(5,695)	
Total comprehensive income		-	-	-	-	-	677,418	(29,819)	19,607	-	667,206	(875)	666,331	
Distribution of 2020 earnings	6(18)													
Legal reserve		-	-	-	-	97,474	- (97,474)	-	-	-	-	-	-	
Special reserve		-	-	-	-	-	35,952 (35,952)	-	-	-	-	-	-	
Cash dividends		-	-	-	-	-	- (483,644)	-	-	-	(483,644)	-	(483,644)	
Share-based payment	6(15)	(1,375)	22,662	- (21,287)	-	-	-	-	-	43,908	43,908	-	43,908	
Balance at December 31, 2021		\$ 1,207,885	\$ 64,649	\$ 6,222	\$ 76,273	\$ 817,355	\$ 260,504	\$ 2,039,001	(\$ 283,825)	\$ 13,109	(\$ 44,351)	\$ 4,156,822	\$ 19,815	\$ 4,176,637
2022														
Balance at January 1, 2022		\$ 1,207,885	\$ 64,649	\$ 6,222	\$ 76,273	\$ 817,355	\$ 260,504	\$ 2,039,001	(\$ 283,825)	\$ 13,109	(\$ 44,351)	\$ 4,156,822	\$ 19,815	\$ 4,176,637
Profit for the year		-	-	-	-	-	-	998,685	-	-	-	998,685	9,778	1,008,463
Other comprehensive income (loss) for the year	6(2)(19)	-	-	-	-	-	-	2,069	83,064	6,247	-	91,380	-	91,380
Total comprehensive income		-	-	-	-	-	-	1,000,754	83,064	6,247	-	1,090,065	9,778	1,099,843
Distribution of 2021 earnings	6(18)													
Legal reserve		-	-	-	-	67,742	- (67,742)	-	-	-	-	-	-	-
Special reserve		-	-	-	-	-	10,212 (10,212)	-	-	-	-	-	-	-
Cash dividends		-	-	-	-	-	- (362,309)	-	-	-	(362,309)	-	(362,309)	-
Share-based payment	6(15)	(1,565)	11,769	- (10,204)	-	-	-	-	-	22,564	22,564	-	22,564	-
Balance at December 31, 2022		\$ 1,206,320	\$ 76,418	\$ 6,222	\$ 66,069	\$ 885,097	\$ 270,716	\$ 2,599,492	(\$ 200,761)	\$ 19,356	(\$ 21,787)	\$ 4,907,142	\$ 29,593	\$ 4,936,735

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

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 1,342,715	\$ 885,990
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit impairment loss	12(2)	10,332	535
Depreciation	6(7)(8)(25)	363,209	325,008
Amortization	6(9)(25)	13,675	13,490
Interest expense	6(24)	47,939	16,490
Interest income	6(21)	(19,655)	(20,840)
Loss on disposal of property, plant and equipment	6(23)	1,225	1,300
Gains arising from lease modifications	6(8)(23)	(11)	(30)
Share-based payments	6(15)	22,564	43,908
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable, net		6,944	(24,887)
Accounts receivable		(11,552)	(595,483)
Other receivables		43,533	(51,284)
Inventories		(5,413)	(976,049)
Prepayments		(30,853)	(125,843)
Other current assets		434	1,072
Changes in operating liabilities			
Current contract liabilities		(4,723)	5,888
Notes payable		(80,527)	80,527
Accounts payable		(1,015,689)	1,024,229
Other payables		182,448	164
Other current liabilities		2,143	693
Increase in other non-current liabilities		(964)	(352)
Cash inflow generated from operations		867,774	604,526
Interest received		20,099	38,493
Interest paid		(46,340)	(14,264)
Income tax paid		(346,394)	(185,616)
Net cash flows from operating activities		495,139	443,139

(Continued)

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2022	2021
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortised cost		(\$ 240,479)	(\$ 7,000)
Proceeds from disposal of financial assets at amortised cost		221,000	217,000
Acquisition of property, plant and equipment	6(28)	(847,816)	(1,996,521)
Proceeds from disposal of property, plant and equipment		6,723	2,684
Acquisition of intangible assets	6(9)(28)	(50,456)	(14,808)
(Increase) decrease in other non-current assets		(615)	1,692
Net cash flows used in investing activities		(911,643)	(1,796,953)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings		6,099,561	6,891,193
Repayment of short-term borrowings		(5,667,696)	(6,663,788)
Increase in short-term borrowings (including current portion)		686,470	1,866,400
Repayment of long-term borrowings (including current portion)		(6,060)	(5,684)
Payment of the principal of lease liabilities	6(8)	(10,383)	(10,678)
Increase in guarantee deposits received		-	20
Payment of cash dividends	6(18)	(362,309)	(483,644)
Net cash flows from financing activities		739,583	1,593,819
Effect on foreign exchange difference		92,454	(18,994)
Net increase in cash and cash equivalents		415,533	221,011
Cash and cash equivalents at beginning of year	6(1)	1,437,185	1,216,174
Cash and cash equivalents at end of year	6(1)	\$ 1,852,718	\$ 1,437,185

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

INDEPENDENT AUDITORS' REPORT

(22) PWCR 22004069

To the Board of Directors and Shareholders of Chenbro Micom Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Chenbro Micom Co., Ltd. (the "Company") as at December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and parent company only notes to the financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report(s) of the other auditors (please refer to the *Other Matters* section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the parent company only financial statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of the other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2022 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters of the Company's 2022 parent company only financial statements are stated as follows:

Valuation of inventories

Description

Refer to Note 4(11) for accounting policy on inventory valuation, Note 5 for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(5) for description of allowance for inventory valuation losses. As of December 31, 2022, the Company's cost of inventory and allowance for market value decline and obsolete and slow-moving inventories amounted to NT\$276,669 thousand and NT\$15,515 thousand, respectively.

The Company is engaged in manufacturing and sales of computer peripheral equipment. As technology changes rapidly and the life cycle of electronic products is short, inventories may become obsolete within a short period. The Company measures inventories at the lower of cost and net realisable value, and assesses whether the value of inventories has declined. For inventories that are over a certain age and individually identified obsolete or slow-moving inventories, the net realisable values are determined by management based on historical data of inventory consumption. As the value of inventory is significant, the inventory items are numerous, and the accounting estimates are subject to management's judgement, we consider valuation of inventories a key audit matter.

How our audit addressed the matter

Our procedures in relation to valuation of inventories included:

- A. Obtaining the provision policies on allowance for inventory valuation losses and comparing whether the policies applied on allowance for inventory valuation losses are consistent for all periods. Assessing the accounting estimates used by the management for providing of allowance for inventory loss.
- B. Obtaining an understanding of the logic for determining parameters used for the calculation of inventory cost and net realisable value in the inventory report and verifying the accuracy of calculation logic in the report.
- C. Matching information obtained in physical count of disposed and obsolete inventory against the list prepared by management and interviewing management and employees to examine the obsolete, slow-moving or damaged inventories that were included in the list.
- D. Assessing the reasonableness of obsolescence loss based on the inventory aging and clearance of inventory individually identified by management, and obtaining evidences.

- E. Obtaining details of net realisable value of inventory and amount of obsolescence loss, recalculating the accuracy and comparing against historical data.

Existence of revenue

Description

Refer to Note 4(26) for accounting policy on revenue recognition and Note 6(19) for description of revenue. The Company is primarily engaged in manufacturing and sales of computer peripheral equipment. The Company's trading counterparties are mostly world-renowned companies with which the Company has long-term business partnership. As the global demand for servers continues to increase, the Company is committed to increasing sales revenue. As the sales of the Company's top 10 trading counterparties accounted for over 90%, the newly top 10 and significant changes in revenue of top 10 trading counterparties are significant to the financial statements, we consider the existence of sales revenue from the newly top 10 and significant changes in revenue of top 10 trading counterparties a key audit matter.

How our audit addressed the matter

Our procedures in relation to the reasonableness of revenue recognition included:

- A. Assessing the revenue cycle and performing tests to determine whether the Company's revenue process is conducted in accordance with the internal control procedures.
- B. Checking the related industry background in respect of the newly top 10 trading counterparties.
- C. Obtaining and selecting samples to verify related vouchers of the sales revenue from the newly top 10 and significant changes in revenue of top 10 trading counterparties and confirming that the sales revenue transactions of these trading counterparties actually occurred.
- D. Examining details of sales returns and discounts occurred after the balance sheet date and confirming there were no significant sales returns and discounts occurred.

Additions to property, plant and equipment

Description

The capital expenditure of the Company has increased because the Company has continued to expand plants and production lines in respond to the market demand. Refer to Note 4(13) for accounting policy

on property, plant and equipment and Note 6(7) for details of property, plant and equipment. As the amount of additions to property, plant and equipment is significant to the Company's financial statements, we consider additions to property, plant and equipment a key audit matter.

How our audit addressed the matter:

Our procedures in relation to valuation of inventories included:

- A. Understanding the procedures for the additions of property, plant and equipment of the Company, sampling the purchase contracts and invoices of property, plant and equipment to confirm that the transactions have been approved appropriately and the accuracy of the recognised amount.
- B. Sampling the acceptance reports of property, plant and equipment to confirm whether the assets are ready for use and are recorded in the property listing in an appropriate timing and confirm that the timing of depreciation is provided correctly.
- C. Obtaining an understanding the reasons that unfinished construction and equipment under acceptance are not ready for use and sampling and performing physical inspection to confirm the existence of unfinished construction and equipment under acceptance.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the parent company only financial statements

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

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

- A. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- E. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements

represent the constituent entities and events within related transactions achieves fair presentation.

- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Pan, Hui-Lin

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 14, 2023

Huang, Pei-Chuan

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 473,607	5	\$ 398,623	5
1136	Current financial assets at amortised cost	8	15,019	-	10,000	-
1150	Notes receivable, net	6(3)	17,940	-	24,048	-
1170	Accounts receivable, net	6(3)	816,165	8	568,444	7
1180	Accounts receivable - related parties	7	1,404,226	13	1,074,994	12
1200	Other receivables		20,100	-	15,267	-
1210	Other receivables - related parties	7	143,922	1	103,848	1
1220	Current income tax assets	6(25)	4,009	-	21,113	-
130X	Inventories	6(5)	261,154	3	355,830	4
1410	Prepayments		124,936	1	88,718	1
1470	Other current assets		1,552	-	3,482	-
11XX	Total current assets		3,282,630	31	2,664,367	30
Non-current assets						
1517	Non-current financial assets at fair value through other comprehensive income	6(2)	54,050	1	47,803	1
1535	Non-current financial assets at amortised cost	8	14,460	-	-	-
1550	Investments accounted for using equity method	6(6)(18)	3,071,658	29	2,840,349	32
1600	Property, plant and equipment	6(7) and 8	3,954,326	38	3,178,221	36
1780	Intangible assets	6(8)	13,580	-	12,880	-
1840	Deferred income tax assets	6(25)	39,354	-	33,726	-
1900	Other non-current assets	6(9)	47,473	1	83,166	1
15XX	Total non-current assets		7,194,901	69	6,196,145	70
1XXX	Total assets		\$ 10,477,531	100	\$ 8,860,512	100

(Continued)

CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2022		December 31, 2021			
			Notes	AMOUNT	%	AMOUNT	%	
Current liabilities								
2100	Short-term borrowings	6(10)	\$	942,687	9	\$	799,768	9
2130	Current contract liabilities	6(19)		1,808	-		6,419	-
2150	Notes payable			-	-		80,527	1
2170	Accounts payable			376,766	4		383,481	4
2180	Accounts payable - related parties	7		992,413	9		1,088,176	12
2200	Other payables	6(11)		510,391	5		379,293	4
2220	Other payables - related parties	7		661	-		2,768	-
2230	Current income tax liabilities			163,108	1		50,385	1
2300	Other current liabilities			1,682	-		1,509	-
21XX	Total current liabilities			2,989,516	28		2,792,326	31
Non-current liabilities								
2540	Long-term borrowings	6(12)		2,552,870	25		1,866,400	21
2570	Deferred income tax liabilities	6(25)		1,942	-		14,619	-
2600	Other non-current liabilities	6(13)		26,061	-		30,345	1
25XX	Total non-current liabilities			2,580,873	25		1,911,364	22
2XXX	Total liabilities			5,570,389	53		4,703,690	53
Equity								
	Share capital	6(14)(15)						
3110	Share capital - common stock			1,206,320	11		1,207,885	14
	Capital surplus	6(16)						
3200	Capital surplus			148,709	2		147,144	2
	Retained earnings	6(17)						
3310	Legal reserve			885,097	8		817,355	9
3320	Special reserve			270,716	3		260,504	3
3350	Unappropriated retained earnings			2,599,492	25		2,039,001	23
	Other equity interest	6(18)						
3400	Other equity interest		(	203,192)	(2)	(	315,067)	(4)
3XXX	Total equity			4,907,142	47		4,156,822	47
	Significant contingent liabilities and unrecorded contract commitments	9						
	Significant events after the balance sheet date	6(17) and 11						
3X2X	Total liabilities and equity		\$	10,477,531	100	\$	8,860,512	100

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

CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

				Year ended December 31			
				2022		2021	
Items	Notes			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(19) and 7	\$	7,395,041	100	\$	6,165,491
5000	Operating costs	6(5)(24) and 7	(	5,885,771)	(80)	(	5,170,997)
5900	Net operating margin			1,509,270	20		994,494
5910	Unrealised profit from sales		(	107,334)	(1)	(	69,559)
5920	Realised profit from sales			69,559	1		47,534
	Net realised profit from sales	6(6)	(	37,775)	-	(	22,025)
5950	Net operating margin			1,471,495	20		972,469
	Operating expenses	6(24) and 7					
6100	Selling expenses		(	86,962)	(1)	(	78,865)
6200	General and administrative expenses		(	295,954)	(4)	(	243,897)
6300	Research and development expenses		(	134,044)	(2)	(	142,701)
6450	Expected credit impairment (loss) gain	12(2)	(	10,842)	-		26
6000	Total operating expenses		(	527,802)	(7)	(	465,437)
6900	Operating profit			943,693	13		507,032
	Non-operating income and expenses						
7100	Interest income	6(20)		1,013	-		139
7010	Other income	6(21) and 7		13,540	-		13,545
7020	Other gains and losses	6(22)		80,426	1	(	22,880)
7050	Finance costs	6(23)	(	27,899)	-	(	7,722)
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method, net	6(6)		184,794	2		294,559
7000	Total non-operating revenue and expenses			251,874	3		277,641
7900	Profit before income tax			1,195,567	16		784,673
7950	Income tax expense	6(25)	(	196,882)	(2)	(	111,772)
8200	Profit for the year		\$	998,685	14	\$	672,901

(Continued)

CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Items	Notes	Year ended December 31			
		2022		2021	
		AMOUNT	%	AMOUNT	%
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
8311 Gain on remeasurement of defined benefit plan	6(13)	\$ 2,585	-	\$ 5,646	-
8316 Unrealised gain from investments in equity instruments measured at fair value through other comprehensive income	6(2)(18)	6,247	-	19,607	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)	(516)	-	(1,129)	-
8310 Other comprehensive income that will not be reclassified to profit or loss		8,316	-	24,124	-
Components of other comprehensive income that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations	6(18)	84,290	1	(33,228)	-
8399 Income tax relating to the components of other comprehensive income	6(18)(25)	(1,226)	-	3,409	-
8360 Other comprehensive income (loss) that will be reclassified to profit or loss		83,064	1	(29,819)	-
8300 Other comprehensive income (loss) for the year		\$ 91,380	1	(\$ 5,695)	-
8500 Total comprehensive income for the year		\$ 1,090,065	15	\$ 667,206	11
Earnings per share (in dollars)	6(26)				
9750 Basic earnings per share		\$ 8.32		\$ 5.62	
9850 Diluted earnings per share		\$ 8.19		\$ 5.56	

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

CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

		Capital Reserves				Retained Earnings		Other Equity Interest			
		Share capital -	Capital surplus,	Treasury stock	Capital Surplus,		Unappropriated	Financial	Unrealised		
		common stock	additional paid-	transactions	restricted stock	Legal reserve	Special reserve	statements	gains (losses)	Other equity -	Total equity
	Notes		in capital					translation	from financial	others	
								differences of	assets measured		
								foreign	at fair value		
								operations	through other		
									comprehensive		
									income		
									</		

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

CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 1,195,567	\$ 784,673
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit impairment loss (gain)	12(2)	10,842 (	26)
Depreciation	6(24)	64,994	31,915
Amortisation	6(8)(24)	11,533	10,216
Interest expense	6(23)	27,899	7,722
Interest income	6(20)	(1,013 ) (	139)
Loss on disposal of property, plant and equipment	6(22)	1,221	-
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(6)	(184,794 ) (	294,559)
Net realised loss from sales	6(6)	37,775	22,025
Share-based payments	6(14)	22,564	43,908
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable, net		6,108 (	24,048)
Accounts receivable		(258,563 ) (	220,480)
Accounts receivable - related parties		(329,232 ) (	110,221)
Other receivables		(4,833)	10,042
Other receivables - related parties		(40,074 ) (	44,829)
Inventories		94,676 (	143,937)
Prepayments		(36,218 ) (	82,014)
Other current assets		1,930 (	166)
Changes in operating liabilities			
Notes payable		(80,527)	80,527
Current contract liabilities		(4,611)	4,765
Accounts payable		(6,715)	217,676
Accounts payable - related parties		(95,763)	382,778
Other payables (including related parties)		109,132 (	8,085)
Other current liabilities		173	847
Other non-current liabilities		(3,061)	2,810
Cash inflow generated from operations		539,010	671,400
Interest received		1,013	137
Interest paid		(26,280 ) (	6,046)
Income tax paid		(87,102 ) (	134,202)
Net cash flows from operating activities		426,641	531,289

(Continued)

CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

		<u>Year ended December 31</u>	
	<u>Notes</u>	<u>2022</u>	<u>2021</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortised cost		(\$ 19,479)	(\$ 7,000)
Proceeds from cash dividends distributed by subsidiaries	6(6)	-	82,306
Acquisition of property, plant and equipment	6(27)	(751,490)	(1,757,003)
Proceeds from disposal of property, plant and equipment		2,869	2,500
Acquisition of intangible assets	6(27)	(47,223)	(12,576)
Increase in other non-current assets		(1,668)	(6,645)
Net cash flows used in investing activities		(816,991)	(1,698,418)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from short-term borrowings	6(28)	4,674,033	6,087,236
Repayment of short-term borrowings	6(28)	(4,531,114)	(6,136,537)
Proceeds from long-term borrowings	6(28)	686,470	1,866,400
Payment of the principal of lease liabilities	6(9)(28)	(1,746)	(1,343)
Payment of cash dividends	6(17)	(362,309)	(483,644)
Net cash flows from financing activities		465,334	1,332,112
Net increase in cash and cash equivalents		74,984	164,983
Cash and cash equivalents at beginning of year	6(1)	398,623	233,640
Cash and cash equivalents at end of year	6(1)	\$ 473,607	\$ 398,623

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

Chenbro Micom Co., Ltd.
Distribution of Earnings
2022

Unit: NTD

Item	Amount	
	Subtotal	Total
Undistributed earnings, at the beginning of year		1,598,739,232
Add (Less): Other comprehensive income(Note 2)		2,067,228
Add: Net income after tax for 2022(EP\$8.32)		998,685,394
Distributable earnings for the year		2,599,491,854
Less:		
Legal reserve	(100,075,262)	
Special reserve	89,310,402	
Distribution items		
Shareholders' dividend—cash (120,631,950 shares outstanding); NT\$4 allocated to each share	(482,527,800)	(493,292,660)
Undistributed earnings, at the end of year		2,106,199,194

Notes:

- [Note 1] Priority will be given to the distribution of net income for 2022.
- [Note 2] Item with retained earnings adjusted due to accounting treatments: Actuarial gains and losses on the defined benefit plan.
- [Note 3] The cash dividend distributed this time will be calculated according to the distribution ratio and rounded off to the nearest NT Dollar. The total rounded off amounts are accounted for in other income.

Chairperson:

Mei-chi Chen

Managers:

Ya-nan Chen

Accounting Supervisor:

Wan-Ming Huang

Chenbro Micom Co., Ltd.

Table of Comparison of Articles of Incorporation Before and After Amendment

Amended Provision	Current Provision	Reason for amendment
<p>Article 21</p> <p>The Company shall have <u>several managers</u> one general manager and several deputy general managers, assistant deputy general managers, and others in equivalent positions.</p> <p>The employment, dismissal, and remuneration of those mentioned above the general manager shall be conducted in accordance with Article 29 of the Company Act.</p>	<p>Article 21</p> <p>The Company shall have one general manager and several deputy general managers, assistant deputy general managers, and others in equivalent positions. The employment, dismissal, and remuneration of the general manager shall be conducted in accordance with Article 29 of the Company Act.</p>	<p>To meet the needs of the Company's operations.</p>
<p>Article 26</p> <p>...(Omitted)</p> <p><u>The 28th amendment will be made on May 31, 2023.</u></p>	<p>Article 26</p> <p>...(Omitted)</p>	<p>The date of amendment is added</p>

Chenbro Micom Co., Ltd.
Profile of the Director Nominees

Name	Mei-chi Chen	Tsun-yen Lee	Chung-pao Wu	Yu-ling Tsai	Te-feng Wu
Educational Background	EMBA, National Taiwan University Department of Money and Banking, National Chengchi University	Business Management Program, Taipei Municipal Shilin High School of Commerce	Master of International Business, National Taiwan University	Master of Law, National Taiwan University	EMBA international programme, National Taiwan University MBA, Fudan University, Shanghai
Experiences	Chairperson of the Company	Chairperson, Ming Kuan Investment Co., Ltd	Founded Protech Systems Co., LTD. in 1990	Minister without Portfolio in the Executive Yuan, IBM's General Counsel in Taiwan and Greater China region (Hong Kong, Taiwan, China), District court judge at Shilin, Taoyuan, Changhua District Courts	Vice President and Chief Strategy Officer of PwC Taiwan Chairperson of Eyes Media Co., Ltd Director, Tai Fung Co., Ltd. Advisory Committee Member, College of Management, National Taiwan University Executive Director, China Rental Tax Research Association (Taiwan) Director, Chunghua Association of Public Finance Director, Asia Pacific Creativity Industries

Name	Mei-chi Chen	Tsun-yen Lee	Chung-pao Wu	Yu-ling Tsai	Te-feng Wu
					Association Financial Integrity Advisory Committee Member Member, Intellectual Property Rights Committee, Chinese National Federation of Industries Associate Professor, Department of Accounting, Chung Yuan Christian University
Current Employment	Chief Strategy Officer of the Company Director, Pong Wei Investment Co., Ltd. Chairperson, Lien Mei Investment Co., Ltd Director, Chen- Source Inc. Legal representative, Chen-Feng Precision Co., Ltd Independent Director, Promate	Executive Assistant to Chairperson of the Company Chairperson, Ming Kuan Investment Co., Ltd. Chairperson, Chung Chiao Asset Management Co., Ltd. Legal representative of Directors, Chen-Source Inc. Legal representative of Chairperson, Chenxergo Inc. Independent Director, HIM International	Chairperson, Protech Systems Co., Ltd. Independent Director, Marketch International Corp. Independent Director, EVA Airways Corp. Legal representative of Directors, CPC Corporation Chairperson, Prox Systems Co., Ltd.	Co-founder, Lee, Tsai & Partners Chairman of the Board, Taiwan FinTech Association Honorary Chairman of the Board, Women on Boards Taiwan Legal representative of Directors, Jess-Link Products Co., Ltd. Supervisor, Huafan University Director, K.T. Li Foundation for Development of Science and Technology Taipei Smart City Committee Member Taipei City Government	Chairpersn, China Rental Tax Research Center Legal representative of Directors, Taiwan Star Telecom Corporation Limited Director, Belray Coffee Plus Pte. Ltd, Singapore Honorary Chairman of the Board, Chunghwa Institute of International Taxation Adjunt Professor, Department of Accounting and Department of Law, Soochow University Chairperson, TIGER Strategic Management

Name	Mei-chi Chen	Tsun-yen Lee	Chung-pao Wu	Yu-ling Tsai	Te-feng Wu
	Electronic Co., Ltd.	Music Inc. Chairperson, China Prosperity Construction Corporation		International Affairs Advisory Council Member Taipei City Government Data Governance Committee Member Supervisor, Artificial Intelligence Foundation	Consultants Ltd.
Number of Shares	9,656,009 Shares	5,306,029 Shares	0 Shares	0 Shares	0 Shares

Chenbro Micom Co., Ltd.
Nominee Independent Director Profile

Name	Wei-shun Cheng	Chung-hsing Huang	Wen-cheng Liu	Pei-fang Tsai
Educational Background	Masters of Accounting, Northern Illinois University	MBA, University of Texas at Austin	Master of International Business Management, Winthrop University Bachelor in Accounting, Soochow University	EMBA/Masters in Marketing, Baruch College, The City University of New York Bachelors in Applied Mathematics, National Chiao Tung University
Experiences	CFO/ Executive Vice President, AUO Corporation Legal representative, Darwin Precision Corp. Legal representative of Directors, Lextar Electronics Corp. Chairperson, Sung Da Materials Co., Ltd. Vice Chairperson, AUO Crystal Corp. Legal representative of Directors/President, Kang Li Investment Co., Ltd. Legal representative of Directors/President, Long Li Investment Co., Ltd.	Associate Dean, College of Management, National Taiwan University Part-time Professor, College of Management, Tung Hai University Supervisor, Test Rite International Co., Ltd. Chairperson, Dotcom Charity Foundation	Chairperson of the Board, Taiwan Corporate Governance Association Independent Director, Global Unichip Corp.	Legal representatives of the Chairperson/ Managing Director, Wincor Nixdorf Taiwan Ltd./
Current	Director, Shirre Lab Corp. Independent Director, Daxin	Independent Director, Huxen Corporation	Independent Director, Vanguard International	None

Name	Wei-shun Cheng	Chung-hsing Huang	Wen-cheng Liu	Pei-fang Tsai
Employment	Materials Corp. Independent Director, Raydium Semiconductor Corporation Independent Director, Unictron Technologies Corporation	Independent Director, Medical Imaging Corporation Director, Avary Holding (Shenzhen) Co., Ltd. Professor, College of Management, Chang Gung University Director of Department, School of Business, Chang Gung University	Semiconductor Corporation Independent Director, Advantech Co., Ltd. Legal representative of Directors, Maywufa Company Ltd. Managing Director/ Chairman of the Evaluation Committee, Taiwan Corporate Governance Association	
Number of Shares	0 Shares	0 Shares	0 Shares	0 Shares

Annexes

Chenbro Micom Co., Ltd.

Articles of Incorporation

Chapter 1 General Provisions

- Article 1 The Company is incorporated in accordance with the Company Act. The name of the Company is 勤誠興業股份有限公司 in Chinese and Chenbro Micom Co., Ltd. in English.
- Article 2 The main business operated by the Company is as follows:
- I. J399010 Software Publishing
 - II. C805050 Industrial Plastic Products Manufacturing
 - III. C805990 Other Plastic Products Manufacturing
 - IV. CC01080 Electronic Components Manufacturing
 - V. CC01110 Computer and Peripheral Equipment Manufacturing
 - VI. CC01120 Data Storage Media Manufacturing and Duplicating
 - VII. CQ01010 Mold and Die Manufacturing
 - VIII. F113050 Wholesale of Computers and Clerical Machinery Equipment
 - IX. F213030 Retail Sale of Computers and Clerical Machinery Equipment
 - X. F401010 International Trade
 - XI. All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 The Company may act as a guarantor for the needs of its business.
- Article 4 When the Company becomes a shareholder of limited liability in other companies, the total amount of its investments in such other companies is exempted from the restriction that such investment shall not exceed 40 % of the paid-in capital as specified in Article 13 of the Company Act.
- Article 5 The Company is located in New Taipei City, Taiwan. The Company may establish branches or subsidiaries in Taiwan or overseas if necessary upon resolution by the board of directors of the Company.
- Article 6 The Company's announcement method is handled in accordance with the provisions of Article 28 of the Company Act.

Chapter 2 Shares

- Article 7 The Company's total registered capital is NT\$1.5 billion, divided into 150 million shares, with a par value of NT\$10 per share, and the board of directors is authorized to issue the shares in tranches.
- Of the total registered capital in the preceding paragraph, an amount of NT\$10 million is retained, divided into one million shares, with a par value of NT\$10 per share, which are for the Company's employee stock warrants, which the board of directors is authorized to issue said shares in tranches. The board of directors is authorized to issue the remaining shares unissued in tranches according to law. The Company's treasury shares purchased in accordance with the Company Act shall be transferred to recipients that include employees of controlling or subordinate companies who meet the criteria.
- The Company's employee stock warrants are issued to recipients that include employees of controlling or subordinate companies who meet the criteria. Where the Company issues new shares, the employees eligible for share subscription shall include employees of controlling or subordinate companies who meet the criteria.
- The Company's employee restricted shares are issued to recipients that include

Articles of Incorporation

- employees of controlling or subordinate companies who meet the criteria.
- Article 7-1 Where the Company intends to apply for de-listing, it shall be proposed to a shareholders' meeting for adoption.

Chapter 3 Shareholders' Meetings

- Article 8 The Company's shares shall be registered and bear the signatures or personal seals of the directors, who represent the Company, and be issued upon certification in accordance with the law. After the Company publicly issues shares, it may be exempted from printing any share certificates for the shares issued.
- Article 9 Registration of share transfer shall be completed within 60 days before the date of each annual general meeting, 30 days before the date of each extraordinary meeting, or five (5) days before the date at which dividends, bonus, or any other distributions will be paid or made by the Company.
- Article 10 Shareholders' meetings are divided into annual general meetings and extraordinary general meetings; the annual general meeting shall be convened once a year by the board of directors within six (6) months after the end of each fiscal year. The extraordinary general meeting is convened when necessary. The shareholders' meeting notice may be issued in writing or by electronic means after approved by shareholders.
- For shareholders holding less than one thousand registered shares, the notice stated in the preceding paragraph can be delivered in the form of a public announcement.
- Article 10-1 The Company may hold a shareholders' meeting by means of visual communication network or other methods promulgated by the Ministry of Economic Affairs.
- Article 11 The shareholders' meeting shall be duly chaired by the Chairperson. If the Chairperson is on leave or unable to exercise his/her power and authority for any cause, the Chairperson shall designate one person to act on his/her behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chair of the board of directors. If the meeting is convened by a person with the power to convene other than the board of directors, such person shall chair the meeting; if there are more than one person with the power to convene, they shall elect from among themselves to chair the meeting.
- Article 12 A shareholder who is unable to attend a shareholders' meeting may authorize another person to attend as a proxy using the form provided by the Company, with the shareholder's signature and seal affixed, which sets forth the scope of the authorization. The proxy process is governed by Article 177 of the Company Act and the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies promulgated by the competent authority.
- Article 13 Each share of the Company held by shareholders is entitled to one voting right except for restricted shares or shares that have no voting power under any of the circumstances specified in Paragraph 2, Article 179 of the Company Act..
- Article 14 Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.
- According to the regulations of the competent authority, the shareholders of the

Articles of Incorporation

Company may exercise their voting rights electronically. Shareholders exercising their voting rights electronically shall be deemed to have been present in person, and related matters shall be handled in accordance with the regulations.

The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes shall be kept in accordance with Article 183 of the Company Act and shall be kept permanently during the existence of the Company. The meeting minutes mentioned in the preceding paragraph shall be duly produced and distributed in accordance with the Company Act.

Chapter 4 Directors and Audit Committee

- Article 15 The Company shall appoint 7 to 11 directors for a term of three years. The Company's election of directors is based on the candidate nomination system in accordance with Article 192-1 of the Company Act. Director candidate nomination acceptance method, announcement, and other relevant matters shall be handled according to the Company Act, Securities and Exchange Act, and other relevant regulations. The election of independent directors and non-independent directors shall be held concurrently, provided that the number of independent directors and non-independent directors elected are calculated separately, and said directors are eligible for renewal of term if elected. As for the percentage of ownership by all directors, the rules of the competent securities authorities shall prevail. When a director's term expires and another director cannot be elected in time, he/she shall extend his/her term until a newly elected director takes office. The board of directors of the Company may set up various functional committees, and the qualifications, exercise of powers, and relevant matters shall be handled in accordance with relevant laws and regulations, and shall be prescribed by the board of directors.
- Article 15-1 In compliance with Article 14-2 of the Securities and Exchange Act, Company shall have at least three independent directors among the number of directors referred to in the preceding paragraph, and the independent directors shall represent at least one-fifth of the board. The independent directors shall be elected at a shareholders' meeting using the candidate nomination system and from among a list of candidates. The restrictions on professional qualifications, share ownership, concurrent positions held, the manner of nomination, the election of the independent directors, and other relevant matters shall comply with applicable laws and regulations prescribed by the competent securities authority.
- Article 15-2 The Company establishes an audit committee in accordance with Article 14-4 of the Securities and Exchange Act. The audit committee is composed of all independent directors. The Company shall formulate the audit committee charter to govern the number of audit committee members, terms of office, powers and responsibilities, and rules of procedure in accordance with the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies. The Company may set up other functional committees according to the needs of business operations, and the establishment and powers and responsibilities of the relevant committees shall be handled in accordance with the regulations of the competent authority.

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- Article 16 The board of directors is composed of directors, and the Chairperson of the board shall be elected with the consent of a majority of the directors at a meeting attended by more than two-thirds of the directors. The Chairperson is the representative of the Company.
- Article 17 The powers and responsibilities of the board of directors are as follows:
- I. To provide business plans.
 - II. To put forth proposals for earnings distribution or loss compensation.
 - III. To put forth proposals for capital increase or reduction.
 - IV. To formulate material rules and the Company's organizational charters.
 - V. To appoint and dismiss the Company's general managers and managers who are required by law to be approved by the board of directors.
 - VI. To set up and shut down branches.
 - VII. To prepare budgets and final accounts
 - VIII. Other powers and duties conferred by the Company Act or by the resolution adopted at the shareholders' meeting.
- Article 18 Unless otherwise provided by law or regulations, the Company's board meetings shall be convened by the Chairperson. Except otherwise provided by the Company Act, resolutions of the board of directors shall be adopted by at least a majority of the directors present at a meeting attended by at least a majority of the directors holding office.
- Article 19 Chairperson serves as the chair of board meetings. If the Chairperson is on leave or unable to exercise his/her power and authority for any cause, the Chairperson shall designate one person to act on his/her behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chair. The directors shall attend board meetings in person. If a director is unable to attend a meeting for any reason, he/she may entrust another director to act on their behalf. The aforementioned proxy shall be limited to act on behalf of one person. Independent directors shall attend board meetings in person, or entrust other independent directors to act on their behalf.
- Article 20 The Company may purchase liability insurance for directors to protect them against potential liabilities arising from exercising their duties during their tenure. When performing duties for the Company, the directors shall receive remuneration from the Company regardless of its gain or loss; the board is authorized to determine the remuneration according to their individual participation in the Company's operations and the value of their contribution, while taking into account the general standard in the industry.

Chapter 5 Managers

- Article 21 The Company shall have one general manager and several deputy general managers, assistant deputy general managers, and others in equivalent positions. The employment, dismissal, and remuneration of the general manager shall be conducted in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

- Article 22 At the end of each fiscal year, the Company's board of directors shall prepare the following list of documents, which shall be submitted to the annual general meeting for ratification.

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- I. Business report;
 - II. Financial statements;
 - III. Earnings distribution or loss compensation proposals.
- The distribution of the business report, financial statements, and earnings distribution or loss compensation proposals in the preceding paragraph to each shareholder shall be handled in accordance with the provisions of the Company Act.
- Article 23 If the Company has earnings at the end of a year, it shall set aside 3% to 12% of the balance as employee compensation and no greater than 3% of the balance as remuneration to directors.
- The board of directors determines the dividend distribution in stocks or cash, and the employee compensation may also be distributed to employees of subordinate companies who meet certain criteria. Said criteria are set by the board of directors. The distribution of employee compensation and remuneration to directors shall be reported to the shareholders' meeting.
- However, where the Company still has accumulated losses, it shall reserve an amount to compensate the losses in advance, and then distribute remuneration to directors and employee compensation based on the percentages specified in Article 21.
- Article 23-1 If the Company has any earnings after the closing of the fiscal year, it shall distribute the earnings in the following order:
- I. Pay taxes.
 - II. Make up for accumulated deficit/loss.
 - III. Set aside 10 percent for the legal reserve. However, where such legal reserve amounts to the paid-in capital, this provision shall not apply.
 - IV. Appropriate or reverse special reserves according to laws or the regulations of the competent securities authority.
 - V. If there is still a balance, the board of directors shall decide whether to retain or distribute the undistributed earnings, together with the accumulated undistributed earnings from previous years, to shareholders as dividends based on the capital status and economic development of the current year, while submitting it to the shareholders' meeting for resolution.
- Article 23-2 The Company's dividend policy is based on the current year's profitability and consideration for the Company's future growth, capital budget planning, capital needs, and other factors, while the interests of shareholders and the Company's long-term financial planning are considered. Shareholder dividends are appropriated from distributable earnings, in the form of cash or stock dividends. However, the cash dividends shall not be less than 10% of the total dividends. If the cash dividend per share is less than NT\$0.20, it will not be distributed and will be distributed as stock dividend instead.
- Article 24 From January 1, 2008, the Company may transfer its shares to employees at a price lower than the average price of the shares actually redeemed or issue employee stock warrants at a subscription price lower than the market price (net value per share), which shall only be implemented with the consent of attending

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- shareholders representing two-thirds of the voting rights present at a shareholders' meeting attended by a majority of shareholders. The Company may file applications for implementation of said matter multiple times within one year from the date of the shareholders' resolution.
- Article 24-1 When the Company repurchases treasury shares, it may transfer shares to employees at a price lower than the average actual price of share repurchase, which shall only be implemented with the consent of attending shareholders representing two-thirds of the voting rights present at a shareholders' meeting attended by a majority of shareholders while in accordance with relevant laws. The Company may file applications for implementation of said matter multiple times within one year from the date of the shareholders' resolution.
- Article 25 Matters not specified in the Articles of Incorporation shall be governed by the Company Act.

Supplementary Provisions

- Article 26 The Articles of Incorporation was formulated on November 21, 1983.
The 1st amendment was made on May 10, 1984.
The 2nd amendment was made on May 5, 1986.
The 3rd amendment was made on November 5, 1986.
The 4th amendment was made on November 20, 1987.
The 5th amendment was made on October 2, 1989.
The 6th amendment was made on December 16, 1989.
The 7th amendment was made on March 9, 1990.
The 8th amendment was made on January 3, 1990.
The 9th amendment was made on June 30, 1998.
The 10th amendment was made on June 10, 1999.
The 11th amendment was made on October 20, 1999.
The 12th amendment was made on June 26, 2000.
The 13th amendment was made on June 27, 2002.
The 14th amendment was made on June 30, 2003.
The 15th amendment was made on June 21, 2005.
The 16th amendment was made on June 23, 2006.
The 17th amendment was made on June 22, 2007.
The 18th amendment was made on June 27, 2008.
The 19th amendment was made on June 26, 2009.
The 20th amendment was made on June 14, 2010.
The 21st amendment was made on May 25, 2012.
The 22nd amendment was made on June 23, 2016.
The 23rd amendment was made on June 20, 2017.
The 24th amendment was made on June 25, 2019.
The 25th amendment was made on June 23, 2020.
The 26th amendment was made on May 14, 2021.
The 27th amendment was made on May 31, 2022.

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- Article 1: To establish a strong governance system and sound supervisory capabilities for this Company's shareholders' meetings, and to strengthen management capabilities, the Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 2: Unless otherwise provided by laws or the Company's Articles of Incorporation, the Company shall duly convene the shareholders' meeting in accordance with the Rules.
- Article 3: (Convention and Notice of Shareholders' Meeting)
 Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the board of directors.
 Changes to the means of convening a shareholders' meeting shall be subject to a resolution of the board of directors, and shall be made no later than the delivery of the shareholders' meeting notice.
 The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the causes of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) prior to 30 days before the date of an annual general meeting or prior to 15 days before the date of an extraordinary general meeting.
 The Company shall prepare electronic versions of the shareholders' meeting handbook and supplemental meeting materials and upload them to the MOPS prior to 21 days before the date of an annual general meeting or prior to 15 days before the date of an extraordinary general meeting.
 However, if the Company has paid-in capital of NT\$10 billion or more at the end of the most recent fiscal year or has 30% of its shares held by foreign and mainland Chinese investors based on the shareholder register at the shareholders' meeting in the most recent fiscal year, it shall upload the electronic versions of such materials to the MOPS prior to 30 days before the date of an annual general meeting.
 Prior to 15 days before the date of a shareholders' meeting, the Company shall have prepared the shareholders' meeting handbook and supplemental meeting materials and made them available for review by shareholders at any time, and display them in the Company and the professional stock affairs agency appointed by the Company.
 The Company shall make the shareholders' meeting handbook and supplemental meeting materials mentioned in the preceding paragraph available for review by shareholders on the day of an annual general shareholders' meeting in the following ways:
- I. When a shareholders' meeting is held on-site, distribute at the meeting.
 - II. When a video-assisted shareholders' meeting is held, distribute at the

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meeting and on the video networking platform as electronic files.

III. When a shareholders' meeting is held by means of visual communication network, distribute on the video networking platform as electronic files.

The cause or subject of a meeting of shareholders to be convened shall be indicated in the individual notice to be given to shareholders; and the notice may, as an alternative, be given by means of electronic transmission, after obtaining a prior consent from the recipient thereof.

Election or dismissal of directors, change of Articles of Incorporation, reduction of capital, application for cessation of public offering, cancellation of non-compete duty for directors, capital increase from earnings, surplus transferred to common stock, company dissolution, merger, demerger, or any listed in Paragraph 1, Article 185 of the Company Act shall be listed and specified in the convening reason, and shall not be proposed as an extempore motion.

Where the notice of the reasons for convening the shareholders' meeting already specifies the election of all directors and the date of elected directors taking office, once the election is completed in the shareholders' meeting, the date of the elected directors taking office may not be changed by motions or other methods in the same meeting.

A shareholder holding 1 percent or more of the total number of issued shares may submit a proposal to the Company for discussion at an annual general meeting, and shall only submit one proposal; any proposal in excess of one shall not be included in the agenda. However, a shareholder proposal proposed for urging the Company to promote public interests or fulfill its social responsibilities may still be included in the agenda. In addition, when the circumstances specified in any subparagraph of Paragraph 4, Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Prior to the book closure date before an annual general meeting is held, the Company shall publicly announce that it will accept shareholder proposals, in written or by electronic means, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Each shareholder proposal is limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the annual general meeting and take part in discussion of the proposal.

Prior to the date of issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal review results and shall list in the meeting notice the proposals that conform to the

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provisions of this article. At the shareholders' meeting, the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4: For each shareholders' meeting, a shareholder may issue a proxy in the form printed by the Company to expressly stipulate the scope of authority to authorize a representative to attend the shareholders' meeting on his/her behalf. A shareholder shall issue one proxy and entrust one proxy only, and shall deliver the proxy to the Company five days before the shareholders' meeting; if more than one proxy is delivered, the earliest one received by the Company shall prevail. However, a statement to revoke an earlier proxy is not subject to the aforementioned rule. After the delivery of a duplicate proxy to the Company is postponed, the shareholder intends to personally attend the shareholders' meeting or exercised voting rights by correspondence or electronic means after delivering a proxy to the Company, the shareholder shall provide, two (2) days before the date of the shareholders' meeting, a written notice to the Company for rescinding said proxy. Where the period for rescinding the proxy has expired, the voting right exercised by the proxy entrusted at the meeting shall prevail.

After the delivery of a proxy to the Company, a shareholder intending to attend the shareholders' meeting by means of visual communication network shall provide, two (2) days before the date of the shareholders' meeting, a written notice to the Company for rescinding the said proxy. Where the period for rescinding the proxy has expired, the voting right exercised by the proxy entrusted at the meeting shall prevail.

Article 5: (Principles determining time and place of shareholders' meeting)
The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

When the Company convenes a shareholders' meeting by means of visual communication network, it is not subject to the restrictions on the place of shareholders' meeting mentioned in the preceding paragraph.

Article 6: (Preparation of documents, including the sign-in book)
The Company shall, in the notice of the shareholders' meeting, specify the time and place for shareholder, solicitor, and proxy agent (shareholder) sign-in, and other important matters to be noted.
Registration for shareholders referred to in the preceding paragraph shall begin at least thirty minutes before the meeting. The sign-in place shall be clearly marked and sufficiently and adequately staffed. Where a shareholders' meeting is held by means of visual communication network, shareholders shall register

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on the video networking platform at least thirty (30) minutes before the meeting. Shareholders who have completed the registration shall be deemed to have attended the shareholders' meeting in person.

The shareholders shall attend the shareholders' meeting with the attendance card, attendance sign-in card, or other certificates. The Company shall not arbitrarily add requirements for provision of other certificates in addition to said documents. The proxy solicitors shall come with an ID certificate for verification.

The Company shall provide a sign-in book for shareholders to sign in, or require the attending shareholders to submit their sign-in cards in lieu of sign-in.

The Company shall deliver the handbook, annual report, attendance card, speaker's slip, votes, and other meeting materials to each shareholder attending the shareholders' meeting; if there are directors to be elected, ballots shall also be provided.

When a government or a juridical person is a shareholder, it may have more than one representative to attend the shareholders' meeting. In the event that a juridical person is entrusted to attend a shareholders' meeting, the juridical person may appoint only one representative to participate in the meeting.

Where a shareholders' meeting is held by means of visual communication network, shareholders who intend to attend the meeting by means of visual communication network shall register with the Company two (2) days prior to the shareholders' meeting.

Where a shareholders' meeting is held by means of visual communication network, the Company shall upload the meeting handbook, annual report, and other materials to the video networking platform at least thirty (30) minutes before the start of the shareholders' meeting and maintain their availability until the end of the meeting.

Article 6-1: (Matters to be specified in the notice of shareholders' meeting held by means of visual communication network)

When the Company holds a shareholders' meeting by means of visual communication network, it shall specify the following matters in the shareholders' meeting notice:

- I. Methods for shareholders to attend and exercise their rights in a shareholders' meeting held by means of visual communication network.
- II. Methods for handling obstacles to the video networking platform or attendance at a shareholders' meeting by means of visual communication network due to natural disasters, incidents, or other force majeure circumstances, including but not limited to:
 - (I) Where the aforesaid obstacles cannot be removed, the Company shall determine whether the shareholders' meeting should be postponed or

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reconvened within a period of time, and shall set the date of postponement or reconvention if appropriate;

- (II) Shareholders who have not registered to attend the shareholders' meeting by means of visual communication network shall not attend the postponed or reconvened meeting;
- (III) When the Company holds a video-assisted shareholders' meeting and fails to proceed with the meeting by means of visual communication network, the shareholders' meeting shall continue if the number of shares held by the attending shareholders, after deducting the number of shares held by the shareholders attending the meeting by means of visual communication network, reaches the quorum. For shareholders attending the meeting by means of visual communication network, the number of shares held by them shall be included in the total number of shares held by the attending shareholders, and they shall be deemed to have abstained in all proposals of the shareholders' meeting; and
- (IV) Methods for handling in the event that all proposals have been declared results and no extempore motion has been made.

III. When convening a shareholders' meeting by means of visual communication network, the Company shall specify appropriate alternatives for shareholders who may have difficulty attending the meeting by means of visual communication network.

Article 7: (The chair and non-voting participants of a shareholders' meeting)

If a shareholders' meeting is convened by the board of directors of the Company, the Chairperson of the board shall preside over such meeting. If the Chairperson is on leave or unable to exercise his/her powers and duties for some reason, the Vice Chairperson shall preside over such meeting. The Chairperson shall designate a managing director to act on his/her behalf if a Vice Chairperson is not appointed, or if the Vice Chairperson is on leave or unable to exercise his powers and duties for some reason. If no managing director of the Company is appointed, the Chairperson shall designate a director to preside as the chair. If the Chairperson fails to designate a chair for the meeting, the managing directors or the directors shall nominate one from among themselves to preside over the meeting.

The managing director or director who is designated as the chair for the meeting pursuant to the preceding paragraph shall have held office for at least six months and be familiar with the financial and business condition of the Company. The same requirements shall apply if the chair for the meeting is a representative of a corporate director.

For a shareholders' meeting convened by the board of directors, it is advised that the Chairperson should chair the meeting in person, that a majority of

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directors attend the meeting in person, and that at least one member of each functional committee attends the meeting as a representative. Attendance details shall be recorded in the minutes of the shareholders' meeting.

Where the shareholders' meeting is convened by a convener other than the board of directors, the convener shall chair the meeting in person. Where there are two or more conveners, they shall elect one from among themselves to chair the meeting.

The Company may appoint the retained attorney(s), certified public accountant(s), or relevant personnel to participate in a shareholders' meeting in a non-voting capacity.

Article 8: (Documentation of shareholders' meeting by audio or video)

The Company shall record, by audio or video means, the entire process, from shareholder sign-in, the meeting process to the voting and vote counting continuously and uninterruptedly.

The aforementioned audio and video recordings shall be kept for at least one (1) year. In the event of a lawsuit filed by any shareholder under Article 189 of the Company Act, said ballots shall be kept until the conclusion of the lawsuit. When a shareholders' meeting is held by means of visual communication network, the Company shall record and retain the shareholders' registration, sign-in, attendance registration, questions, voting, and vote counting results, and shall make an uninterrupted audio and video recording of the shareholders' meeting.

The materials and the audio and video recording mentioned in the preceding paragraph shall be properly retained by the Company throughout its life, and the audio and video recording shall be supplied to an institution that is entrusted to handle video conferencing affairs for retention.

When a shareholders' meeting is held by means of visual communication network, the Company shall make the audio and video recording of the backend user interface of the video networking platform.

Article 9: The participation by shareholders shall be based on the number of shares they hold. The calculation of the number of shares present shall be based on the attendance book or sign-in cards submitted by the shareholders, the number of shares registered on the video networking platform, and shares whose votes are exercised by mail or electronic means.

The chair shall call the meeting to order at the time scheduled for the meeting, as well as announce the number of shares without voting right and shares present.

In the event that the meeting is attended by shareholders representing less than half of the total issued shares, the chair may announce a postponement of the meeting, however, there may not be more than two postponements in total and the total time accumulated in the postponement(s) shall not exceed one hour. In the event that the meeting is still attended by shareholders representing less than one-third of the total issued shares after two postponements, the chair may announce that the meeting fails to be convened for a lack of quorum. If a shareholders' meeting is held by means of visual communication network, the

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Company shall also announce the adjournment of the shareholders' meeting on the video networking platform.

In the event that the meeting is still attended by shareholders representing less than one-third of the total issued shares after two postponements as in the preceding paragraph, a tentative resolution may be passed in accordance with Paragraph 1, Article 175 of the Company Act, while notifying all shareholders of the tentative resolution to convene another shareholders' meeting within one month. If a shareholders' meeting is held by means of visual communication network, shareholders who intend to attend the meeting by means of visual communication network shall re-register with the Company in accordance with Article 6 herein.

In the event that the total number of shares represented by attending shareholders reaches a majority of the total issued shares before the same shareholder meeting is adjourned, the chair may bring the tentative resolution(s) so adopted into the shareholders' meeting anew to be duly resolved in accordance with Article 174 of the Company Act.

Article 10: (Discussion of proposals)

The agenda for the shareholders' meeting shall be set by the board of directors if such meeting is convened by the board of directors. Relevant proposals (including extempore motions and revision of original proposals) shall be voted on a case-by-case basis. Unless otherwise resolved by resolution at the meeting, the meeting shall be carried out in accordance with the scheduled agenda.

The preceding paragraph shall apply mutatis mutandis to meetings convened by any person, other than the board of directors, with the right to convene such meeting.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda stated in the preceding two paragraphs (including extempore motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules and procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with the statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extempore motions put forward by the shareholders; where the chair is of the opinion that a matter has been sufficiently discussed to a degree of putting to a vote, the chair may announce the discussion closed and bring the matter to vote and arrange sufficient time for voting.

Article 11: (Shareholder speech)

An attending shareholder shall issue and submit a speech slip before having a

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floor at the shareholders' meeting. The speech slip shall expressly describe the subject of the speech and his/her shareholder account number (or the attendance card number) so that the chair may determine the order of the speech.

An attending shareholder who submits a speech slip but does not speak at the meeting is deemed to have not spoken. In the event of any inconsistency between the contents of a shareholder's speech and those recorded on the slip, the contents of shareholder's speech shall prevail.

On the same proposal, each shareholder shall not take the floor more than twice and shall not speak for more than five minutes for each round unless agreed upon by the chair. However, where a shareholder's speech violates the regulations or exceeds the scope of the topic, the chair may stop his/her speech. When an attending shareholder is speaking at the meeting, no other shareholder shall interrupt the speech unless otherwise permitted by the chairperson and such shareholder making a speech; the chairperson shall stop any such violations.

In the event that a juridical person (corporate) shareholder appoints two or more representatives to participate in a shareholders' meeting, only one representative may speak on the same proposal.

After a shareholder speaks on the floor; the chair may answer either in person or designate relevant personnel to respond.

If a shareholders' meeting is held by means of visual communication network, shareholders attending the meeting by means of visual communication network may ask questions in text form on the video networking platform after the chair declares the commencement of the meeting and before the chair declares the adjournment of the meeting. The number of questions asked for each proposal shall not exceed two (2), with each question limited to 200 words. The provisions of Paragraphs 1 to 5 shall not apply.

If the questions mentioned in the preceding paragraph do not violate the regulations or do not exceed the scope of the proposals, the Company shall make the questions public on the video networking platform.

Article 12: (Calculation of voting shares and recusal system)

The voting by shareholders shall be duly calculated based on the number of shares they hold.

With respect to the resolutions of a shareholders' meeting, the number of shares held by a shareholder without voting rights shall not be counted toward the total number of issued shares.

When a shareholder is an interested party in relation to an item on the agenda, and there is the likelihood that such a relationship would prejudice the interests of the Company, such a shareholder shall not vote on that item, and shall not exercise voting rights as a proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the

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preceding paragraph shall not be counted toward the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as a proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the counting.

Article 13: A shareholder shall have one voting right in respect of each share; however, this limit is not applicable to those who are restricted, or who do not have the right to vote under Paragraph 2, Article 179 of the Company Act.

When the Company convenes a shareholders' meeting, shareholders may exercise their voting rights in writing or by electronic means; the method of exercising their voting rights shall be specified in the shareholders' meeting notice. A shareholder who exercises his/her voting rights at a shareholders' meeting in writing or by electronic means shall be deemed to have attended said shareholders' meeting in person. However, the shareholder shall be regarded to have abstained for extempore motions or for revision of the original proposals. Thus, it is advised that the Company shall avoid proposing extempore motions or revising the original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic transmission under the preceding paragraph shall deliver a written declaration of intent to the Company two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail. However, when a declaration is made to cancel an earlier declaration of intent is not subject to the limits.

After the shareholders exercise their voting rights in writing or electronic means, if they want to attend the shareholders' meeting in person or by means of visual communication network, they shall cancel the intent of exercising voting rights in the preceding paragraph in the same manner as exercising the voting rights two days before the shareholders' meeting; if it is canceled after the time limit, voting rights exercised in writing or via electronic means shall prevail. If the voting rights are exercised in writing or via electronic means and a proxy is entrusted to attend the shareholders' meeting by a power of attorney, the voting rights exercised by the attending entrusted proxy shall prevail.

Unless otherwise provided by laws and the Company's Articles of Incorporation, proposals at a shareholders' meeting shall be resolved and adopted by a majority vote of the shareholders attending the meeting. When voting on each proposal, the chair or personnel designated by the chair shall announce the total voting rights of the shareholders present on a case-by-case basis, and the shareholders shall vote on a case-by-case basis. On the day after

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the shareholders' meeting is held, the results of shareholders' resolutions, including the number of votes for, votes against, and abstentions, shall be uploaded to the Market Observatory Post System (MOPS).

In the event that an amendment or an alternative to the same proposal, together with the original one, the chair shall determine the order in which they will be put to a vote. When anyone among them is passed, the other proposal(s) will then be deemed rejected, and no further voting shall be required.

Scrutineers and vote counting personnel for the voting on a proposal shall be appointed by the chair, provided that all scrutineers shall be shareholders of the Company.

Vote counting for proposals at a shareholders' meeting or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When the Company convenes a shareholders' meeting by means of visual communication network, shareholders attending the meeting by means of visual communication network shall vote on the proposals and the election on the video networking platform after the chair announces the commencement of the meeting and before the chair announces the close of voting. Shareholders failing to do so shall be deemed to have abstained.

If a shareholders' meeting is held by means of visual communication network, the votes shall be counted at one time after the chair announces the close of voting, and the voting and election results shall be announced thereafter.

When the Company holds a video-assisted shareholders' meeting, shareholders who have registered to attend the shareholders' meeting by means of visual communication network in accordance with Article 6 herein and intend to attend the meeting in person shall cancel the registration in the same manner as registration two (2) days before the shareholders' meeting; shareholders who fail to cancel the registration within the time limit may only attend the shareholders' meeting by means of visual communication network.

Shareholders who exercise their voting rights in writing or electronically without revoking their intentions and attend the shareholders' meeting by means of visual communication network shall not exercise their voting rights on the original proposals, propose amendments to the original proposals, or exercise the voting rights for amendments to the original proposals, except for extempore motions.

Article 14: (Election Matters)

The election of directors at the shareholders' meeting, if any, shall be handled according to the relevant regulations on election formulated by the Company, and the voting results shall be announced on the spot, including the list of

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elected directors and the numbers of votes they obtained, as well as the list of unelected directors and the number of votes they received.

The ballots shall be sealed and signed off by the scrutineers and be kept for at least a year. In the event of a lawsuit filed by any shareholder under Article 189 of the Company Act, said ballots shall be kept until the conclusion of the lawsuit.

Article 15: The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be kept and distributed electronically. The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results (including the number of votes counted), and the number of votes each candidate obtains shall be disclosed in the case of an election of directors. The records shall be kept for the duration of the existence of the Company.

If a shareholders' meeting is held by means of visual communication network, the minutes of the shareholders' meeting shall record the start and end time of the shareholders' meeting, the method of convening the meeting, and the names of the chair and the minute taker, as well as the methods and results of handling in the event of obstacles to the video networking platform or attendance at the shareholders' meeting by means of visual communication network caused by natural disasters, incidents or other force majeure circumstances, in addition to matters that shall be recorded according to the provisions of the preceding paragraph.

When the Company convenes a shareholders' meeting by means of visual communication network, it shall specify in the minutes of the meeting the alternatives provided for shareholders who have difficulty attending the meeting by means of visual communication network while complying with the provisions of the preceding paragraph.

Article 16: (Public disclosure)

The Company shall generate, on the date of the shareholders' meeting, a table in a prescribed format for the number of shares obtained by solicitors through solicitation and number of shares represented by proxies, and the number of shares held by attending shareholders in writing or electronically, and shall clearly disclose the said table at the place of the shareholders' meeting. If a shareholders' meeting is held by means of visual communication network, the Company shall upload the aforesaid material to the video networking platform at least thirty (30) minutes before the start of the shareholders' meeting and maintain its availability until the end of the meeting.

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When the Company announces the commencement of a shareholders' meeting held by means of visual communication network, it shall disclose the total number of shares held by attending shareholders on the video networking platform. The same shall apply if the total number of shares and voting rights of the shareholders attending the shareholders' meeting is counted during the meeting.

For any shareholders' meeting resolution that relates to statutory regulations or to material information as specified by the Taiwan Stock Exchange Corporation, the Company shall upload, within the specified time limit, said resolution to the MOPS.

Article 17: (Maintaining order at the meeting place)

Staff at the shareholders' meetings shall wear ID badges or arm badges.

The chair may direct proctors or security personnel to assist in maintaining the order of the meeting. The proctors or security personnel shall wear arm badges or ID badges marked "Proctor" while assisting in maintaining the order of the meeting.

There is amplification equipment at the meeting place, if a shareholder makes a speech with amplification equipment not provided by the Company, the chair may stop it.

In the event that a shareholder violates the rules of procedure, defies the chair's order, or obstructs progress of the meeting, and refuses to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting

Article 18: (Recess and resumption of a shareholders' meeting)

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extempore motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 19: (Disclosure of shareholders' meeting held by means of visual communication network)

If a shareholders' meeting is held by means of visual communication network, the Company shall immediately disclose the voting results of the proposals and the election results on the video networking platform in accordance with the regulations, and shall maintain their availability for at least fifteen (15) minutes after the chair announces the adjournment of the meeting.

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Article 20: (Location of the chair and minute taker of shareholders' meeting held by means of visual communication network)

When the Company holds a shareholders' meeting by means of visual communication network, the chair and the minute taker shall be at the same place in Taiwan, and the chair shall announce the address of the place at the time of the meeting.

Article 21: (Handling of disconnection)

If a shareholders' meeting is held by means of visual communication network, the Company may provide a simple connection test for shareholders before the meeting and also render related services immediately before and during the meeting to help shareholders solve telecommunication problems.

If a shareholders' meeting is held by means of visual communication network, the chair shall, when announcing the commencement of the meeting, separately announce the date of the shareholders' meeting postponed or reconvened within five (5) days in case of an obstacle to the video networking platform or attendance by means of visual communication network that is caused by natural disasters, incidents, or other force majeure circumstances and lasts for more than thirty (30) minutes before the adjournment of the meeting announced by the chair, except for the circumstances where there is no need to postpone or reconvene the shareholders' meeting as stipulated in Paragraph 4, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies. Article 182 of the Company Act does not apply.

Where the shareholders' meeting is postponed or reconvened as mentioned in the preceding paragraph, shareholders who have not registered to attend the original shareholders' meeting by means of visual communication network shall not attend the postponed or reconvened meeting.

When the shareholders' meeting shall be adjourned or reconvened in accordance with Paragraph 2, if shareholders who have registered to attend the original shareholders' meeting by means of visual communication network and have registered attendance fail to attend the adjourned or reconvened meeting, the number of shares held by them and their voting rights and election rights exercised at the original shareholders' meeting shall be included in the total number of shares and voting rights and election rights of the shareholders attending the adjourned or reconvened meeting.

When a shareholders' meeting is postponed or reconvened in accordance with Paragraph 2, there is no need to discuss and resolve on the proposals whose voting and counting of votes have been completed and voting results or a list of elected directors and supervisors announced.

When the Company holds a video-assisted shareholders' meeting and fails to proceed with the meeting by means of visual communication network as prescribed in Paragraph 2, the shareholders' meeting shall continue if the

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number of shares held by attending shareholders, after deducting the number of shares held by the shareholders attending the meeting by means of visual communication network, reaches the quorum. There is no need to postpone or reconvene the shareholders' meeting in accordance with the provisions of Paragraph 2.

If a shareholders' meeting shall continue in accordance with the preceding paragraph, the number of shares held by shareholders who attend the meeting by means of visual communication network shall be included in the total number of shares held by attending shareholders; however, shareholders who attend the shareholders' meeting by means of visual communication network shall be deemed to have abstained in all proposals of the shareholders' meeting. When the Company postpones or reconvenes the shareholders' meeting in accordance with Paragraph 2, it shall make preparations based on the date of the original shareholders' meeting and in accordance with Paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

The Company shall base the period prescribed in the latter part of Article 12 and Paragraph 3, Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies and Paragraph 2, Article 44-5, Article 44-15, and Paragraph 1, Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies on the date of the postponed or reconvened shareholders' meeting in accordance with Paragraph 2.

Article 22: (Handling of digital gap)

When the Company convenes a shareholders' meeting by means of visual communication network, it shall provide appropriate alternatives for shareholders who have difficulty in attending the meeting by means of visual communication network.

Article 23: The Rules shall be implemented after approval by the shareholders' meeting, and the same shall apply to any amendment thereto.

Article 24: The Rules were formulated on September 27, 1999.

The 1st amendment was made on June 23, 2006.

The 2nd amendment was made on June 20, 2013.

The 3rd amendment was made on June 11, 2015.

The 4th amendment was made on June 20, 2017.

The 5th amendment was made on June 23, 2020.

The sixth amendment was made on May 14, 2021.

The 7th amendment was made on May 31, 2022.

Procedures for Election of Directors

Article 1: To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2: Unless otherwise provided by law and regulation or by the Company's Articles of Incorporation, elections of directors shall be conducted in accordance with these Procedures.

Article 3: The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

- I. Basic requirements and values: Gender, age, nationality, and culture.
- II. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.
- III. Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:
- IV. Crisis management ability.
- V. Knowledge of the industry.
- VI. An international market perspective.
- VII. Leadership ability.
- VIII. Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The board of directors of the Company shall consider adjusting its composition based on the results of performance evaluation.

Article 4: The qualifications for the independent directors of this Company shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

The election of independent directors of the Company shall comply with Articles 5, 6, 7, 8, and 9 of the “Regulations Governing Appointment of

Procedures for Election of Directors

Independent Directors and Compliance Matters for Public Companies”, and shall be conducted in accordance with Article 24 of the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies”.

- Article 5: Elections of directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.
- When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting.
- When the number of directors falls short by one third of the total number prescribed in the Company’s articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
- When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
- Article 6: The cumulative voting method shall be used for election of the directors at the Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.
- Article 7: The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 8: The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Procedures for Election of Directors

- Article 9: Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.
- Article 10:: A ballot is invalid under any of the following circumstances:
- I. The ballot was not prepared by a person with the right to convene.
 - II. A blank ballot is placed in the ballot box.
 - III. The writing is unclear and indecipherable or has been altered.
 - IV. The candidate whose name is entered in the ballot does not conform to the director candidate list.
 - V. Other words or marks are entered in addition to the number of voting rights allotted.
- Article 11: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.
- The ballots shall be sealed and signed off by the scrutineers and be kept for at least a year. In the event of a lawsuit filed by any shareholder under Article 189 of the Company Act, said ballots shall be kept until the conclusion of the lawsuit.
- Article 12: The board of directors of the Company shall issue notifications to the persons elected as directors.
- Article 13: Implementation and amendment
- The Rules shall be implemented after approval by the shareholders' meeting, and the same shall apply to any amendment thereto.
- The Rules were formulated on September 27, 1999.
- The 13th amendment was made on June 27, 2002.
- The 1st amendment was made on June 23, 2006.
- The 4th amendment was made on May 25, 2012.
- The 4th amendment was made on June 20, 2017.
- The 5th amendment was made on June 23, 2020.
- The sixth amendment was made on May 14, 2021.

Shareholdings of Directors

April 2, 2023

Title	Name	Shares	Notes
Chairperson	Mei-chi Chen	9,656,009	
Director	Tsun-yen Lee	5,306,029	
Director	Chung-pao Wu	0	
Director	Te-feng Wu	0	
Director	Yu-ling Tsai	0	
Independent Director	Wen-cheng Huang	0	
Independent Director	An-pang Tsao	0	
Independent Director	Chung-hsing Huang	0	
Independent Director	Wei-shun Cheng	0	
Total		14,962,038	

Note 1: The number of shares above is the number of the Company's shares as of the book closure date for the annual general meeting (April 2, 2023).

Note 2: The Company's paid-in capital exceeds NT\$1 billion and is less than NT\$2 billion. Therefore, in accordance with the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the percentage of registered shares held by all directors shall not be less than 7.5%.

Required minimum shares held by all directors: 8,000,000 shares.

