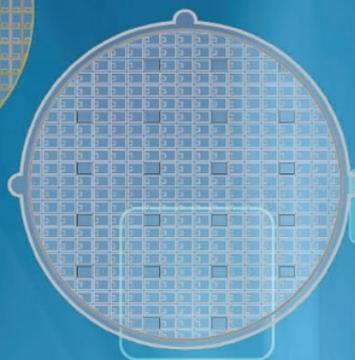
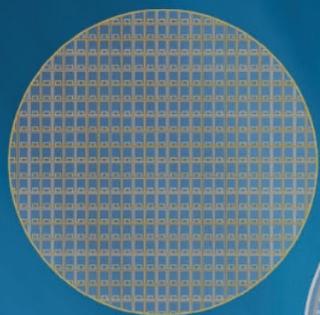


# Annual General Shareholders' Meeting Meeting Agenda(Translation)

2340

Stock Code



TASC

TASC

**Taiwan-Asia Semiconductor Corporation**

Formerly named: OPTO TECH CORPORATION

Convening method | Entity Shareholders' Meeting |

Date | June 20, 2023 |

Place | 2F., No. 1, Section 3, Gongdao 5th  
Road, East District, Hsinchu City |  
(Amazinghall Yufeng Brilliant Theater)

**Taiwan-Asia Semiconductor Corporation**  
**(OPTO TECH CORPORATION)**  
**Handbook for the 2023 General Meeting of Shareholders**  
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I. Meeting type: Physical Shareholders Meeting

II. Time: 9:00 a.m., June 20, 2023

III. Place: 2F., No. 1, Section 3, Gongdao 5th Road, East District, Hsinchu City  
(Amazinghall Yufeng Brilliant Theater)

IV. Agenda

**1. Meeting called to order**

**2. Report Items:**

(1) 2022 Business Report (Please refer to pages 5-8 of this Handbook for details.)

(2) 2022 Audit Committee Report (Please refer to page 9 of this Handbook for details.)

(3) Distribution of Remuneration to Employees and Directors Report 2022

Description:

In accordance with the Articles of Incorporation, the Company's Board of Directors has approved appropriating the amount of NT\$50,812,447 (10%) as employee remuneration and the amount of NT\$25,406,223 (5%) as director remuneration based on the profit status of the year 2022. The aforementioned amounts are to be distributed entirely in cash, and are not different from the estimated amounts of expenses recognized on the account.

(4) 2022 Surplus Distribution and Cash Dividend Report

Description:

1) In accordance with the provisions of Article 29-1 of the Articles of Incorporation, the Board of Directors is authorized to resolve that all or part of the dividends and bonuses distributable are to be made by way of cash, which resolution shall also be reported to the Shareholder meeting.

2) The surplus for the year 2022 is appropriated to be the shareholder bonus in the amount of NT\$438,622,846, which is to be distributed by way of cash dividends of NT\$1 per share. The actual dividend payout ratio is calculated based on the number of shares entitled to participate in the distribution on the ex-dividend date, and rounded up or down to the whole number, of which the total of its fractional amount less than NT\$1 shall be adjusted in order starting from the largest decimal number to the smallest decimal number as well as from the smallest shareholder account number to the largest one until it reaches the total amount of the cash dividend to be distributed.

3) This proposal has been adopted by a resolution of the Board of Directors and authorized the Chairman to set the ex-dividend date and to make determinations on other related matters; if the Company subsequently buys back the Company's shares or transfers treasury stocks to employees, etc., which requires adjustments to be made due to the number of outstanding shares being affected and the dividend payout ratio to its shareholders being changed, the Chairman shall be authorized with discretionary powers to handle such matters.

### **3. Proposed Resolutions:**

Proposal 1:The 2022 Financial Statements and Business Report are hereby submitted for recognition. (Proposed by: Board of Directors)

Description:

- 1) The Company's 2022 Financial Statement have been completed with the review conducted by the accountants, Chih-Yuan Chen and Tung-Feng Lee of Deloitte & Touche Taiwan, and such Statement has been submitted with the 2022 Business Report and completed with the review by the Audit Committee. (Please refer to pages 10-30 of this Handbook.)
- 2) Motion is made to submit the foregoing statements and report for recognition.

Resolution:

Proposal 2:The distribution of the 2022 surplus is hereby submitted for recognition. (Proposed by: Board of Directors)

Description:

- 1) The distribution of the Company's 2022 surplus has been approved by the Board of Directors, as well as submitted to and completed with the review by the Audit Committee.
- 2) The Table for the Company's 2022 Surplus Distribution is attached in detail. (Please refer to page 31 of this Handbook.)

Resolution:

Proposal 3:To cooperate with the future stock listing plan of the subsidiary, OPTO TECH CORPORATION (hereinafter referred to as " OPTO TECH CORPORATION "), the Company shall carry out the stock release operation and abandon the cash capital increase plan of OPTO TECH CORPORATION. Please discuss the proposal. (Proposed by: Board of Directors)

Description:

- 1) To support the operational development of the subsidiary, OPTO TECH CORPORATION, and to attract and retain the necessary professional talents, as well as to comply with the regulations of the securities listing application, the Company's shareholding of OPTO TECH CORPORATION needs to be reduced to below 70% before applying for listing. At the time of listing, the Company, its subsidiaries, the directors, supervisors, representatives, shareholders holding more than 10% of the total outstanding shares, and their related parties may collectively hold no more than 70% of the total issued shares of OPTO TECH CORPORATION. To maintain control over OPTO TECH CORPORATION as stated in the third point of this explanation, the Company plans to dispose of some of its shares in OPTO TECH CORPORATION during the first or subsequent cash capital increase(s) issued by OPTO TECH CORPORATION before it applies for listing. The Company may also choose to release some or all of its shares or waive the right to subscribe for some or

all of the newly issued shares, and dispose of some of its shares in OPTO TECH CORPORATION in one or more installments.

(a) Abandonment of the capital increase in cash subscription

The cash capital increase price of OPTO TECH CORPORATION should not be lower than the net asset value per share of the financial statements audited or reviewed by the accountant in the latest period before the Board of Directors of OPTO TECH CORPORATION approves the cash capital increase. However, if the stock has been traded on the stock exchange, in addition to the aforementioned net asset value, the price should also be determined based on the prevailing market price at the time. Taking into account its operational development, recruitment and retention of professional talents to improve the operating performance, in addition to reserving 10% to 15% of the cash capital increase shares for employee subscription and making full public offerings and underwriting pursuant to Article 28-1 of the Securities and Exchange Act and relevant laws and regulations, the Company may abandon the subscription of shares in the cash capital increase of OPTO TECH CORPORATION, and the qualified shareholders of the Company shall have priority to subscribe. If the Company's shareholders abandon the subscription or the subscription is insufficient, OPTO TECH CORPORATION will be encouraged to offer a subscription proposal within the waived subscription shares to its employees, the employees of the Company and related enterprises, and strategic or financial investors that may contribute to the development of OPTO TECH CORPORATION 's operations. Among them, the qualified shareholders of the Company refer to the shareholders recorded in the shareholder registry on the latest record date for the subscription of the new shares in the cash capital increase of OPTO TECH CORPORATION and who hold one or more shares of the Company calculated on a proportional basis according to their shareholding recorded in the registry (the Company's shareholders may consolidate their holdings in accordance with relevant regulations). However, the number of shares issued, price, negotiations with specific individuals, and the timetable of the cash capital increase shall be subject to the resolution of the Board of Directors of OPTO TECH CORPORATION.

(b) Disposal of OPTO TECH CORPORATION shares

The Company disposal price of OPTO TECH CORPORATION should not be lower than the net asset value per share of the financial statements audited or reviewed by the accountant in the latest period before the Board of Directors of OPTO TECH CORPORATION approves the disposal. However, if the stock has been traded on the stock exchange, in addition to the aforementioned net asset value, the price should also be determined based on the prevailing market price at the time. The Company will prioritize the existing shareholders listed on the latest record date to subscribe for the

disposed shares of OPTO TECH CORPORATION in proportion to their current shareholding, in order to avoid increasing administrative costs. However, only shareholders holding one or more shares on the latest record date will be eligible to subscribe for the disposed shares of OPTO TECH CORPORATION. The actual transaction price, the negotiation of the counterparties to the transaction and the operation schedule are proposed to the shareholders' meeting to authorize the board of directors of the Corporation to determine the transaction in accordance with the prevailing market conditions and the operating conditions of OPTO TECH CORPORATION, and to handle the transaction in accordance with the Corporation's prevailing procedures for the acquisition or disposal of assets. In addition, in consideration of the development of OPTO TECH CORPORATION 's operation and the purpose of attracting and retaining professional talents to enhance the operation performance, if the shareholders of the Corporation give up the subscription or under-subscribe, the Chairman of the Corporation will be authorized to negotiate with specific persons to subscribe, and the counterparties of the transaction will be the employees of OPTO TECH CORPORATION, the employees of the Corporation and its affiliates, and the strategic investors or financial investors who are beneficial to the development of the operation of OPTO TECH CORPORATION.

- 2) For the stock release required for the registration and listing process of OPTO TECH CORPORATION, the Company shall allocate shares for the underwriter and for the oversubscription process according to relevant laws and regulations and related listing requirements. The number of shares to be allocated and the price shall be jointly agreed upon by the underwriter based on relevant laws and regulations, market conditions at the time, and OPTO TECH CORPORATION 's operating status.
- 3) After completing the aforementioned operations of releasing shares and/or waiving the cash capital increase subscription, the Company's direct or indirect comprehensive shareholding percentage in OPTO TECH CORPORATION shall still not be less than 50% at the time of its listing, in order to maintain control and achieve group synergy.
- 4) The Company's Shareholders' Meeting is requested to authorize the Board of Directors to fully handle the above-mentioned matters related to the release of shares and/or abandonment of cash capital increase subscription for OPTO TECH CORPORATION.

Resolution:

#### **4. Extemporaneous motions:**

#### **5. Meeting adjourned**

# 【 Business Report 】

## 1. 2022 Business Results:

### (1) Implementation results from 2022 Business Plan:

In recent years, the Company has been considering its future operation and development, and has successively adjusted the Company's business strategy. In 2022, the original "system business group" was split up into a subsidiary - "OPTO TECH CORPORATION", and a subsidiary was established in the same year - "ProAsia Semiconductor Corporation", engaging in system display products and MOSFET on SiC, respectively. The Company is also optimistic about the future application of power components and has been actively investing in the development of GaN on Si since 2022. The important operating results of the overall Group are as follows:

- 1) Development of optical coating technology and completion of the verification of thin-film optical design database and coating equipment.
- 2) Active development of non-invasive blood sugar detection technology, striving to obtain R & D subsidies from the Industrial Development Bureau, MOEA.
- 3) Completion of the development of high-voltage ESD protection components for vehicles, which is undergoing customer certification.
- 4) Process planning for JBS diodes and horizontal MOSFETs.
- 5) Collaboration with customers to develop quaternary automotive LED products and introduction of mass production to increase product gross profit margin.
- 6) Overall, total 2022 operating revenue reached NT\$4.529 billion, with after-tax net profit of NT\$360,464,000, and earnings per share of NT\$0.82.

### (2) 2022 budget implementation status:

Unit: Millions

Primary product	2022 sales figures	
	Projected	Actual
Light-emitting components	16,714	7,887
Sensing components	35,278	17,772
Total	51,992	25,659

### (3) Analysis of financial income/outlay and profit capacity:

Unit: NT\$ thousands

Figure	2022
Operating revenues	4,529,777
Operating income	383,070
Profit before income tax	446,776
Interest expense	11,431
Ratio of interest expense to operating income (%)	2.98%

Unit: NT\$ thousands; %

Year/figure		2022
Basic figure	Aggregate liabilities	2,045,413
Financial structure	Equity capital ratio	80.62%
	Liabilities as proportion of assets	19.38%
	Long-term funds as proportion of real estate, factories and equipment	339.08%
Debt servicing capacity	Current ratio	349.94%
	Quick ratio	263.45%
	Times interest earned ratio	40.08

(4) Research & development

- 1) Establishment of various thin-film optical design and coating process technologies and formulation of advanced detection techniques.
- 2) Establishment of mass production of key light-emitting and receiving chips of various wavelengths and mass production of special sensing module packaging, and the verification and protection of special algorithm for physiological parameters.
- 3) For the MOSFET on SiC products, the subsidiary ProAsia Semiconductor Corporation is currently preparing for the initial production capacity during the construction of the production line, using some of TASC's existing production equipment while supplementing with external resources to accelerate the accumulation of process development capacity and shorten the product development and sample submission schedule.
- 4) New compound semiconductor optoelectronic products and compound semiconductor epi-wafer development.

**2. 2023 operating plan:**

(1) Operations program:

- 1) Product quality improvement and customer service enhancement.
- 2) Acceleration of new product development to expand customer base.
- 3) Reduction of production costs to increase product gross profit.
- 4) Development of third-generation semiconductor materials and power components.
- 5) Research and development of next-generation substrate materials to break through the cost bottleneck.

(2) Projected sales volume and basis:

The Yole Development research institute reported that the market size of silicon carbide (SiC) as a power semiconductor material will grow to US\$4.5 billion in 2020 to 2026, and the market size of gallium nitride (GaN) power semiconductors will reach US\$1.1 billion. From 2021 to 2027, the compound annual growth rate of the overall gallium nitride (GaN) power component market will be 59%, and the compound annual growth rate of the silicon carbide (SiC) power component market will be 34%. The Company's projected 2023 operating goals are as follows:

Unit: Millions

Primary product	2023 projected sales volume
Power components	13,240
Emission components	11,901
Sensing components	10,359
Total	35,500

(3) Major production & sales policies:

- 1) The technology platform spans from the first-generation semiconductors to the third-generation semiconductors seamlessly, and the optical components lead the electrical components to drive industrial application upgrades.
- 2) Power device products will first be oriented to the electric vehicle application market, and then gradually expand to various applications, such as charging points and invertors, while integrating the equipment and production lines built by subsidiaries for the third-generation semiconductors to generate a synergistic effect.
- 3) Vertical integration and module packaging are the main development trends of silicon carbide (SiC) in the future. Integrated Device Manufacturer (IDM) is the main business model of silicon carbide (SiC). At present, strategic integration of upstream domestic and foreign substrate manufacturers and downstream product design end has been actively carried out, which is a key competitiveness for future development.

### 3. Strategy for future Company development, and influences from external competitive environment, regulatory environment, and overall operating environment

(1) Strategy for future Company development:

In recent years, with the impact of market fluctuations in sensing components and light-emitting components, and driven by electric vehicles, international net-zero carbon emission policies, renewable energy policies, and popularization of electric vehicles, the Company has gradually adjusted its business strategy to cope with the transformation of the global new energy generation. Faced with this trend, the Company will actively arrange the layout of power components in the future. With the characteristics of high temperature resistance, high voltage resistance, decent switching speed and heat conduction and low energy consumption, the third-generation semiconductor can significantly improve the efficiency of AC-DC, DC-DC power conversion, and be implemented to stay closer to the products for daily use around us. Among them, the general optical couplers used in the consumer and home appliance industries will be transferred to the development of high-speed optical couplers to attack the industrial control and automotive fields. In the future, the Company will enter the power component market from GaN on Si and MOSFET on SiC, so as to expand the momentum of revenue growth to respond to the economic recovery in 2023. According to TrendForce estimates, the global power battery production capacity will exceed TWh (Terawatt-hour, one trillion watt-hours) in 2023, and the output value will be close to 120 billion US dollars.

(2) Influences from external competitive environment:

In 2022, the world's major economies continued to raise interest rates to curb inflation, coupled with the unresolved war between Russia and Ukraine, the resurgence of the US-China technology war, and China's zero-COVID policy impacting supply chain demand, the downstream inventory of terminals remained high, forcing end-customers in the consumer and home appliance markets to be weak in purchasing goods, and order placing became more conservative. It is estimated that the market will gradually recover in the second half of 2023 at the earliest.

In the face of market turmoil and price competition from competitors, TASC will not only continue to deepen its partnership with wearables, maintain existing orders for sensing

components, and optimize production efficiency, but will also upgrade from near-infrared (NIR) to short-wave infrared (SWIR) through technological evolution, introduce applications such as non-invasive blood sugar, blood lipid and blood alcohol concentration monitoring, driving revenue growth through health management business opportunities.

(3) Influences from the regulatory environment:

Affected by geopolitical risks and the US-China technology war, the U.S. has not only continued to resort to sanctions, but also beckoned to semiconductor companies in various countries and lured them with tax incentives, which has caused companies from all over the world to rush to the U.S. to set up factories. As a result, China's semiconductors have been seriously threatened, supply chain risks have elevated, and related supply chains have been shifted or broken. Taiwan's semiconductor industry had also been affected by this, resulting in the outflow of talents, technology and resources; however, TASC has always regarded employees as family members, paid attention to employee welfare measures and working environment, has various talent retention measures, and recruits outstanding talents in the industry. In terms of supply chain, we continue to deepen the partnership with upstream and downstream partners, optimize the structure of the industrial chain, so as to cope with this turmoil.

(4) Influences from the overall operating environment:

Geopolitics, climate fluctuations, interest rate hikes, and destocking caused a rapid decline in the semiconductor business in 2022. In 2023, under various highly uncertain factors, the business in the first half of the year is expected to remain uncertain. However, with inventory adjustments, the semiconductor boom is expected to pick up in the second half of 2023. With the recovery of the economy, TASC Group has expanded the layout of power components, actively investing in GaN-on-Si and SiC, withstanding voltages from 200V to 6.5KV. The scope of application includes consumer electronics products, telecommunications products, industrial control, medical and automotive industry applications, and is developing towards a diversified product portfolio to provide product added value, which not only diversifies operational risks, but is also expected to drive the Group's future revenue and profits.

In the face of short-term shocks in the semiconductor industry in 2022, it is expected that the global economy will gradually and slowly recover in 2023. In response to the gap in the market turmoil, TASC Group will continue to deepen its partnership with wearables, maintain existing orders for sensing components, introduce non-invasive blood sugar into short-wave infrared (SWIR) products, and actively invest in the third-generation semiconductor industry. Optical components lead electrical components to drive industrial application upgrades, and electrical components drive optical systems to achieve green energy popularization, highlighting the core competitiveness of TASC's optical and electrical dual-engine products in coping with the rapidly changing market, upholding the core value of "study hard, think hard, and work hard to create the best product in the world" to continue to take on the future and gain more outstanding results.

Chairman: H.T.Wang

President: Champion Yi

Chief Accountant: Amy Wu

## **【Audit Committee Report】**

The Board of Directors has prepared the Company's 2022 Business Report, Financial Statements, and the Proposal for profit appropriation. The CPA Chih-Yuan Chen and Tung-Feng Lee from Deloitte & Touche were retained to audit TASC's Financial Statements and have issued an audit report relating to the Financial Statements. The said Business Report, Financial Statements, and Proposal for profit appropriation have been reviewed and determined to be correct and accurate by the Audit Committee of TASC in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, I hereby submit this Report.

To

General Shareholders Meeting 2023

Taiwan-Asia Semiconductor Corporation

Chair of the Audit Committee:

Tsai Shih-Kuang

Date: May 5th, 2023

## INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
Taiwan-Asia Semiconductor Corporation  
(Former Name: Opto Tech Corporation)

### Opinion

We have audited the accompanying consolidated financial statements of Taiwan-Asia Semiconductor Corporation (Former Name: Opto Tech Corporation) and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheet as of December 31, 2022 and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the 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 based on our audits and the reports of other auditors.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. Accordingly, these matters were addressed in our audit of the consolidated financial statements and in forming our opinion thereon. Therefore, we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2022 is described as follows:

#### The Occurrence of Operating Revenue

The Group is engaged in the manufacture and sales of semiconductor components as well as research and development, design, manufacture and sales of systems products. Sales revenue from customers

accounted for a significant proportion of the total operating revenue in 2022. The sales revenue of significant customers was deemed as a key audit matter. Refer to Notes 4 and 23 to the Group's consolidated financial statements for the related revenue recognition policies and information.

The audit procedures performed in response to the abovementioned key audit matter were as follows:

1. We obtained a thorough understanding of the Group's policies on recognizing sales revenue, evaluated the design of the internal controls related to the occurrence of sales revenue, and determined whether the controls had been implemented.
2. We performed detailed verification tests on the selected samples of sales revenue, and checked transaction vouchers, subsequent collections as well as future sales returns to confirm the occurrence of sales revenue.
3. We sent accounts receivable confirmation letter to significant counterparty, investigated the reason and tested reconciling items made by the Company if the result in confirmation reply did not correspond to records, or tested collections after the balance sheet date if no confirmation reply was received.
4. We evaluated days sales outstanding of accounts receivable in the credit term.

### **Other Matter**

We did not audit the financial statements of certain investees of the Corporation as of and for the year ended December 31, 2022, which were reflected in the accompanying financial statements using the equity method of accounting, but such financial statements were audited by other auditors whose reports have been furnished to us. Our opinion, insofar as it relates to the amounts included in the Corporation's financial statements for such investments, is based solely on the reports of other auditors. The aforementioned equity-method investments that were not audited by the auditor amounted to NT\$61,690 thousand as of December 31, 2022, which represented 0.58% of the Corporation's total assets. The Corporation's share of the comprehensive income (loss) of such associates amounted to NT\$(6,996) thousand for the year ended December 31, 2022, which represented (8.42%) of the Corporation's total comprehensive income.

We have also audited the parent company only financial statements of Taiwan-Asia Semiconductor Corporation (Former Name: Opto Tech Corporation) as of and for the year ended December 31, 2022 on which we have issued an unmodified opinion with other matter paragraph.

The Group's consolidated financial statements for the year ended December 31, 2021 were audited by other auditor, which provided an unmodified opinion.

### **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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, 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, including the audit committee, 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 Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. 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.
2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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.
5. 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.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of 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 for the year ended

December 31, 2022 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.

The engagement partners on the audit resulting in this independent auditors' report are Chih-Yuan Chen and Tung-Feng Lee.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 22, 2023

#### Notice to Readers

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.*

**TAIWAN-ASIA SEMICONDUCTOR CORPORATION AND SUBSIDIARIES**  
**(Former Name: Opto Tech Corporation)**

**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**

(In Thousands of New Taiwan Dollars)

<b>ASSETS</b>	<b>2022</b>		<b>2021</b>	
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Note 6)	\$3,014,578	29	\$3,467,411	28
Financial assets at fair value through profit or loss - current (Note 7)	65,175	1	714,461	6
Financial assets at amortized cost - current (Notes 9 and 31)	120,666	1	820,785	7
Notes receivable (Note 23)	1,642	-	4,883	-
Trade receivables (Notes 10 and 23)	789,924	7	1,270,884	10
Trade receivables from related parties (Notes 23 and 30)	16,433	-	15,015	-
Other receivables (Note 25)	15,131	-	16,027	-
Inventories (Note 11)	1,248,748	12	1,269,993	10
Other current assets	<u>77,439</u>	<u>1</u>	<u>104,024</u>	<u>1</u>
Total current assets	<u>5,349,736</u>	<u>51</u>	<u>7,683,483</u>	<u>62</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through profit or loss - non-current (Note 7)	109,096	1	112,528	1
Financial assets at fair value through other comprehensive income - non-current (Note 8)	1,069,816	10	1,037,218	8
Investments accounted for using the equity method (Note 13)	61,690	1	65,646	1
Property, plant and equipment (Notes 14 and 30)	2,661,914	25	2,664,220	22
Right-of-use assets (Note 15)	202,218	2	216,448	2
Investment properties (Note 16)	399,307	4	399,307	3
Intangible assets (Note 17)	19,009	-	14,040	-
Deferred tax assets (Note 25)	24,400	-	46,348	-
Prepayment for equipment	621,506	6	72,150	1
Other non-current assets	<u>36,115</u>	<u>-</u>	<u>33,971</u>	<u>-</u>
Total non-current assets	<u>5,205,071</u>	<u>49</u>	<u>4,661,876</u>	<u>38</u>
<b>TOTAL</b>	<u>\$10,554,807</u>	<u>100</u>	<u>\$12,345,359</u>	<u>100</u>

(Continued)

**TAIWAN-ASIA SEMICONDUCTOR CORPORATION AND SUBSIDIARIES**  
**(Former Name: Opto Tech Corporation)**

**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**

(In Thousands of New Taiwan Dollars)

<b>LIABILITIES AND EQUITY</b>	<b>2022</b>		<b>2021</b>	
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 18)	\$ 137,196	1	\$ 334,047	3
Contract liabilities - current (Note 23)	213,295	2	83,611	1
Trade payables	432,446	4	783,125	6
Trade payables to related parties (Note 30)	36,162	-	60,499	-
Other payables (Notes 19 and 30)	587,892	6	765,708	6
Current tax liabilities (Note 25)	98,351	1	186,710	2
Provisions - current (Note 20)	1,210	-	6,831	-
Lease liabilities - current (Notes 15 and 30)	17,195	-	19,103	-
Other current liabilities	<u>5,007</u>	-	<u>7,058</u>	-
<b>Total current liabilities</b>	<u><b>1,528,754</b></u>	<u><b>14</b></u>	<u><b>2,246,692</b></u>	<u><b>18</b></u>
<b>NON-CURRENT LIABILITIES</b>				
Long-term borrowings (Note 18)	195,695	2	-	-
Provisions - non-current (Note 20)	24,505	-	19,068	-
Deferred tax liabilities (Note 25)	50,475	-	33,178	-
Lease liabilities - non-current (Notes 15 and 30)	189,330	2	199,148	2
Net defined benefit liability - non-current (Note 21)	54,591	1	146,775	1
Other non-current liabilities	<u>2,063</u>	-	<u>2,980</u>	-
<b>Total non-current liabilities</b>	<u><b>516,659</b></u>	<u><b>5</b></u>	<u><b>401,149</b></u>	<u><b>3</b></u>
<b>Total liabilities</b>	<u><b>2,045,413</b></u>	<u><b>19</b></u>	<u><b>2,647,841</b></u>	<u><b>21</b></u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>				
Ordinary shares	<u>4,386,228</u>	<u>42</u>	<u>4,386,228</u>	<u>35</u>
Capital surplus	<u>1,507,368</u>	<u>14</u>	<u>1,489,822</u>	<u>12</u>
Retained earnings				
Legal reserve	872,379	8	786,944	6
Special reserve	-	-	2,423	-
Unappropriated earnings	<u>1,684,760</u>	<u>16</u>	<u>2,645,077</u>	<u>22</u>
<b>Total retained earnings</b>	<u><b>2,557,139</b></u>	<u><b>24</b></u>	<u><b>3,434,444</b></u>	<u><b>28</b></u>
Other equity	<u>82,829</u>	<u>1</u>	<u>438,344</u>	<u>4</u>
Treasury shares	<u>(24,170)</u>	-	<u>(54,954)</u>	-
<b>Total equity attributable to owners of the Company</b>	<u><b>8,509,394</b></u>	<u><b>81</b></u>	<u><b>9,693,884</b></u>	<u><b>79</b></u>
<b>NON-CONTROLLING INTERESTS</b>	<u>-</u>	-	<u>3,634</u>	-
<b>Total equity</b>	<u><b>8,509,394</b></u>	<u><b>81</b></u>	<u><b>9,697,518</b></u>	<u><b>79</b></u>
<b>TOTAL</b>	<u><b>\$10,554,807</b></u>	<u><b>100</b></u>	<u><b>\$12,345,359</b></u>	<u><b>100</b></u>

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche auditors' report dated February 22, 2023)

(Concluded)

**TAIWAN-ASIA SEMICONDUCTOR CORPORATION AND SUBSIDIARIES**  
**(Former Name: Opto Tech Corporation)**

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 23 and 30)	\$ 4,529,777	100	\$ 6,143,243	100
OPERATING COSTS (Notes 11, 24 and 30)	<u>3,315,399</u>	<u>73</u>	<u>4,166,464</u>	<u>68</u>
GROSS PROFIT	<u>1,214,378</u>	<u>27</u>	<u>1,976,779</u>	<u>32</u>
OPERATING EXPENSES (Notes 10, 24, 27 and 30)				
Selling and marketing expenses	106,214	2	120,338	2
General and administrative expenses	573,562	13	703,121	11
Research and development expenses	143,734	3	140,334	2
Expected credit loss on trade receivables	<u>7,798</u>	<u>-</u>	<u>2,198</u>	<u>-</u>
Total operating expenses	<u>831,308</u>	<u>18</u>	<u>965,991</u>	<u>15</u>
PROFIT FROM OPERATIONS	<u>383,070</u>	<u>9</u>	<u>1,010,788</u>	<u>17</u>
NON-OPERATING INCOME AND EXPENSES (Notes 13, 24 and 30)				
Interest income	15,566	-	9,179	-
Other income	30,589	-	55,393	1
Other gains and losses	34,534	1	(40,966)	(1)
Finance costs	(11,491)	-	(17,226)	-
Share of profit or loss of subsidiaries and associates	<u>(5,492)</u>	<u>-</u>	<u>(4,489)</u>	<u>-</u>
Total non-operating income	<u>63,706</u>	<u>1</u>	<u>1,891</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	446,776	10	1,012,679	17
INCOME TAX EXPENSE (Note 25)	<u>86,312</u>	<u>2</u>	<u>183,306</u>	<u>3</u>
NET PROFIT FOR THE PERIOD	<u>360,464</u>	<u>8</u>	<u>829,373</u>	<u>14</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	97,517	2	31,220	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	<u>(338,339)</u>	<u>(7)</u>	<u>238,220</u>	<u>4</u>

(Continued)

**TAIWAN-ASIA SEMICONDUCTOR CORPORATION AND SUBSIDIARIES**  
**(Former Name: Opto Tech Corporation)**

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
Share of the other comprehensive income (loss) of associates accounted for using the equity method	\$ (1,516)	-	\$ -	-
Income tax related to items that will not be reclassified subsequently to profit or loss	<u>(36,646)</u>	<u>(1)</u>	<u>1,779</u>	<u>-</u>
	<u>(278,984)</u>	<u>(6)</u>	<u>271,219</u>	<u>4</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	1,556	-	4,751	-
Share of the other comprehensive income (loss) of associates accounted for using the equity method	<u>12</u>	<u>-</u>	<u>(340)</u>	<u>-</u>
	<u>1,568</u>	<u>-</u>	<u>4,411</u>	<u>-</u>
Other comprehensive income (loss) for the period, net of income tax	<u>(277,416)</u>	<u>(6)</u>	<u>275,630</u>	<u>4</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>\$ 83,048</u>	<u>2</u>	<u>\$ 1,105,003</u>	<u>18</u>
<b>NET PROFIT ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 360,465	8	\$ 829,371	14
Non-controlling interests	<u>(1)</u>	<u>-</u>	<u>2</u>	<u>-</u>
	<u>\$ 360,464</u>	<u>8</u>	<u>\$ 829,373</u>	<u>14</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 83,409	2	\$ 1,105,006	18
Non-controlling interests	<u>(1)</u>	<u>-</u>	<u>(3)</u>	<u>-</u>
	<u>\$ 83,408</u>	<u>2</u>	<u>\$ 1,105,003</u>	<u>18</u>
<b>EARNINGS PER SHARE (Note 26)</b>				
Basic	<u>\$ 0.82</u>		<u>\$ 2.11</u>	
Diluted	<u>\$ 0.82</u>		<u>\$ 2.09</u>	

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche auditors' report dated February 22, 2023)

(Concluded)

**TAIWAN-ASIA SEMICONDUCTOR CORPORATION AND SUBSIDIARIES**  
(Former Name: Opto Tech Corporation)

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company (Notes 22 and 27)													
	Ordinary Shares		Retained Earnings					Other Equity		Treasury Shares	Total	Non-controlling Interests	Total Equity	
	Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Loss (Gain) on Financial Assets at Fair Value Through Other Comprehensive Income					
BALANCE, JANUARY 1, 2021	378,623	\$3,786,228	\$ 703,108	\$ 729,360	\$ 3,743	\$2,361,920	\$3,095,023	\$ (4,063)	\$ 191,414	\$ 187,351	\$ (82,021)	\$7,689,689	\$ 3,637	\$7,693,326
Appropriation of the 2020 earnings														
Legal reserve	-	-	-	57,584	-	(57,584)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	(1,320)	1,320	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(514,927)	(514,927)	-	-	-	-	(514,927)	-	(514,927)
Adjustments to share of change in equity of subsidiaries	-	-	(4,105)	-	-	-	-	-	-	-	-	(514,927)	-	(514,927)
Net profit for the year ended December 31, 2021	-	-	-	-	-	829,371	829,371	-	-	-	-	829,371	2	829,373
Other comprehensive income (loss) for the year ended														
December 31, 2021, net of income tax	-	-	-	-	-	24,977	24,977	4,416	246,242	250,658	-	275,635	(5)	275,630
Total comprehensive income (loss) for the year ended														
December 31, 2021	-	-	-	-	-	854,348	854,348	4,416	246,242	250,658	-	1,105,006	(3)	1,105,003
Adjustments of capital surplus for the Company's cash														
dividends	-	-	1,051	-	-	-	-	-	-	-	-	1,051	-	1,051
Cash capital increase	60,000	600,000	775,800	-	-	-	-	-	-	-	-	1,375,800	-	1,375,800
Share-based payment transaction	-	-	13,968	-	-	-	-	-	-	-	189,475	203,443	-	203,443
Stock repurchased	-	-	-	-	-	-	-	-	-	-	(162,408)	(162,408)	-	(162,408)
Disposals of investments in subsidiaries and associates														
accounted for using the equity method	-	-	-	-	-	-	-	335	-	335	-	335	-	335
BALANCE, DECEMBER 31, 2021	438,623	4,386,228	1,489,822	786,944	2,423	2,645,077	3,434,444	688	437,656	438,344	(54,954)	9,693,884	3,634	9,697,518
Appropriation of the 2021 earnings														
Legal reserve	-	-	-	85,435	-	(85,435)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	(2,423)	2,423	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(1,315,869)	(1,315,869)	-	-	-	-	(1,315,869)	-	(1,315,869)
Net profit (loss) for the year ended December 31, 2022	-	-	-	-	-	360,465	360,465	-	-	-	-	360,465	(1)	360,464
Other comprehensive income for the year ended December														
31, 2022, net of income tax	-	-	-	-	-	78,099	78,099	1,568	(357,083)	(355,515)	-	(277,416)	-	(277,416)
Total comprehensive income for the year ended December														
31, 2022	-	-	-	-	-	438,564	438,564	1,568	(357,083)	(355,515)	-	83,049	(1)	83,048
Share-based payment transaction	-	-	17,354	-	-	-	-	-	-	-	30,784	48,138	-	48,138
Adjustments of capital surplus for the Company's cash														
dividends	-	-	2,264	-	-	-	-	-	-	-	-	2,264	-	2,264
Changes in equity from investments in associates accounted														
for using the equity method	-	-	608	-	-	-	-	-	-	-	-	608	-	608
Disposals of investments accounted for using the equity														
method	-	-	(5,112)	-	-	-	-	-	-	-	-	(5,112)	(3,633)	(8,745)
Changes in percentage of ownership interests in subsidiaries	-	-	2,432	-	-	-	-	-	-	-	-	2,432	-	2,432
BALANCE, DECEMBER 31, 2022	438,623	\$4,386,228	\$1,507,368	\$ 872,379	\$ -	\$1,684,760	\$2,557,139	\$ 2,256	\$ 80,573	\$ 82,829	\$ (24,170)	\$8,509,394	\$ -	\$8,509,394

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

(With Deloitte & Touche auditors' report dated February 22, 2023)

**TAIWAN-ASIA SEMICONDUCTOR CORPORATION AND SUBSIDIARIES**  
**(Former Name: Opto Tech Corporation)**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(In Thousands of New Taiwan Dollars)

	<b>2022</b>	<b>2021</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	\$ 446,776	\$ 1,012,679
Adjustments for:		
Depreciation expenses	422,209	454,344
Amortization expenses	18,365	18,122
Expected credit loss recognized on trade receivables	7,798	2,198
(Gain) loss on fair value change of financial assets and liabilities at fair value through profit or loss	59,993	(39,404)
Interest expenses	11,431	15,908
Interest income	(15,566)	(9,179)
Dividend income	(23,903)	(18,763)
Compensation cost of employee share options	31,818	105,473
Share of loss of associates accounted for using the equity method	5,492	4,489
(Gain) loss on disposal of property, plant and equipment	(4,669)	234
(Gain) loss on disposal of investment	(15,953)	1,591
Impairment loss on non-financial assets	-	77,577
Gain on lease termination	(31)	-
Changes in operating assets and liabilities		
Acquisition of financial assets at fair value through profit or loss	600,552	(360,975)
Notes receivable	3,241	3,990
Trade receivables	473,162	361,831
Trade receivables from related parties	(1,418)	1,865
Other receivables	879	4,782
Inventories	21,245	(114,404)
Other current assets	26,951	(77,387)
Other non-current assets	6,771	3,370
Contract liabilities	129,684	-
Notes payable	-	(1,757)
Trade payables	(350,679)	117,199
Trade payables to related parties	(24,337)	8,579
Other payables	(178,151)	148,048
Provisions	(184)	3,058
Other current liabilities	(2,051)	39,829
Net defined benefit liabilities	4,908	(8,618)
Cash generated from operations	1,654,333	1,754,679
Interest received	15,306	8,588
Dividend received	23,903	18,763
Interest paid	(11,096)	(17,290)
Income tax paid	(172,161)	(28,606)
Net cash generated from operating activities	<u>1,510,285</u>	<u>1,736,134</u>

(Continued)

**TAIWAN-ASIA SEMICONDUCTOR CORPORATION AND SUBSIDIARIES**  
**(Former Name: Opto Tech Corporation)**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(In Thousands of New Taiwan Dollars)

	<b>2022</b>	<b>2021</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	\$ (370,936)	\$ (15,000)
Purchase of financial assets at amortized cost	(20,017)	(797,975)
Proceeds from recovery of financial assets at amortized cost on maturity	720,136	-
Payment for long-term investments at equity	-	(70,000)
Proceeds from disposal of long-term investments at equity	7,074	3,663
Payments for property, plant and equipment	(396,501)	(469,120)
Proceeds from disposal of property, plant and equipment	4,708	144
Increase in refundable deposits	(8,915)	(5,969)
Proceeds from disposal of intangible assets	(23,334)	(17,844)
Payments for equipment	<u>(549,356)</u>	<u>(68,207)</u>
Net cash used in investing activities	<u>(637,141)</u>	<u>(1,440,308)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase (decrease) in short-term borrowings	(196,851)	103,289
Proceeds from (repayment of) long-term borrowings	195,695	(811,515)
(Decrease) increase in refundable deposits	(917)	2,111
Payment of the principal portion of lease liabilities	(18,932)	(19,732)
Payment of dividends	(1,313,605)	(513,876)
Treasury shares transferred to employees	16,320	97,970
Proceeds from issuance of new shares	-	1,375,800
Payments for buy-back of ordinary shares	<u>-</u>	<u>(162,408)</u>
Net cash generated from (used in) financing activities	<u>(1,318,290)</u>	<u>71,639</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>	<u>(7,687)</u>	<u>(215)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(452,833)	367,250
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<u>3,467,411</u>	<u>3,100,161</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>\$ 3,014,578</u>	<u>\$ 3,467,411</u>

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche auditors' report dated February 22, 2023)

(Concluded)

## INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
Taiwan-Asia Semiconductor Corporation  
(Former Name: Opto Tech Corporation)

### Opinion

We have audited the accompanying financial statements of Taiwan-Asia Semiconductor Corporation (former name: Opto Tech Corporation) (the "Corporation"), which comprise the balance sheet as of December 31, 2022 and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, based on our audit and the reports of other auditors (refer to the Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2022 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.

### Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the 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 Financial Statements section of our report. We are independent of the Corporation 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 based on our audits and the reports of other auditors.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2022. Accordingly, these matters were addressed in our audit of the financial statements as a whole, and in forming our opinion thereon. Therefore, we do not provide a separate opinion on these matters.

The key audit matter of the Corporation's financial statements for the year ended December 31, 2022 is described as follows:

#### The Occurrence of Operating Revenue

The Corporation is engaged in the manufacture and sales of semiconductor components as well as research and development, design, manufacture and sales of systems products. Sales revenue from customers accounted for a significant proportion of the total operating revenue in 2022. The sales revenue of significant customers was deemed as a key audit matter. Refer to Notes 4 and 22 to the Corporation's financial statements for the related revenue recognition policies and information.

The audit procedures performed in response to the abovementioned key audit matter were as follows:

1. We obtained a thorough understanding of the Corporation's policies on recognizing sales revenue, evaluated the design of the internal controls related to the occurrence of sales revenue, and determined whether the controls had been implemented.

2. We performed detailed verification tests on the selected samples of sales revenue, and checked transaction vouchers, subsequent collections as well as future sales returns to confirm the occurrence of sales revenue.
3. We sent accounts receivable confirmation letter to significant counterparty, investigated the reason and tested reconciling items made by the Corporation if the result in confirmation reply did not correspond to records, or tested collections after the balance sheet date if no confirmation reply was received.
4. We evaluated days sales outstanding of accounts receivable in the credit term.

#### **Other Matter**

We did not audit the financial statements of certain investees of the Corporation as of and for the year ended December 31, 2022 which were reflected in the accompanying financial statements using the equity method of accounting, but such financial statements were audited by other auditors whose reports have been furnished to us. Our opinion, insofar as it relates to the amounts included in the Corporation's financial statements for such investments, is based solely on the reports of other auditors. The aforementioned equity-method investments that were not audited by the auditor amounted to NT\$12,338 thousand as of December 31, 2022, which represented 0.13% of the Corporation's total assets. The Corporation's share of the comprehensive income (loss) of such associates amounted to NT\$(1,399) thousand for the year ended December 31, 2022, which represented (1.68%) of the Corporation's total comprehensive income.

The Corporation's financial statements for the year ended December 31, 2021 were audited by other auditor, which provided an unmodified opinion.

#### **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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation'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 Corporation 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 Corporation's financial reporting process.

#### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

1. Identify and assess the risks of material misstatement of the 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.
2. 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 Corporation's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. 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 Corporation'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 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 Corporation to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Corporation to express an opinion on the 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 financial statements for the year ended December 31, 2022 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.

The engagement partners on the audit resulting in this independent auditors' report are Chih-Yuan Chen and Tung-Feng Lee.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 22, 2023

#### Notice to Readers

*The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.*

**TAIWAN-ASIA SEMICONDUCTOR CORPORATION**  
**(Former Name: Opto Tech Corporation)**

**BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**

(In Thousands of New Taiwan Dollars)

ASSETS	2022		2021	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash (Note 6)	\$1,767,703	18	\$3,017,141	25
Financial assets at fair value through profit or loss - current (Note 7)	20,329	-	571,389	4
Current financial assets at amortized cost (Notes 9 and 30)	120,206	1	820,785	7
Notes receivable (Note 22)	1,642	-	4,883	-
Trade receivables (Notes 10 and 22)	707,162	7	1,236,081	10
Trade receivables from related parties (Notes 22 and 29)	16,433	-	19,062	-
Other receivables (Note 29)	11,172	-	15,739	-
Inventories (Note 11)	1,028,746	11	1,215,045	10
Other current assets	<u>62,038</u>	<u>1</u>	<u>99,986</u>	<u>1</u>
Total current assets	<u>3,735,431</u>	<u>38</u>	<u>7,000,111</u>	<u>57</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through profit or loss - non-current (Note 7)	109,096	1	112,528	1
Financial assets at fair value through other comprehensive income - non-current (Note 8)	916,040	9	1,037,218	9
Investments accounted for using the equity method (Note 12)	1,708,388	18	720,010	6
Property, plant and equipment (Notes 13 and 29)	2,508,190	26	2,537,066	21
Right-of-use assets (Note 14)	198,474	2	213,270	2
Investment properties (Note 15)	399,307	4	399,307	3
Intangible assets (Note 16)	17,910	-	14,040	-
Deferred tax assets (Note 24)	18,292	-	46,348	-
Prepayment for equipment	135,691	2	72,150	1
Other non-current assets	<u>23,962</u>	<u>-</u>	<u>32,626</u>	<u>-</u>
Total non-current assets	<u>6,035,350</u>	<u>62</u>	<u>5,184,563</u>	<u>43</u>
<b>TOTAL</b>	<u>\$9,770,781</u>	<u>100</u>	<u>\$12,184,674</u>	<u>100</u>

(Continued)

**TAIWAN-ASIA SEMICONDUCTOR CORPORATION**  
(Former Name: Opto Tech Corporation)

**BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**

(In Thousands of New Taiwan Dollars)

ASSETS	2022		2021	
	Amount	%	Amount	%
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 17)	\$ 137,196	1	\$ 245,367	2
Contract liabilities - current (Note 22)	2,396	-	76,070	1
Trade payables	267,470	3	741,958	6
Trade payables to related parties (Note 29)	19,753	-	61,224	-
Other payables (Notes 18 and 29)	439,577	5	749,651	6
Current tax liabilities (Note 24)	77,420	1	182,792	2
Provisions - current (Note 19)	352	-	6,831	-
Lease liabilities - current (Note 14)	16,909	-	19,103	-
Other current liabilities	<u>3,873</u>	<u>-</u>	<u>6,688</u>	<u>-</u>
Total current liabilities	<u>964,946</u>	<u>10</u>	<u>2,089,684</u>	<u>17</u>
<b>NON-CURRENT LIABILITIES</b>				
Provisions - non-current (Note 19)	414	-	19,068	-
Deferred tax liabilities (Note 24)	50,406	-	33,178	-
Lease liabilities - non-current (Note 14)	189,017	2	199,148	2
Net defined benefit liabilities - non-current (Note 20)	54,591	1	146,775	1
Other non-current liabilities	<u>2,013</u>	<u>-</u>	<u>2,937</u>	<u>-</u>
Total non-current liabilities	<u>296,441</u>	<u>3</u>	<u>401,106</u>	<u>3</u>
Total liabilities	<u>1,261,387</u>	<u>13</u>	<u>2,490,790</u>	<u>20</u>
<b>EQUITY</b>				
Ordinary shares	<u>4,386,228</u>	<u>45</u>	<u>4,386,228</u>	<u>36</u>
Capital surplus	<u>1,507,368</u>	<u>15</u>	<u>1,489,822</u>	<u>12</u>
Retained earnings				
Legal reserve	872,379	9	786,944	6
Special reserve	-	-	2,423	-
Unappropriated earnings	<u>1,684,760</u>	<u>17</u>	<u>2,645,077</u>	<u>22</u>
Total retained earnings	<u>2,557,139</u>	<u>26</u>	<u>3,434,444</u>	<u>28</u>
Other equity	<u>82,829</u>	<u>1</u>	<u>438,344</u>	<u>4</u>
Treasury stocks	<u>(24,170)</u>	<u>-</u>	<u>(54,954)</u>	<u>-</u>
Total equity	<u>8,509,394</u>	<u>87</u>	<u>9,693,884</u>	<u>80</u>
<b>TOTAL</b>	<u><u>\$9,770,781</u></u>	<u><u>100</u></u>	<u><u>\$12,184,674</u></u>	<u><u>100</u></u>

The accompanying notes are an integral part of the financial statements.  
(With Deloitte & Touche auditors' report dated February 22, 2023)

(Concluded)

**TAIWAN-ASIA SEMICONDUCTOR CORPORATION**  
**(Former Name: Opto Tech Corporation)**

**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 22 and 29)	\$ 3,569,717	100	\$ 5,847,971	100
OPERATING COSTS (Notes 11, 23 and 29)	<u>2,583,719</u>	<u>72</u>	<u>3,954,955</u>	<u>68</u>
GROSS PROFIT	985,998	28	1,893,016	32
UNREALIZED PROFIT FROM SALES	(84)	-	(441)	-
REALIZED PROFIT SALES	<u>441</u>	<u>-</u>	<u>98</u>	<u>-</u>
NET OPERATING MARGIN	<u>986,355</u>	<u>28</u>	<u>1,892,673</u>	<u>32</u>
OPERATING EXPENSES (Notes 10, 23 and 29)				
Selling and marketing expenses	71,304	2	106,456	2
General and administrative expenses	474,803	13	667,120	11
Research and development expenses	89,182	3	124,393	2
Expected credit loss reversed on trade receivables	<u>7,609</u>	<u>-</u>	<u>2,198</u>	<u>-</u>
Total operating expenses	<u>642,898</u>	<u>18</u>	<u>900,167</u>	<u>15</u>
PROFIT FROM OPERATIONS	<u>343,457</u>	<u>10</u>	<u>992,506</u>	<u>17</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 23)	12,398	-	8,083	-
Other income (Notes 23 and 29)	40,882	1	46,973	1
Other gains and losses (Note 23)	81,784	2	(70,323)	(1)
Finance costs (Notes 23 and 29)	(7,637)	-	(12,675)	-
Share of profit or loss of subsidiaries and associates accounted for using the equity method (Note 12)	<u>(39,098)</u>	<u>(1)</u>	<u>43,525</u>	<u>-</u>
Total non-operating income	<u>88,329</u>	<u>2</u>	<u>15,583</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	431,786	12	1,008,089	17
INCOME TAX EXPENSE (Note 24)	<u>71,321</u>	<u>2</u>	<u>178,718</u>	<u>3</u>
NET PROFIT FOR THE YEAR	<u>360,465</u>	<u>10</u>	<u>829,371</u>	<u>14</u>

(Continued)

**TAIWAN-ASIA SEMICONDUCTOR CORPORATION**  
**(Former Name: Opto Tech Corporation)**

**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
<b>OTHER COMPREHENSIVE INCOME</b>				
(LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 20)	\$ 97,517	3	\$ 31,220	1
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(196,178)	(6)	238,220	4
Share of the other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method	(143,677)	(4)	-	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 24)	<u>(36,646)</u>	<u>(1)</u>	<u>1,779</u>	<u>-</u>
	<u>(278,984)</u>	<u>(8)</u>	<u>271,219</u>	<u>5</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	1,556	-	4,756	-
Share of the other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method	<u>12</u>	<u>-</u>	<u>(340)</u>	<u>-</u>
	<u>1,568</u>	<u>-</u>	<u>4,416</u>	<u>-</u>
Other comprehensive income (loss) for the year, net of income tax	<u>(277,416)</u>	<u>(8)</u>	<u>275,635</u>	<u>5</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>\$ 83,049</u>	<u>2</u>	<u>\$ 1,105,006</u>	<u>19</u>
<b>EARNINGS PER SHARE (Note 25)</b>				
Basic	<u>\$ 0.82</u>		<u>\$ 2.11</u>	
Diluted	<u>\$ 0.82</u>		<u>\$ 2.09</u>	

The accompanying notes are an integral part of the financial statements.  
(With Deloitte & Touche auditors' report dated February 22, 2023)

(Concluded)

**TAIWAN-ASIA SEMICONDUCTOR CORPORATION**  
(Former Name: Opto Tech Corporation)

**STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(In Thousands of New Taiwan Dollars)

	Ordinary Shares (Note 21)		Retained Earnings (Note 21)				Other Equity (Note 21)		Total	Treasury Stocks	Total Equity	
	Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
BALANCE, JANUARY 1, 2021	378,623	\$3,786,228	\$ 703,108	\$ 729,360	\$ 3,743	\$2,361,920	\$3,095,023	\$ (4,063)	\$ 191,414	\$187,351	\$ (82,021)	\$7,689,689
Appropriation of the 2020 earnings												
Legal reserve	-	-	-	57,584	-	(57,584)	-	-	-	-	-	-
Special reverse	-	-	-	-	(1,320)	1,320	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(514,927)	(514,927)	-	-	-	-	(514,927)
	-	-	-	57,584	(1,320)	(571,191)	(514,927)	-	-	-	-	(514,927)
Adjustments of capital surplus for the Company's cash dividends	-	-	1,051	-	-	-	-	-	-	-	-	1,051
Changes in percentage of ownership interests in subsidiaries	-	-	(4,105)	-	-	-	-	-	-	-	-	(4,105)
Net profit for the year ended December 31, 2021	-	-	-	-	-	829,371	829,371	-	-	-	-	829,371
Other comprehensive income (loss) for the year ended December 31, 2021												
net of income tax	-	-	-	-	-	24,977	24,977	4,416	246,242	250,658	-	275,635
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	854,348	854,348	4,416	246,242	250,658	-	1,105,006
Cash capital increase	60,000	600,000	775,800	-	-	-	-	-	-	-	-	1,375,800
Stock repurchased	-	-	-	-	-	-	-	-	-	-	(162,408)	(162,408)
Treasury shares transferred to employees	-	-	13,968	-	-	-	-	-	-	-	189,475	203,443
Disposal of investments accounted for using the equity method	-	-	-	-	-	-	-	335	-	335	-	335
BALANCE, DECEMBER 31, 2021	438,623	4,386,228	1,489,822	786,944	2,423	2,645,077	3,434,444	688	437,656	438,344	(54,954)	9,693,884
Appropriation of the 2021 earnings												
Legal reserve	-	-	-	85,435	-	(85,435)	-	-	-	-	-	-
Special reverse	-	-	-	-	(2,423)	2,423	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(1,315,869)	(1,315,869)	-	-	-	-	(1,315,869)
	-	-	-	85,435	(2,423)	(1,398,881)	(1,315,869)	-	-	-	-	(1,315,869)
Change in capital surplus from investment in associates accounted for using the equity method	-	-	608	-	-	-	-	-	-	-	-	608
Net profit for year ended December 31, 2022	-	-	-	-	-	360,465	360,465	-	-	-	-	360,465
Other comprehensive loss for year ended December 31, 2022, net of income tax	-	-	-	-	-	78,099	78,099	1,568	(357,083)	(355,515)	-	(277,416)
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	438,564	438,564	1,568	(357,083)	(355,515)	-	83,049
Treasury shares transferred to employees	-	-	17,354	-	-	-	-	-	-	-	30,784	48,138
Adjustments of capital surplus for the Company's cash dividends	-	-	2,264	-	-	-	-	-	-	-	-	2,264
Disposal of investments accounted for using the equity method	-	-	(5,112)	-	-	-	-	-	-	-	-	(5,112)
Changes in percentage of ownership interests in subsidiaries	-	-	2,432	-	-	-	-	-	-	-	-	2,432
BALANCE, DECEMBER 31, 2022	438,623	\$4,386,228	\$1,507,368	\$ 872,379	\$ -	\$1,684,760	\$2,557,139	\$ 2,256	\$ 80,573	\$ 82,829	\$ (24,170)	\$8,509,394

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche auditors' report dated February 22, 2023)

**TAIWAN-ASIA SEMICONDUCTOR CORPORATION**  
**(Former Name: Opto Tech Corporation)**

**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(In Thousands of New Taiwan Dollars)

	<b>2022</b>	<b>2021</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	\$ 431,786	\$ 1,008,089
Adjustments for:		
Depreciation expense	392,301	436,030
Amortization expense	17,560	17,850
Expected credit loss reversed on trade receivables	7,609	2,198
(Gain) loss on fair value change of financial assets and liabilities at fair value through profit or loss	9,492	(7,307)
Interest expense	7,637	11,429
Interest income	(12,398)	(8,083)
Dividend income	(21,331)	(13,643)
Share-based payments	31,818	105,473
Impairment loss on non-financial assets	-	77,577
Share of profit of subsidiaries and associates accounted for using the equity method	39,098	(43,525)
(Gain) loss on disposal of property, plant and equipment	(4,669)	164
(Gain) loss on disposal of investment	(15,953)	-
Unrealized sales profit	84	441
Realized sales profit	(441)	(98)
Gain on lease termination	(31)	-
Changes in operating assets and liabilities		
Acquisition of financial assets at fair value through profit or loss	552,826	(250,000)
Notes receivable	3,241	3,990
Trade receivables	419,946	364,101
Trade receivables from related parties	2,629	1,947
Other receivables	4,354	3,316
Inventories	14,719	(88,195)
Other current assets	23,683	(34,720)
Other non-current assets	4,025	3,370
Contract liabilities	24,058	(40,297)
Trade payables	(406,273)	114,442
Trade payables to related parties	(41,471)	5,194
Other payables	(303,337)	153,451
Provisions	160	3,058
Other current liabilities	(2,815)	80,861
Net defined benefit liabilities	4,908	(8,757)
Cash generated from operations	1,183,215	1,898,356
Interest received	12,611	8,717
Dividends received	21,331	13,643
Interest paid	(7,237)	(12,801)
Income tax paid	(168,054)	(27,761)
Net cash generated from operating activities	<u>1,041,866</u>	<u>1,880,154</u>

(Continued)

**TAIWAN-ASIA SEMICONDUCTOR CORPORATION**  
**(Former Name: Opto Tech Corporation)**

**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(In Thousands of New Taiwan Dollars)

	<b>2022</b>	<b>2021</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive	\$ (75,000)	\$ (15,000)
Purchase of financial assets at amortized cost	(19,557)	(797,975)
Disposal of financial assets at amortized cost	720,136	-
Acquisition of investments accounted for using equity method	(1,137,012)	(428,232)
Net cash generated from disposal of subsidiaries	152,092	-
Acquisition of property, plant and equipment	(377,639)	(461,285)
Proceeds from disposal of property, plant and equipment	4,708	82
Increase in deposits-out	(548)	(5,010)
Acquisition of intangible assets	(22,641)	(17,844)
Payments for equipment	(63,541)	(68,207)
Dividends received from subsidiaries	24,435	-
Net cash outflow on segmentation	<u>(69,422)</u>	<u>-</u>
Net cash used in investing activities	<u>(863,989)</u>	<u>(1,793,471)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase (decrease) in short-term borrowings	(108,171)	105,444
Payment of long-term borrowings	-	(811,515)
(Decrease) increase in refundable deposits	(924)	2,197
Payment of the principal portion of lease liabilities	(18,671)	(19,732)
Dividends paid	(1,315,869)	(514,927)
Proceeds from issuance of shares	-	1,375,800
Treasury shares transferred to employees	16,320	97,970
Stock repurchased	<u>-</u>	<u>(162,408)</u>
Net cash generated from (used in) financing activities	<u>(1,427,315)</u>	<u>72,829</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,249,438)</b>	<b>159,512</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b><u>3,017,141</u></b>	<b><u>2,857,629</u></b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b><u>\$ 1,767,703</u></b>	<b><u>\$ 3,017,141</u></b>

The accompanying notes are an integral part of the financial statements.  
(With Deloitte & Touche auditors' report dated February 22, 2023)

(Concluded)

**Taiwan-Asia Semiconductor Corporation**  
**( OPTO TECH CORPORATION )**

**Earnings Distribution Statement of 2022**

Item	Unit: NTD Amount
Last undistributed earnings	1,246,196,219
Plus: Current net profit after tax	360,465,694
Current actuarial gains and losses	78,098,035
Sub-total	438,563,729
Less: 10 % of Legal reserve appropriated	<span style="color: red;">(43,856,373)</span>
Current distributable earnings	1,640,903,575
Distributions:	
Shareholder dividends – stock	0
Shareholder dividends – cash	<span style="color: red;">(438,622,846)</span>
Undistributed earnings - ending	1,202,280,729

# Taiwan-Asia Semiconductor Corporation

## Articles of Incorporation

### Chapter 1 General Principles

Article 1 The Company is established in accordance with the provisions of the Company Act, and is named 台亞半導體股份有限公司 in Chinese and Taiwan-Asia Semiconductor Corporation in English.

Article 2 The business scope of the Company is as follows:

1. CC01080 Electronic Parts and Components Manufacturing.
2. CC01040 Lighting Equipment Manufacturing.
3. E603080 Traffic Signs Installation Engineering.
4. E603090 Lighting Equipment Construction.
5. F401010 International Trade.
6. IE01010 Rental and Leasing.
7. CC01060 Wired Communication Equipment and Apparatus Manufacturing.
8. CC01100 Restrained Telecom Radio Frequency Equipment and Materials Manufacturing.
9. IG03010 Energy Technical Services.
10. I501010 Product Designing
  - 1、Manufacturing and sales of optoelectronic semiconductor components:
    - (a) Light Emitting Diodes (b) Infrared Emitting Diodes (c) Photodiodes (d) Phototransistors (e) Photo Couplers (f) Laser Diodes (g) Photonic Integrated Circuits.
  - 2、Manufacturing and sales of semiconductor electronic components:
    - (a) Varactor Diodes (b) Field Effect Transistors (c) Microwave Transistors (d) Diodes (e) Transistors and (f) Various Types of Semiconductor Electronic Components.
  - 3、Manufacturing and sales of wireless communication equipment: UHF wireless frequency hopping communication machines.
  - 4、Research, development, design, manufacturing, sales, leasing (limited to self-owned products), promotion, and after-sales service of the items listed above and system products thereof.
  - 5、Concurrently engaging in import and export trade related to the Company's business.

Article 3

The Company may act as a guarantor externally for related business needs.

Article 4

The reinvestment of the Company is not subject to the total investment limit stipulated in Article 13 of the Company Act.

Article 5

The Company establishes its head office in Hsinchu Science Park, and may establish branches at appropriate locations at home and abroad after the resolution of the Board of Directors and the approval of the competent authority when necessary.

## Chapter 2 Shares

### Article 6

The total authorized capital of the Company is set in the amount of NT\$10 billion, divided into 1 billion shares which comprises ordinary shares or special shares, with each share being set in the amount of NT\$10, and may be issued in instalments. The Board of Directors is authorized to resolve issuance of unissued shares in accordance with actual needs.

The amount of NT\$600 million within the total authorized capital in the preceding paragraph shall be retained for the issuance of employee stock option certificates in a total of 60 million shares, with NT\$10 per share, which may be issued in installments in accordance with the resolution of the Board of Directors.

#### Article 6-1

According to Article 56-1 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers and Article 10-1 of the Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies, the Company shall obtain the consent adopted by a Shareholder Meeting with the attendance of the shareholders representing more than half of the total number of the issued shares, and two-thirds or more of the voting rights of the shareholders in attendance in order to issue employee stock option certificates at a price lower than the closing price of the Company's ordinary shares on the date of issuance, as well as to transfer the shares to employees at a price lower than the average price of the shares actually repurchased.

#### Article 6-2

With regard to shares repurchased by the Company in accordance with the law, the recipient of the transfer may include employees of the controlled or affiliated companies who meet certain conditions. With regard to employee stock option certificates issued by the Company in accordance with the law, the recipient of the issuance may include employees of the controlled or affiliated companies who meet certain conditions.

With regard to subscription of new shares of the Company by employees in accordance with provisions of the Company Act, the subject of the subscription may include employees of the controlled or affiliated companies who meet certain conditions. With regard to new shares with restricted rights of employees of the Company issued in accordance with provisions of the Company Act, the subject of the issuance may include employees of the controlled or affiliated companies who meet certain conditions.

#### Article 6-3

The rights and obligations and other important issuance conditions of the Company's special shares are set out as follows:

1. If there is a surplus in the Company's annual final accounts, in addition to paying taxes in accordance with the law, the Company shall first make up for accumulated losses, set aside statutory surplus reserve, and make provision or reverse the special surplus reserve in accordance with the provisions of the Articles of Incorporation, after which if there is a balance, the dividend distributable on the special shares for that current year may have priority in the distribution.
2. Dividends on special shares are limited to the maximum annual rate of 8% and are calculated at the issue price per share. Dividends may be paid in cash once a year. After the annual general shareholder meeting recognizes the financial statements, the Board of Directors will set the base date to pay the dividends distributable of the previous year. The distribution of dividends in the year of issuance and in the year of recall shall be calculated based on the actual number of issuance days in that current year.
3. The Company shall have discretionary powers on the distribution of dividends on special shares. If the Company has no surplus or insufficient surplus to distribute dividends on special shares or other necessary considerations, the Company may resolve not to distribute dividends on special shares, which shall not constitute a breach of contract. If the issued special shares are of non-cumulative type and the Company resolves not to distribute dividends or to distribute insufficient dividends, the undistributed dividends shall not be accumulated for deferred payment in subsequent years with surplus.
4. In addition to receiving the aforementioned dividends, special shareholders are not allowed to participate

in the distribution of ordinary shares with regard to surplus and capital reserve as cash and capitalization if the special shares issued are of non-participating type.

5. When the Company issues new shares in cash, special shareholders and ordinary shares have the same preemptive right.
6. With regard to the distribution of the remaining assets of the Company to shareholders, the special shareholders shall have priority over ordinary shareholders, and have the same priority in terms of being compensated as that of shareholders of various special shares issued by the Company, over which general creditors have priority, but subject to the limitation of not exceeding the amount calculated at the issue price of outstanding special shares at the time of the distribution.
7. Special shareholders have the right to vote and suffrage, and may be elected as directors. Special shareholders have voting rights at special shareholder meetings or on matters concerning rights and obligations of special shareholders at the shareholder meeting.
8. If special shares issued by the Company are convertible special shares, they shall not be converted within one (1) year of the date of issuance. The Board of Directors is authorized to set the period of conversion in the actual issuance conditions. Shareholders of the convertible special shares may apply for partial or complete conversion of the special shares held by them in accordance with the issuance conditions at the ratio of one special share to one ordinary share (the conversion ratio is 1:1). After the convertible special shares are converted into ordinary shares, their rights and obligations are the same as those of ordinary shares. The distribution of dividends during the year of conversion of special shares shall be calculated based on the ratio of the actual number of issuance days in that current year to the number of days in the whole year. However, the special shares that are converted into ordinary shares prior to the ex-right (dividend) record date for the distribution of dividends in each year shall not participate in the distribution of dividends on special shares in that current year of distribution as well as the distribution of dividends in subsequent years, but may participate in the distribution of earnings of ordinary shares and capital reserve in that current year.
9. Special shares have no expiry date. Special shareholders do not have the right to request the Company to recall the special shares held by them, but the Company may, from the next day upon expiration of five (5) years of issuance, at any time recall all or part of the special shares by cash, by means of mandatory conversion into new shares issued or other methods permitted by laws and regulations at the original actual issuance price and in accordance with relevant issuance regulations. Unrecalled special shares shall maintain the rights and obligations under the various issuance conditions in this article until the Company recalls such shares. In that current year when special shares are recalled, if the Company resolves to issue dividends, the dividends that should be paid as of the date of recall shall be calculated based on the actual number of issuance days in that current year.

The name, issuance date, specific issuance conditions and other related matters of special shares are authorized to the Board of Directors to determine based on the conditions of the capital market and the willingness of investors to subscribe at the time of the actual issuance in accordance with the Articles of Incorporation of the Company as well as relevant laws and regulations.

#### Article 7

The Company's shares may be invested in with specialized technology and patent rights as capital, which is, however, limited to those approved by the competent government agency.

#### Article 8

The Company may also be exempted from printing share certificates for the shares issued by itself, under which circumstance the Company shall register its issued shares with a centralized securities depository enterprise and follow the regulations of such an enterprise. The Company's share certificates shall be issued after being affixed with the signature or seal of the director representing the Company, affixed with the Company's logo and serial number, and duly certified or authenticated by the bank which is competent to certify and authenticate shares in accordance with the laws. The shares issued by the Company may also be exempted from printing shares and contact the securities centralized custody institution to register the shares

issued by it, and proceed in accordance with the regulations of the institution.

#### Article 9

The Company's share affairs include the handling of opening a shareholder account, change of specimen seal, change of address, transfer of ownership, creation of pledge, removal of pledge, reporting of loss, cancellation of reporting of loss, and other related matters. The Company shall handle its share affairs entirely in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies except as otherwise provided for in the laws and regulations.

#### Article 10

The renaming and transferal of share ownership shall be suspended in accordance with the law within 60 days prior to the convening of the general shareholder meeting, 30 days prior to the convening of the extraordinary general shareholder meeting, or five (5) days prior to the base date for the distribution of dividends, bonuses or other benefits determined by the Company.

### **Chapter 3 Shareholder Meeting**

#### Article 11

Shareholder meetings shall be either general meetings or extraordinary meetings, which shall be convened by the Board of Directors unless otherwise provided for under the Company Act.

General meetings shall be convened at least once a year and shall be convened within six (6) months after the end of each fiscal year, except for circumstances with a legitimate reason which has been submitted to the competent authority for approval.

Special shareholder meetings may be convened in accordance with relevant laws and regulations when necessary.

#### Article 12

All shareholders shall be notified 30 days in advance regarding the convening of a general shareholder meeting, and all shareholders shall be notified 15 days in advance regarding the convening of an extraordinary shareholder meeting shall be notified to all shareholders 15 days in advance. The notice shall specify the date, venue, and reason for convening the meeting.

#### Article 13

The Company's shareholders, except as otherwise provided for in relevant laws and regulations, shall have one (1) vote per share.

#### Article 14

Unless otherwise provided for in relevant laws and regulations, resolutions of shareholder meetings shall be adopted by the attendance of shareholders in person or on behalf of other shareholders representing more than half of the total issued shares, with the consent of more than half of the voting rights of the shareholders in attendance. The Company's shareholders may exercise their voting rights by means of electronic transmission, and the related matters shall be handled in accordance with laws and regulations.

#### Article 14-1

The company's shareholders meeting may be held by video conference or other methods announced by the competent authority. The requirements, operating procedures, and other matters to be complied with for the adoption of video shareholders meeting shall be governed by the regulations of the competent authority if otherwise stipulated.

#### Article 15

When a shareholder is unable to attend the shareholder meeting for some reason, he/she may issue a proxy published by the Company, specifying the scope of authorization, to entrust an agent to attend the shareholder

meeting in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.

#### Article 16

Where the shareholder meeting is convened by the Board of Directors, the Chairman shall serve as the chair of the meeting; if the Chairman on leave or is unable to attend the meeting for some reason, the proxy thereof shall be proceeded in accordance with Article 208 of the Company Act.

Where the shareholder meeting is convened by a person other than the members of the Board of Directors with the right to convene the meeting, such a person with the right to convene the meeting shall be the chair of the meeting. If there are two or more such persons with the right to convene the meeting, one chair shall be selected among such persons to act as the chair of the meeting.

#### Article 17

Resolutions adopted at a shareholder meeting shall be recorded in the minutes of the meeting, and handled in accordance with Article 183 of the Company Act.

### **Chapter 4 Board of Directors**

#### Article 18

The Company shall have 7 to 11 directors, and the number of directors is authorized to be determined by the Board of Directors. The directors shall be elected by the shareholder meeting from among the persons with disposing capacity for a term of three (3) years and may be re-elected. Among the members of the Board of Directors, there shall be at least three (3) independent directors. The election of directors shall adopt a candidate nomination system, and the shareholder meeting shall select the directors from the list of director candidates.

The board of directors shall be organized by the directors. With the attendance of at least two thirds of the directors and the consent of more than half of the attending directors, three managing directors may be elected among them, and the number of managing directors shall not exceed one-third of the number of directors at most; The number of independent directors among the managing directors shall not be less than one, and shall not be less than one-fifth of the number of managing directors. The managing directors shall elect one person among them to be the chairman of the board, and may elect one person among them to be the vice chairman of the board. When the board of directors does not have a managing director, the directors shall elect one person to be the chairman of the board in the same way, and may also elect one person to be the vice chairman of the board in the same way.

#### Article 18-1:

The Company may set up an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee shall be composed of all independent directors. The number of the Audit Committee members shall not be less than three (3) persons, one of whom shall be the convener, and at least one (1) of the members shall possess expertise in accounting or finance.

#### Article 19

When the Board of Directors meets, the Chairman shall be the chair. If the Chairman is unable to exercise his/her powers for some reason, the proxy thereof shall be proceeded in accordance with Article 208 of the Company Act.

#### Article 20

When the number of vacancies for directors reaches one-third thereof or all independent directors are dismissed, the Board of Directors shall convene an extraordinary shareholder meeting within 60 days for the by-election. The term of their office shall be limited to the remaining term of office of the predecessor.

#### Article 21

The Board of Directors shall convene at least once a quarter. The reason for the convening shall be stated and

notified to all the directors seven (7) days in advance; However, it may be convened at any time when there is an emergency. The notice of a board meeting may be given in writing, by fax or e-mail, or by means of other communication. The powers of the Board of Directors shall be as follows:

1. Approval of the Articles of Incorporation and important management systems of the Company.
2. Approval of the annual budget and review of the annual final accounts.
3. Approval of the acquisition or disposal of major assets.
4. Where the Company applies to financial institutions or third parties for financing, guarantee, acceptance and other external advances, loans and borrowing of funds, it shall submit such application proposals or cases to the Board of Directors for approval or recognition retroactively.
5. Approval of endorsement, guarantee, and acceptance made in the name of the Company.
6. To propose transfer of dian right (a kind of pawn in real property), sale, lease, pledge, mortgage or other means of disposition of all or important parts of the Company's property, except for the guarantee provided to financial institutions pursuant to the relationship of authorization.
7. Appointment and dismissal of the Company's managers.
8. Approval of the Company's major reinvestment in other businesses or transfer of shares.
9. Establishment and abolition of branches.
10. Selection, appointment and dismissal of the Company's certified public accountants.
11. Other powers and authority vested therewith in accordance with the Company Act or resolutions adopted by the shareholder meeting.

#### Article 22

Directors shall attend the Board of Directors in person. If a director is unable to attend the Board of Directors in person for some reason, he/she may issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting to entrust another director to attend on his/her behalf, provided that one director may accept the appointment to act as the proxy by one other director only.

#### Article 23

During the term of office, directors shall be liability for compensation in accordance with the law within the scope of their performance of business, and authorize the Board of Directors to purchase liability insurance for them in order to reduce and diversify the risk of major damage to the Company and shareholders caused by directors' mistakes or negligence; after the liability insurance is taken out or renewed, important contents such as the insured amount, the coverage and the insurance premium rate of the liability insurance, shall be submitted to the latest Board of Directors for report.

### **Chapter 5 Managers and Employees**

#### Article 24

The Company shall have several managers. The appointment, dismissal and remuneration standards shall be handled in accordance with Article 29 of the Company Act.

#### Article 25 (Delete)

#### Article 26

During the term of office, managers shall be liability for compensation in accordance with the law within the scope of their performance of business, and authorize the Board of Directors to purchase liability insurance for them in order to reduce and diversify the risk of major damage to the Company and shareholders caused by managers' mistakes or negligence.

## **Chapter 6 Accounting**

### Article 27

The Company's fiscal year goes from January 1 to December 31 each year.

At the end of each fiscal year, the Board of Directors shall prepare the following financial statements and submit such to the general shareholder meeting for recognition in accordance with the procedures prescribed by the law:

1. Business report.
2. Financial statements.
3. Proposals for surplus distribution or deficit compensation.

### Article 28

If the Company makes a profit during the year, it shall appropriate 10% to 20% thereof based on the profit status for that current year as employee remuneration; and appropriate no more than 10% as director remuneration. However, if the Company still has accumulated losses, such losses shall be compensated.

Employee remuneration may be made with stock or in cash. The targets of the stock or cash distributed may include employees of the controlled or affiliated companies who meet certain criteria.

The profit status for that current year as mentioned in Paragraph 1 shall refer to the benefits of the pre-tax profit before the distribution of employee and director remunerations are deducted therefrom.

The distribution of employee and director remunerations shall be carried out with the resolution of the Board of Directors adopted by the attendance of two-thirds or more of the directors and the consent of more than half of the directors in attendance, which shall be reported to the shareholder meeting.

### Article 29

If there is any surplus in the Company's annual final accounts, the distribution thereof shall be as follows:

1. Make up for accumulated losses.
2. Appropriate 10% thereof as the statutory surplus reserve until the cumulative amount has reached the Company's paid-in capital.
3. Make provision or reverse the special surplus reserve in accordance with the Company's operating needs as well as in accordance with laws and regulations.
4. After deducting the amounts in Subparagraphs 1-3, if there is any balance, the dividends distributable on special shares in that current year may have priority in the distribution; if there is any balance, such balance plus the accumulated undistributed surplus of the previous year(s) shall, apart from certain amounts thereof being retained discretionarily, be used as the shareholder bonus. The Board of Directors shall determine the amount of distribution, which shall be submitted to the shareholder meeting for resolution.

Based on the needs of sustainable development, the Company may distribute stock dividends and cash dividends in accordance with the growth rate and capital expenditure situation, provided that cash dividends shall not be less than 50% of the total dividend distribution for that current year.

### Article 29-1

The Board of Directors of the Company shall, with the resolution adopted by the attendance of two-thirds or more of the directors and more than half of the directors in attendance, distribute in cash all or part of the dividends and bonuses distributable, capital reserve or statutory surplus reserve, for which the provisions of these Articles of Incorporation regarding resolutions of the shareholder meeting shall not apply.

### Article 30

With regard to the director remuneration of the Company, the Board of Directors is authorized to formulate the payment standard in accordance with the common standards of the same trade.

## **Chapter 7 Supplementary Provision**

### Article 31

If there are any matters not covered in these Articles of Incorporation, they shall be handled entirely in accordance with the Company Act and relevant laws and regulations.

### Article 32

These Articles of Incorporation shall become effective after being adopted by the shareholder meeting in according with the law, and the same shall apply when it is revised.

### Article 33

These Articles of Incorporation were formulated on November 19, 1983;  
1st revision made on January 21, 1984;2nd revision made on March 24, 1985;3rd revision made on May 27, 1989;4th revision made on September 2, 1989;5th revision made on May 26, 1990;6th revision made on May 11, 1991;7th revision made on September 27, 1991;8th revision made on April 21, 1992;9th revision made on June 22, 1993;10th revision made on May 10, 1994;11th revision made on March 31, 1995;12th revision made on May 2, 1997;13th revision made on April 24, 1998;14th revision made on April 24, 1998;15th revision made on May 19, 1999;16th revision made on May 30, 2000;17th revision made on May 23, 2001;18th revision made on May 29, 2002;19th revision made on May 23, 2003;20th revision made on June 15, 2004;21st revision made on June 10, 2005;22nd revision made on June 14, 2006;23rd revision made on November 16, 2006;24th revision made on June 13, 2007;25th revision made on June 13, 2008;26th revision made on June 16, 2009;27th revision made on June 17, 2011;28th revision made on June 22, 2012;29th revision made on June 19, 2013;30th revision made on June 24, 2016;31st revision made on June 21, 2017;32nd revision made on June 13, 2019;33rd revision made on June 16, 2020;34rd revision made on July 1, 2021;35rd revision made on October 21, 2021;36rd revision made on June 23, 2022.

# **Taiwan-Asia Semiconductor Corporation**

## **Procedure Rules for Shareholder Meetings**

### **Article 1**

To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

### **Article 2**

The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

### **Article 3** (Convening of shareholder meeting and notice of meeting)

Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.

Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. If, however, this Corporation has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby.

This Corporation shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

1. For physical shareholders meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda. Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days. Shareholder-submitted proposals are 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 regular shareholders meeting and take part in discussion of the proposal. Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the 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 appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

If, after a proxy form is delivered to this Corporation, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

#### **Article 5** (Principles for the venue and time of the shareholder meeting)

The venue for a shareholders meeting shall be the premises of this Corporation, 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.

The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.

#### **Article 6** (Document preparation)

This Corporation shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

Attending shareholders may hand in a sign-in card in lieu of signing in.

This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days before the meeting date.

In the event of a virtual shareholders meeting, this Corporation shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

**Article 6-1** (Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)

To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
  - A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
  - B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
  - C. In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
  - D. Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.

**Article 7** (Chair of the shareholder meeting and non-voting participants)

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the chairperson shall appoint one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

**Article 8** (Documentation of a shareholder meeting by audio or video)

This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders meeting is held online, this Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, this Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.

**Article 9**

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 6.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

**Article 10** (Discussion of proposals)

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.

After the meeting is adjourned by resolution, the shareholders shall not elect another chairman to continue the meeting at the original address or find another place. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with 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 extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

**Article 11** (Shareholder speech)

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

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

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

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

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of 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 proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent 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 calculation.

**Article 13**

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have

attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except for the proposals listed in the agenda, amendments to the original proposals, alternative proposals, or other proposals proposed by shareholders as interim motions shall be seconded by two or more shareholders. The same applies to changes in the agenda and adjournment of the meeting.

Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.

Vote counting for shareholders meeting proposals 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 this Corporation convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When this Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

#### **Article 14** (Election of directors and supervisors)

The election of directors or supervisors at a shareholders meeting shall be held in accordance with the

applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected, and the names of directors and supervisors not elected and number of votes they received.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

#### **Article 15**

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. 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 produced and distributed in electronic form.

This Corporation 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 voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

#### **Article 16** (Public announcement)

On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During this Corporation's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

#### **Article 17** (Maintenance of order at the venue)

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the

proceedings and refusing 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 shareholder 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 extraordinary 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 information at virtual meetings)

In the event of a virtual shareholders meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

**Article 20** (Location of the chair and secretary of virtual-only shareholders meeting)

When this Corporation convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

**Article 21** (Handling of disconnection)

In the event of a virtual shareholders meeting, this Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When this Corporation convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporation shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

**Article 22** (Handling of digital divide)

When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

**Article 23**

These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

**Article 24**

These Rules were formulated on May 26, 1990.

1st revision made on April 24, 1998.

2nd revision made on May 29, 2002.

3rd revision made on June 17, 2004.

4th revision made on June 24, 2006.

5th revision made on June 16, 2020.

6th revision made on June 23, 2022.

## Director Shareholding Status

**I. The percentages and numbers of statutory shares held by all Company directors are described as follows:**

1. In accordance with Article 2 of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, if a public company has elected two or more independent directors, the shareholding ratio calculated at the rates thereby for all directors and supervisors other than the independent directors shall be decreased to 80 percent.
2. Number of ordinary shares issued by the Company: 438,622,846 shares.
3. Number of minimum shares required by the law to be held by all directors: 16,000,000 shares.

**II. As of the date of suspending the transfer of shares for the Shareholder meeting 2023 (April 22, 2023), the number of shares held by all directors is as follows, which meets the minimum percentage requirement stipulated in Article 26 of the Securities and Exchange Act.**

Title	Name	Number of Shares	Shareholding %
Chairman	H.T. Wang	1,937,625	0.44
Vice Chairman	Tsun-Chia Tai	0	0
Director	Kuo-Kuang Li	0	0
Director	Nichia Taiwan Corporation. Rep. of legal person: Ishigami Koji	88,811,822	20.25
Independent Director	Tsai Shih-Kuang	0	0
Independent Director	Dong Laie	0	0
Independent Director	Wu Chien-Chih	15,000	0
Total		90,764,447	20.69

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