

Stock Code
6414



Ennoconn Corporation

Shareholders' Meeting for 2023

Meeting Handbook

May 30, 2023

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Ennoconn Corporation
2023 Annual Shareholders' Meeting Procedure

Meeting Time: 9:00 am May 30, 2023

Meeting Place: 4/F, No. 10, Jiankang Rd., Zhonghe Dist., New Taipei City

Meeting Method: Physical shareholders' meeting

- I. Report on the Number of Shares Represented by Shareholders Present at the Meeting
- II. Announcement of Commencement of the Meeting
- III. Chairperson's Speech
- IV. Matters to be Reported
- V. Matters to be Recognized
- VI. Discussion Matters
- VII. Election Matters
- VIII. Other Motions
- IX. Extempore Motion
- X. Adjournment

Ennoconn Corporation
Agenda of Annual Shareholders' Meeting for 2023

- I. Chairperson's Speech
- II. Matters to be Reported
 - (I) 2022 Business Report of the Company.
 - (II) 2022 Audit Report of the Audit Committee.
 - (III) 2022 Employees Compensation and Directors Remuneration Report.
 - (IV) 2022 Cash Dividend Distribution Report.
- III. Matters to be Recognized
 - (I) Recognize 2022 Financial Report and Business Report of the Company.
 - (II) Recognize 2022 Earnings Distribution Plan.
- IV. Discussion Matters
 - (I) Proposal for amendment to the Company's "Articles of Incorporation".
 - (II) Proposal for Amendment to the Company's "Rules of Procedure for the Shareholders' Meeting".
- V. Election Matters
By-election of an independent director of the Company
- VI. Other Motions
Lifting of the non-compete restriction against newly-appointed independent director
- VII. Extempore Motion
- VIII. Adjournment

Matters to be Reported

Proposal 1: Submission of 2022 Business Report for review.

Explanation:

- I. Please refer to Annex 1 for Business Report (Page 10).
- II. Please refer to Annex 3 for Financial Statements (Page 12-30).

Proposal 2: Submission of 2022 Audit Report of the Audit Committee for review.

Explanation: Please refer to Annex 2 for 2022 for the Audit Report of the Audit Committee (Page 12).

Proposal 3: Submission of 2022 Employees Compensation and Directors Remuneration Report for review.

Explanation:

- I. The Company allocated cash compensation for employees for the year 2022 amounted to NT\$89,000,000, of which 2022 final profit accounted to 2.58%. NT\$2,850,000 was set aside for directors compensation, accounted for 0.08% of 2022 final profit.
- II. The above proposed distribution of employee compensation and director compensation is consistent with the estimated amount in the 2022 accounts, and thus no adjustment is required.

Proposal 4: Submission of 2022 cash dividends distribution for review.

Explanation:

- I. According to Article 20-1 of the Company's Articles of Incorporation, the dividend of NT\$1,604,719,725 distributed to shareholders shall be allocated from the distributable earnings of the Company for the year 2022, at NT\$15 per share.
- II. The cash dividend is calculated up to the dollar (rounded down to the nearest dollar), and any monetary value of less than NT\$1 is to be transferred to other income of the Company.
- III. The Chairman is authorized to make all necessary adjustments if changes in share capital impact volume of shares in circulation and subsequently affect the dividend yield.
- IV. The Chairman is authorized to schedule ex-dividend date, dividend distribution date and other matters.

Matters to be Recognized

(Proposed at Board of Directors' Meeting)

Proposal 1: Submission of 2022 Financial Statements and Business Report for recognition.

Explanation:

- I. The Company's 2022 financial statements have been prepared. Upon the adoption of the Board of Directors, and audited by CPA Hui-Chih Kou and Hsin-Yi Kuo from KPMG Taiwan, the financial statements, along with the business report, are submitted to the audit committee for auditing. The report is hereby issued and filed.
- II. Please refer to Annex 1 for the business report (Page 10), and Annex 3 for the financial statements (Page 12-30).

Resolutions:

(Proposed at Board of Directors' Meeting)

Proposal 2: Submission of 2022 earnings distribution plan for recognition.

Explanation:

- I. The 2022 earnings distribution table of the Company has been approved by the board of directors and audited by the audit committee. The distribution table is as follows.

Ennocom Corporation
Earnings Distribution Table



Unit: NT\$

Item	Amount
Opening undistributed earnings	23,534,153
Current net profits	3,452,915,897
Retained earnings from re-measurement of defined benefit plan	37,013,137
Amount of current net profits after tax plus the items other than current net profits after tax recorded into current undistributed earnings	3,489,929,034
Less: Statutory surplus reserve withdrawn	(348,992,903)
Add: Reversal of special reserves allocated in accordance with the laws	862,555,993
Current distributable earnings	4,027,026,277
Item	
Shareholders' dividends (cash dividends for earnings distribution) - NT\$15 per share (note)	(1,604,719,725)
Total shareholder's dividends	(1,604,719,722)
Ending undistributed earnings	2,422,306,552

Note: The total amount of cash dividends for this period is calculated based on the number of 106,981,315 outstanding common shares of the Company on the business day prior to the meeting of the audit committee on March 29, 2023.

Chairman:
Fu-Chuan Chu



Managerial Officer:
Neng-Chi Tsai



Accounting Supervisor:
Tsung-Hsien Chuang



Resolutions:

Discussion Matters

(Proposed at Board of Directors' Meeting)

Proposal 1: Proposal for amendment to the Company's Articles of Incorporation is submitted for discussion and review.

Explanation: In accordance with the provisions of the Company Act, cash dividends can be issued through extraordinary resolutions of the board of directors. The Company has amended some provisions of the "Articles of Incorporation" in compliance with the regulations. Please refer to Annex 4 for a comparison table of the amended provisions (Page 31-32).

Resolutions:

(Proposed at Board of Directors' Meeting)

Proposal 2: Proposal for amendment to the Company's "Rules of Procedures of the Shareholders' Meeting" is submitted for discussion and review.

Explanation: Some provisions of Rules of Procedure for Shareholders' Meeting are amended as per Tai-Zheng-Zhi-Li-Zhi Notice No. 1120004167 Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings issued by Taiwan Stock Exchange on March 17, 2023. Please refer to Annex 5 of the comparison table (Page 33-35).

Resolutions:

Election Matters

(Proposed at Board of Directors' Meeting)

Proposal 1: Submit by-election of an independent director of the Company for your election.

Explanation:

- I. The 10th session of the Board of Directors consists of seven directors (including four independent directors), with a term of office starting from June 23, 2022 to June 22, 2025. Currently, there is a vacancy of one independent director, and it is planned to adopt a candidate nomination system in accordance with the Company's Articles of Incorporation for the selection of independent director candidates by shareholders from the list of independent director candidates.
- II. The Company plans to elect one independent director at this annual shareholders' meeting. The term of office of the new independent director will be from May 30, 2023 to June 22, 2025.
- III. The list of candidates for directors (including independent directors) has been approved by the 9th meeting of the 10th Board of Directors of the Company. Please refer to the table below for their educational background, work experience, and other relevant information.
- IV. For the election method of directors, please refer to Appendix III (page 60 to page 62).

Title	Name	Shares held	Major Education and Work Experience	Other jobs held concurrently
Independent director	Huang-Hsu Tu	0	Bachelor of Mechanical Engineering from St. John's University General Manager of Pan German Universal Motors, Inc.	General Manager of Pan German Universal Motors, Inc. Chairman of I-TE International Co., Ltd. Chairman of UNION CAPITAL BUS LEASING CO., LTD. Chairman of UNION CAPITAL CAR LEASING CO., LTD. Chairman of Jet-Li Motors Ltd. Director of BMW Taiwan Director of Yong Xin Car Rental Co., Ltd. Supervisor of Universal Warehousing Inc.

Election results:

Other Motions

(Proposed at Board of Directors' Meeting)

Proposal 1: Submission of proposal for lifting of the non-compete restriction against Newly appointed independent director for review.

Explanation: To facilitate business expansion, it's planned to lift the non-compete restriction on newly appointed independent director of the 10th Board of Directors through by-election in accordance with Article 209 of Company Act. Items are listed the following table.

Title	Name	Concurrently Held Position
Independent director	Huang-Hsu Tu	General Manager of Pan German Universal Motors, Inc. Chairman of I-TE International Co., Ltd. Chairman of UNION CAPITAL BUS LEASING CO., LTD. Chairman of UNION CAPITAL CAR LEASING CO., LTD. Chairman of Jet-Li Motors Ltd. Director of BMW Taiwan Director of Yong Xin Car Rental Co., Ltd.

Resolutions:

Extempore Motion

Adjournment



Ennoconn Corporation
Business Report

With the joint efforts of all employees, Ennoconn Corporation achieved a consolidated net operating income of NT\$108.23 billion for 2022, with a net profit attributable to the parent company of NT\$3.45 billion and earnings per share of NT\$32.60; compared to 2021, the consolidated operating income increased by 27%, and the net profit after tax increased by 159%.

Reviewing the industrial prosperity over the last year, in the face of a series of negative factors, such as Russia-Ukraine war, global interest rate rise and inflation, rising energy costs, COVID lockdown and geopolitics, Ennoconn Corporation adopted operating policies and continuously upheld the “diversified operating” strategy, including 1. product technology: ‘Integration of software and hardware’, ‘Integration of cloud and network’, 2. resource integration: ‘Technology+Products’, ‘Manufacturing+Marketing’, ‘Investment+Fundraising’, 3. sustainable development based on: EPS + ESG + ESaaS. In addition to a high degree of resilience and a positive annual profit growth in 2022, these strategies also bring opportunities for the Company to steadily increase its revenue and profits over the next 3-5 years with increased order-taking capacity.

In recent years, the Company has been committed to scaling up of operations and optimizing the overall business structure, and made some achievements. On the one hand, the Company expands the business scope of industrial control design in different industrial markets, especially in the European and American markets. In addition to the increasing demand for products from customers such as intelligent retail, smart finance, lottery and gaming, the order demand also keeps growing from industrial network communication and smart home customers. On the other hand, the Budapest factory in Hungary, with the continuous increase in demand from major smart finance customers for large intelligent interactive self-service kiosks, checkout kiosks, and other complete machines, has injected new vitality into the overall profit performance of the Group with new achievement made.

Ennoconn Corporation has always been committed to implementing the important strategy, which emphasizes integrating product, market and service management, and decentralizing sales, supply chain, production base and others in the global layout. Relying on the major competitive advantages of research and development, technology, products and other business units, the Company pushes ahead with the development of key technologies, value-added integration of niche products, full channel integration and linkage, and uses the design and manufacturing services (DMS), information technology (IT), system integration (SI) and cloud services accumulated over the years to build a complete “AIoT hardware and software cloud platform” solution, continuously raising the competitive threshold in the industrial market. Ennoconn Corporation also continues

to integrate upstream and downstream carbon footprint emissions, implement ESG, and actively expand the business of ESaaS (Ennoconn Solution as a Service) and subscription-based services to take up new challenges. With the increase of orders for products and services based on the Group’s high competitiveness and high value-added differentiation, Ennoconn Group will not only expand its market share in different segments, but also improve its overall operation.

The Ennoconn’s management team and all employees bear their original aspiration in mind, shoulder responsibilities, take up challenges, and create new opportunities. We hereby sincerely thank all shareholders for their continued support and commitment to the Company. The management team and all employees will continue to uphold the mission and responsibility for shareholders. Ennoconn Corporation will make more profits and grow steadily throughout the New Year, while implementing ESG’s sustainable business development from internally to externally, maximizing benefits for the Company, shareholders, suppliers, partners, and others, and achieving win-win results.

Yours respectfully,
Best wishes

Chairman:
Fu-Chuan Chu



Managerial Officer:
Neng-Chi Tsai



Accounting Supervisor:
Tsung-Hsien Chuang



Ennoconn Corporation
Audit Report issued by Audit Committee

The board of directors submit the financial statements, business report, and earnings distribution proposal for the year 2022. The financial statements for the year 2022 have been audited by KPMG Taiwan and the audit report is hereby issued. The above financial statements, business report, and earnings distribution statements for the year 2022 have been reviewed by the audit committee and no inconsistency is found. Therefore, the report has been prepared in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act for review.

Sincerely

2023 Annual Shareholders' Meeting of Ennoconn Corporation

Ennoconn Corporation

Convener of Audit Committee: Yu-Hui Su



March 30, 2023

CPA Report

To the Board of Directors of Ennoconn Corporation:

Auditor's Opinion

We have audited the accompanying consolidated balance sheets of Ennoconn Technology Co., Ltd. and Subsidiaries (the "Group") as of December 31, 2022 and 2021, and the related consolidated statements of income, changes in equity, and cash flows for the years ended December 31, 2022 and 2021, and the related consolidated notes to the financial statements, which include a summary of significant accounting policies.

Based on the audit results and the audit report of other accountants (please refer to Other Matters), we have concluded that the consolidated financial statements have been compiled based on the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations and their preparation recognized and put in effect by the Financial Supervisory Committee. The report adequately presents the consolidated financial position of Ennoconn Technology Co., Ltd. and Subsidiaries up to December 31 of 2022 and 2021, as well as the consolidated financial performance and consolidated cash flows from January 1 to December 31 of 2022 and 2021.

Basis of Audit Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by CPAs and Auditing Standards (GAAS). Our responsibilities under these standards will be further explained in the section of "CPA's Responsibility for Auditing Individual Financial Statements." The independently regulated personnel of our firm has also maintained its independence with Ennoconn Technology Co., Ltd. and Subsidiaries in accordance with CPA's professional code ethics and fulfilled other responsibilities under the code. Based on our audit results and the audit reports of other CPAs, we believe in having acquired sufficient and appropriate audit evidence to serve as the basis of our audit opinion.

Key Audit Matters

Key audit matters refer to the most significant matters in the audit of consolidated financial statements from Ennoconn Technology Co., Ltd. in 2022 based on our professional judgment. These items have been covered in the verification process of the overall consolidated financial statements and the audit opinion. Hence, the CPA shall not express a separate opinion on these items. The key audit items that, in our judgment, should be communicated on the audit report are as follows:

I Impairment of Goodwill

Please refer to Note 4 (15) to the financial statements for the accounting policy on impairment of goodwill. Please refer to Note 5 (3) to the consolidated financial statements for details of the accounting estimates and assumption uncertainties of goodwill. Please refer to Note 6(11), Intangible Assets, to the consolidated financial statements for the disclosure of goodwill.

Key Audit Matters Explanation:

Ennoconn Technology Co., Ltd. and Subsidiaries have increased their marketing presence and product lines through reinvestment, resulting in goodwill on consolidation. The management conducted impairment testing in accordance with IAS 36, "Impairment of Assets". The goodwill mainly originated from major mergers and acquisitions of domestic and foreign listed companies, and the fair value less costs to sell was used as the recoverable amount. Because of the significant impact of the impairment assessment on the financial statements and the high degree of uncertainty involved in management's measurement calculations, the impairment assessment of goodwill is a matter of great concern to us in performing our audits of the financial statements.

In response to the verification process:

Our audit procedures for the above critical review items included understanding the design and implementation of management's internal control, reviewing and verifying the correctness of the recoverable amount and the carrying amount, and performing a sensitivity analysis to evaluate the reasonableness of the impairment assessment of goodwill.

Other Matters

The financial statements of some of the subsidiaries included in the consolidated financial statements of Ennoconn Technology Co., Ltd. and Subsidiaries for the year ended December 31, 2021 were not audited by us but by other auditors. Therefore, our opinion on the parts in relation to the amounts specified for the three months ended December 31, 2021 consolidated financial statements of such company one based on the review reports of other auditors. As of December 31, 2021, the total assets of these subsidiaries amounted to NT\$42,046,974 thousand, accounting for 41.79% of the consolidated total assets. The net operating revenues from January 1, 2021 to December 31, 2021 amounted to NT\$43,810,897 thousand, accounting for 45.37% of the consolidated net operating revenues.

Ennoconn Technology Co., Ltd. and Subsidiaries has prepared the individual financial statements for the years of 2022 and 2021, and the audited reports issued by this accountant and other accountants with unqualified opinions and other items are on file for reference.

Responsibility of Management and Governing Bodies for the Consolidated Financial Statements

The responsibility of management is to prepare consolidated financial statements that are fairly stated in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, and Interpretations and Interpretations issued by the Financial Supervisory Commission, and to maintain such internal control relevant to the preparation of consolidated financial statements as is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing for the individual financial statements, it is also management's responsibility to assess Ennoconn Technology Co., Ltd. and Subsidiaries's ability to continue as a going concern, the disclosure of relevant matters, as well as the adoption of going concern accounting base. Unless the management intends to liquidate or cease operations of Ennoconn Technology Co., Ltd. and Subsidiaries, or there is no practicable measure other than liquidation or termination of the business.

The governing bodies of Ennoconn Technology Co., Ltd. and Subsidiaries (including audit committee) have the responsibility of overseeing financial reporting procedures.

CPA's Responsibility for Auditing Individual Financial Statements

The purpose of our audit of the consolidated financial statements is to attain reasonable assurance as to whether the consolidated financial statements as a whole contain any material misstatement that may be caused by fraud or error and to issue an audit report. Reasonable assurance is a high degree of certainty but not a guarantee that an audit conducted under Accepted Auditing Standards (GAAS) will always detect any material misstatement in the consolidated financial statement. Misstatements may be attributable to fraud or error. If it could be reasonably anticipated that the misstated individual amounts or aggregated sums could have influence on the economic decisions made by the users of the consolidated financial statements, they will be deemed as material.

We have exercised professional judgment and maintained professional skepticism for our audit using GAAS. We have also performed the following tasks:

1. Identify and assess the risks of material misrepresentation in the consolidated financial statements due to fraud or error, design and implement proper countermeasures for the assessed risks, and attain sufficient and appropriate audit evidence as to the basis of audit opinions. Fraud is likely to involve collusion, forgery, deliberate omission, false declarations, or violations of internal control. Therefore, the risks of failing to detect material misstatements caused by fraud are higher than the causes.
2. Acquire the essential understanding of internal control relevant to audit to design appropriate audit procedures under the circumstances, but not to express opinions on the effectiveness of internal control of Ennoconn Technology Co., Ltd. and Subsidiaries.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Based on the audit evidence obtained, conclude on the appropriateness of the going concern accounting base adopted by the management and whether there is any material uncertainty in the events or circumstances that may cause substantial doubts about the Ennoconn Technology Co., Ltd. And Subsidiaries's ability to Subsidiary continue as a going concern. If we believe that there is a material uncertainty in such events or circumstances, we shall remind the users of consolidated financial statements to pay attention to the relevant disclosure of the consolidated financial statements in the audit report. Or we shall amend the audit opinion when such disclosure is inadequate. Our conclusions are based on the audit evidence obtained as of the audit report date. However, future events or conditions may cause Ennoconn Technology Co., Ltd. and Subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statement, including the related notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statement. We are responsible for direction, supervision and implementation of the audit, as well as forming Group an audit opinion on the Group.

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 have also provided a declaration to the governing bodies stating that the personnel of our accounting firm has followed the item on independence in the CPA professional code of ethics. We have also communicated with the governing bodies on all matters that could affect CPA independence and other items (including relevant protective measures).

From our communication with the governing bodies, we have decided on the key audit matters in the 2022 individual financial statement for Ennoconn Technology Co., Ltd. and Subsidiaries. We have stated these matters in the audit report. Unless the law or regulation does not allow public disclosure of specific issues, or in rare circumstances, we determine not to communicate particular matters in the audit report due to the reasonable probability that the negative impact of such communication is higher than the public interest.

KPMG

CPA: KOU,HUI-ZHI

GUO,XIN-YI

Securities and Futures	Tai-Cai-Cheng (6)
Commission Approval No.	No.0930106739
	Jin-Guan-Zheng-Shen
	No.1040003949

March 30, 2023

Ennoconn Technology Co., Ltd. and Subsidiaries

Consolidated Balance Sheets

For the year ended December 31, 2022 and 2021

Unit: NT\$1,000

Assets	2022.12.31		2021.12.31			Liabilities and Equity	2022.12.31		2021.12.31	
	Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current Liabilities				
1100 Cash and cash equivalents (Note 6 (1) and (24))	\$ 25,963,256	22	17,522,321	17	2100	Short-term loans (Notes 6 (13) and (24))	\$ 15,115,437	13	9,476,954	9
1110 Financial assets measured at fair value through profit and loss - current (Note 6 (24))	103,087	-	189,816	-	2120	Financial liabilities measured at fair value through profit and loss - current (Note 6 (24))	215	-	713	-
1136 Financial assets measured at amortized cost - current (Note 6 (24))	23,655	-	864,112	1	2130	Contract liabilities - current (Notes 6 (21) and (24))	9,508,609	8	7,151,404	7
1140 Contract assets - current (Notes 6 (21) and (24))	10,834,081	9	9,538,944	10	2150	Notes payable (Note 6 (24))	2,159,990	2	1,721,962	2
1150 Notes receivable, net (Notes 6(2), (21), and (24))	42,133	-	60,171	-	2160	Notes payable - related parties (Notes 6 (24) and 7)	7,487	-	15,218	-
1170 Accounts receivable, net (Notes 6 (2), (21), and (24) and 7)	17,111,050	14	16,550,819	16	2170	Accounts payable (Note 6 (24))	19,229,648	16	18,718,569	19
1180 Accounts receivable - related parties, net (Notes 6(2), (21), (24), and 7)	279,448	-	769,363	1	2180	Accounts payable - related parties (Notes 6 (24) and 7)	151,330	-	709,342	1
130X Inventories (Note 6 (3))	21,987,870	19	15,971,415	16	2200	Other payables - related parties (Notes 6 (24) and 7)	5,210,456	4	5,181,431	5
1460 Other non-current assets (Notes 6 (4))	206,496	-	-	-	2230	Current income tax liabilities	963,755	-	454,685	-
1470 Other current assets (Note 6 (12))	9,540,219	8	4,917,814	5	2250	Provisions for liabilities - current	887,944	1	992,243	1
Total Current Assets	86,091,295	72	66,384,775	66	2260	Liabilities directly related to non-current assets held for sale (Notes 6 (4))	155,725	-	-	-
Non-Current Assets:					2280	Lease liabilities - current (Note 6 (24))	1,073,368	1	974,736	1
1510 Financial assets measured at fair value through profit and loss - Non current (Note 6 (24))	1,046,133	1	984,540	1	2321	Corporate bonds matured or exercised redemption rights within one year or one operating cycle (Notes 6 (15) and (24))	812,275	1	1,137,035	1
1517 Financial assets measured at fair value through other comprehensive income - non current (Note 6 (24))	1,031,281	1	926,755	1	2322	Long-term loans matured within one year or one operating cycle (Notes 6 (14) and (24))	1,369,006	1	11,926	-
1550 Investments accounted for using equity method (Note 6(5))	553,155	-	128,693	-	2399	Other current liabilities	954,521	1	768,632	1
1600 Property, plant, and equipment (Note 6 (10))	6,209,063	5	6,697,993	7		Total Current Liabilities	57,599,766	48	47,314,850	47
1760 Investment properties, net	51,099	-	51,656	-		Non-current Liabilities:				
1755 Right-of-use assets	3,263,759	3	2,977,436	3	2500	Financial liabilities measured at fair value through profit and loss - Non current (Note 6 (24))	1,423	-	-	-
1805 Goodwill (Note 6 (11))	13,300,272	11	13,285,999	13	2530	Corporate bonds payable (Notes 6 (15) and (24))	7,996,895	7	8,967,735	9
1821 Other intangible assets (Note 6 (11))	5,174,060	5	6,374,149	6	2540	Long-term borrowings (Notes 6 (14) and (24))	6,713,309	6	7,833,098	8
1840 Deferred tax assets (Note 6 (17))	1,406,488	1	1,564,709	2	2550	Provisions for liabilities - non-current	433,136	-	485,942	-
1960 Advance payment for investment (Note 6 (12))	22,944	-	27,680	-	2570	Deferred tax liabilities (Note 6 (17))	381,031	1	535,929	1
1990 Other Non current assets (Note 6 (12))	1,015,264	1	1,221,508	1	2580	Lease liabilities - Non current (Note 6 (24))	2,591,985	2	2,485,942	2
Total Non-current Assets	33,073,518	28	34,241,118	34	2640	Net defined benefit liabilities - non-current (Note 6(16))	373,121	-	475,690	1
					2670	Other non-current liabilities	362,757	-	1,156,520	1
						Total Non-current Liabilities	18,853,657	16	21,940,856	22
						Total Liabilities	76,453,423	64	69,255,706	69
						Equity attributable to owners of parent (Notes 6(18) and (19)):				
					3110	Share capital	1,060,370	1	1,018,120	1
					3200	Capital surplus	9,285,324	8	8,865,780	9
						Retained earnings:				
					3310	Legal reserve	812,521	1	754,561	1
					3320	Special reserve	1,768,490	1	1,010,924	1
					3350	Unappropriated earnings	3,513,463	3	1,157,171	1
						Total retained earnings	6,094,474	5	2,922,656	3
					3400	Other equity	(905,934)	(1)	(1,768,490)	(2)
					3500	Treasury stock	-	-	(233,608)	-
						Total equity attributable to owners of parent	15,534,234	13	10,804,458	11
					36XX	Non-controlling equity (Note 6(9))	27,177,156	23	20,565,729	20
						Total Equity	42,711,390	36	31,370,187	31
Total Assets	\$ 119,164,813	100	100,625,893	100		Total Liabilities and Equity	\$ 119,164,813	100	100,625,893	100

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

Ennoconn Technology Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the year ended December 31, 2022 and 2021

Unit: NT\$1,000

	2022		2021	
	Amount	%	Amount	%
4100 Sales revenue, net (Notes 6 (21) and 7)	\$ 108,228,533	100	85,367,035	100
5000 Operating costs (Notes 6(3), (10), (11), (16), (22) and 7)	<u>88,617,581</u>	<u>82</u>	<u>68,322,139</u>	<u>80</u>
5900 Gross profit	<u>19,610,952</u>	<u>18</u>	<u>17,044,896</u>	<u>20</u>
Operating expenses (Notes 6(2), (10), (11), (16) and (22)):				
6100 Selling Expenses	2,838,188	3	2,791,233	3
6200 General and administrative expenses	5,436,466	5	4,396,840	5
6300 Research and development expense	7,975,853	7	7,397,394	9
6450 Expected credit losses	<u>277,381</u>	<u>-</u>	<u>45,097</u>	<u>-</u>
Total operating expenses	<u>16,527,888</u>	<u>15</u>	<u>14,630,564</u>	<u>17</u>
6900 Net operating profit	<u>3,083,064</u>	<u>3</u>	<u>2,414,332</u>	<u>3</u>
Non-operating income and expenses (Note 6 (5), (8) and (23)):				
7100 Interest income	99,940	-	47,927	-
7190 Other income	48,866	-	28,928	-
7020 Other gains and losses	1,044,039	1	1,560,468	2
7050 Financial costs	(617,750)	(1)	(510,797)	(1)
7060 Share of profit or loss of associates accounted for using the equity method	<u>51,115</u>	<u>-</u>	<u>(6,529)</u>	<u>-</u>
Total non-operating income and expenses	<u>626,210</u>	<u>-</u>	<u>1,119,997</u>	<u>1</u>
Net profit before tax	3,709,274	3	3,534,329	4
7950 Less: Income tax expense (Note 6 (17))	<u>1,325,888</u>	<u>1</u>	<u>787,453</u>	<u>1</u>
8000 Net profit for continuing operations	<u>2,383,386</u>	<u>2</u>	<u>2,746,876</u>	<u>3</u>
8100 Gain or loss on discontinued operations (Note 12 (2))	<u>7,824,229</u>	<u>7</u>	<u>605,248</u>	<u>1</u>
8200 Net income for period	<u>10,207,615</u>	<u>9</u>	<u>3,352,124</u>	<u>4</u>
Other comprehensive income:				
8310 Items that will not be reclassified to profit or loss				
8311 Remeasurement of defined benefit plans	134,396	-	15,552	-
8316 Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	9,741	-	(21,044)	-
8320 Share of other comprehensive income of associates accounted for using the equity method	790	-	-	-
8349 Less: Income tax relating to items that will not be reclassified to profit or loss	<u>11,668</u>	<u>-</u>	<u>3,894</u>	<u>-</u>
Total of components of other comprehensive income that will not be reclassified to profit or loss	<u>133,259</u>	<u>-</u>	<u>(9,386)</u>	<u>-</u>
8360 Components of other comprehensive income that will be reclassified subsequently to profit or loss				
8361 Exchange differences on translation of foreign financial statements	1,639,822	2	(2,274,474)	(3)
8370 Share of other comprehensive income of associates accounted for using the equity method	1,322	-	(9,751)	-
8399 Less: Income tax relating to items that will be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total of components of other comprehensive income that will be reclassified subsequently to profit or loss	<u>1,641,144</u>	<u>2</u>	<u>(2,284,225)</u>	<u>(3)</u>
8300 Other comprehensive income for period	<u>1,774,403</u>	<u>2</u>	<u>(2,293,611)</u>	<u>(3)</u>
Total comprehensive income for period	<u>\$ 11,982,018</u>	<u>11</u>	<u>1,058,513</u>	<u>1</u>
Net income attributable to:				
Owners of parent	\$ 3,452,916	3	1,334,944	2
Non-controlling interests	<u>6,754,699</u>	<u>6</u>	<u>2,017,180</u>	<u>2</u>
	<u>\$ 10,207,615</u>	<u>9</u>	<u>3,352,124</u>	<u>4</u>
Total comprehensive income attributable to:				
Owners of parent	\$ 4,352,485	4	582,025	1
Non-controlling interests	<u>7,629,533</u>	<u>7</u>	<u>476,488</u>	<u>-</u>
	<u>\$ 11,982,018</u>	<u>11</u>	<u>1,058,513</u>	<u>1</u>
9750 Basic earnings per share (Unit: NT\$) (Note 6 (20))	<u>\$ 32.60</u>		<u>13.91</u>	
9850 Diluted earnings per share (Unit: NT\$) (Note 6 (20))	<u>\$ 24.32</u>		<u>11.05</u>	

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

Ennoconn Technology Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
For the year ended December 31, 2022 and 2021

Unit: NT\$1,000

	Equity attributable to owners of parent						Other equity interest							
	Retained earnings					Total	Exchange differences on translation of foreign financial statements		Unrealized gain (loss) on financial assets at FVTOCI		Treasury stock	Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings		Total	Total	Total					
Balance as of January 1, 2021	\$ 932,720	6,738,090	643,854	850,114	1,268,438	2,762,406	(934,258)	(76,666)	(1,010,924)	(233,608)	9,188,684	21,251,225	30,439,909	
Net income for period	-	-	-	-	1,334,944	1,334,944	-	-	-	-	1,334,944	2,017,180	3,352,124	
Other comprehensive income for period	-	-	-	-	4,647	4,647	(739,065)	(18,501)	(757,566)	-	(752,919)	(1,540,692)	(2,293,611)	
Total comprehensive income for period	-	-	-	-	1,339,591	1,339,591	(739,065)	(18,501)	(757,566)	-	582,025	476,488	1,058,513	
Surplus allocation and distribution:														
Provision for Legal reserve	-	-	110,707	-	(110,707)	-	-	-	-	-	-	-	-	
Provision for Special reserve	-	-	-	160,810	(160,810)	-	-	-	-	-	-	-	-	
Cash dividend on common shares	-	-	-	-	(480,785)	(480,785)	-	-	-	-	(480,785)	-	(480,785)	
Convertible corporate bonds converted to ordinary shares	-	84,825	-	-	-	-	-	-	-	-	84,825	-	84,825	
Employee stock option costs	-	15,345	-	-	-	-	-	-	-	-	15,345	-	15,345	
Capital increase by cash	50,000	925,000	-	-	-	-	-	-	-	-	975,000	-	975,000	
Changes in ownership interests in subsidiaries	-	215,750	-	-	-	-	-	-	-	-	215,750	(215,750)	-	
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(1,064,739)	(1,064,739)	
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	342,119	342,119	
Issuance of new shares for other company's shares	35,400	886,770	-	-	(698,556)	(698,556)	-	-	-	-	223,614	(223,614)	-	
Balance as of December 31, 2021	1,018,120	8,865,780	754,561	1,010,924	1,157,171	2,922,656	(1,673,323)	(95,167)	(1,768,490)	(233,608)	10,804,458	20,565,729	31,370,187	
Net income for period	-	-	-	-	3,452,916	3,452,916	-	-	-	-	3,452,916	6,754,699	10,207,615	
Other comprehensive income for period	-	-	-	-	37,013	37,013	843,056	19,500	862,556	-	899,569	874,834	1,774,403	
Total comprehensive income for period	-	-	-	-	3,489,929	3,489,929	843,056	19,500	862,556	-	4,352,485	7,629,533	11,982,018	
Surplus allocation and distribution:														
Provision for Legal reserve	-	-	57,960	-	(57,960)	-	-	-	-	-	-	-	-	
Provision for Special reserve	-	-	-	757,566	(757,566)	-	-	-	-	-	-	-	-	
Cash dividend on common shares	-	(424,148)	-	-	(318,111)	(318,111)	-	-	-	-	(742,259)	-	(742,259)	
Capital increase by cash	48,800	1,056,570	-	-	-	-	-	-	-	-	1,105,370	-	1,105,370	
Cancellation of treasury stock	(6,550)	(227,058)	-	-	-	-	-	-	-	233,608	-	-	-	
Change in associates accounted for using the equity method	-	472	-	-	-	-	-	-	-	-	472	-	472	
Changes in ownership interests in subsidiaries	-	13,708	-	-	-	-	-	-	-	-	13,708	(13,708)	-	
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(1,179,005)	(1,179,005)	
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	174,607	174,607	
Balance as of December 31, 2022	\$ 1,060,370	9,285,324	812,521	1,768,490	3,513,463	6,094,474	(830,267)	(75,667)	(905,934)	-	15,534,234	27,177,156	42,711,390	

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

Ennoconn Technology Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the year ended December 31, 2022 and 2021

Unit: NT\$1,000

	2022	2021
Cash flows of operating activities:		
Cash flows of continuing operations	\$ 3,709,274	3,534,329
Unit Net income before tax of discontinued operations	8,173,256	714,924
Net profit before income tax for the period	11,882,530	4,249,253
Adjustments:		
Adjustments for:		
Depreciation expenses	1,740,192	1,774,142
Amortization expenses	2,173,947	1,402,723
Expected credit losses	277,381	81,984
Net losses (gains) from financial assets and liabilities at fair value through profit or loss	135,296	(446,577)
Interest expenses	662,604	546,034
Interest income	(104,472)	(54,176)
Dividend income	(16,437)	(10,038)
Share-based payment compensation	133	23,813
Share of (profits) losses of associates accounted for using the equity method	(51,115)	6,529
Loss (Gains) on disposal of property, plant, and equipment	19,734	(77,323)
Loss (Gains) on disposal of investments	27,196	(104,364)
Gains on lease modification	(1,950)	(1,680)
Inventory losses from market declines	328,975	6,341
Impairments of non-financial assets	12,509	47,309
Bond recovery loss	-	2,189
Losses on inventory scrap	206,064	51,150
Disposal of discontinued units interests	(7,504,112)	-
Total adjustments to reconcile profit (loss)	(2,094,055)	3,248,056
Changes in operating assets and liabilities:		
Financial assets mandatorily classified as at fair value through profit or loss	-	(934,076)
Contract assets	(1,264,546)	(3,407,483)
Notes and accounts receivable	837,828	(2,424,943)
Inventories	(6,740,764)	(3,192,577)
Other current assets	(4,753,079)	(531,925)
Contract liabilities	2,338,691	1,200,471
Notes payable (including related parties)	430,297	578,930
Accounts payable (including related parties)	664,271	4,227,903
Other payables	307,483	(77,962)
Provisions for liabilities	(173,896)	(540,157)
Other current liabilities	233,104	415,399
Other liabilities	(773,392)	304,195
Total adjustments	(10,988,058)	(1,134,169)
Cash inflow generated from operations	894,472	3,115,084
Interest received	104,472	54,176
Dividends received	16,437	10,038
Interest paid	(573,993)	(517,065)
Income taxes paid	(1,180,866)	(1,017,191)
Net cash (outflow) inflow from operating activities	(739,478)	1,645,042

Cash flows of investing activities:

Acquisition of financial assets measured at fair value through other comprehensive income	\$	(77,327)	(313,467)
Financial assets measured at amortized cost decrease (increase)		840,457	1,438,255
Acquisition of financial assets at fair value through profit or loss designated on initial recognition		(130,302)	-
Return of capital from financial assets at FVTPL		19,699	-
Acquisition of investments accounted for using the equity method		(319,463)	-
Disposal of investments accounted for using the equity method		30,877	362,898
Acquisition of subsidiaries (after deduction of cash obtained)		(358,998)	(128,032)
Disposal of subsidiaries		23,985	(65,402)
Acquisition of property, plant, and equipment		(1,022,623)	(1,785,970)
Proceeds from disposal of property, plant, and equipment		165,176	216,898
Decrease (Increase) in refundable deposits		-	52,628
Acquisition of intangible assets		(986,061)	(977,634)
Proceeds from disposal of intangible assets		-	17,204
Decrease in other financial assets		204,775	68,661
Cash and cash equivalents of non-current assets classified as held for sale		45,603	-
Disposal of discontinued units		6,143,064	-
Net cash inflow (outflow) from investment activities		4,578,862	(1,113,961)

Cash flows of financing activities:

Increase in short-term loans		5,729,937	631,150
Proceeds from issuance of convertible corporate bonds		-	2,501,356
Repayments of corporate bonds payable		(1,139,508)	(205,283)
Proceeds from long-term loans		41,584	-
Repayments of long-term loans		(18,803)	(241,979)
Repayments of lease principal		(771,460)	(657,387)
Distribution of cash dividends		(742,259)	(480,785)
Capital increase by cash		1,105,370	975,000
Cash dividends paid to non-controlling interests		(1,179,005)	(1,064,739)
Change in non-controlling interests		10,754	566,383
Net cash flows generated from financing activities		3,036,610	2,023,716
Effect of exchange rate changes on cash and cash equivalents		1,564,941	(988,828)
Increase in cash and cash equivalents of the period		8,440,935	1,565,969
Cash and cash equivalents at the beginning of the period		17,522,321	15,956,352
Cash and cash equivalents at the end of the period	\$	25,963,256	17,522,321

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

CPA Report

To the Board of Directors of Ennoconn Corporation:

Auditor's Opinion

We have reviewed the accompanying sheets of Ennoconn Corporation as of December 31, 2022 and 2021, and the related statements of comprehensive income, changes in equity and cash flows for the year ended December 31, 2022 and 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies.

Based on our opinions, audit results, and other CPA reports (see Others), all material aspects of the individual financial report prepared in accordance with the Regulations Governing Preparation of Financial Reports by Security Issuers. They reflect the financial position of Ennoconn Technology Co., Ltd. as of December 31, 2022 and 2021 as well as financial performance and cash flows in the same period.

Basis of Audit Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by CPAs and Auditing Standards (GAAS). Our responsibilities under these standards are further explained in Responsibilities of CPA Audit on Individual Financial Statements. The independently regulated personnel of our firm has also maintained its independence with Ennoconn Corporation in accordance with CPA's professional code ethics and fulfilled other responsibilities under the code. Based on our audit results and the audit reports of other CPAs, we believe in having acquired sufficient and appropriate audit evidence to serve as the basis of our audit opinion.

Key Audit Matters

Key audit matters refer to the most significant matters in the audit of individual financial statements from Ennoconn Technology Co., Ltd. in 2022 based on our professional judgment. These matters have already been covered in the audit of individual financial statement and formulation of audit opinion. Therefore, we will not give a separate opinion on them. The key audit items that, in our judgment, should be communicated on the audit report are as follows:

Impairment from capital reduction of investments accounted for using equity method

Please refer to Note 4(12) to the financial statements for the accounting policy on impairment from capital reduction of investments accounted for using equity method. Please refer to Note 5(3) for impairment assessment of investments accounted for using the equity method on accounting estimates and assumption uncertainties for investments accounted for using the equity method. Please refer to Note 6(6) for For information on investments accounted for using the equity method.

Key Audit Matters Explanation:

The Ennoconn Technology Co., Ltd. invests in a related equity-method company to expand its marketing presence and increase its product lines. The management performs an impairment test in accordance with IAS 36, "Impairment of Assets," and uses fair value less costs to sell as the recoverable amount. Due to the significant effect of the impairment assessment on the financial statements and the high degree of uncertainty involved in management's measurement calculations, the impairment assessment of investments accounted for using the equity method is a matter of great concern to us in performing our audits of the financial statements.

In response to the verification process:

Our Major audit procedures for this critical matter consist of understanding the design and performance of the related internal control of the management, reviewing and re-calculating the accuracy of the calculation on recoverable Book value carrying amounts, performing sensitivity analysis, and comprehensively evaluating the rationality of the impairment assessment of the investment using the equity method.

Other Matters

We have not audited the financial statements of certain equity-method investees included in the accompanying consolidated financial statements as of and for the year ended December 31, 2021, which were reviewed by other auditors. es were reviewed by other certified accountants. Therefore, our opinion on the parts in relation to the amounts specified for the three months ended December 31, 2021 individual financial statements of such company one based on the review reports of other auditors. As of December 31, 2021, the amount of investments accounted for by the equity method was NT\$7,505,534 thousand, representing 32.33% of total assets. The share of income or loss of affiliates accounted for by the equity method from January 1, 2021 to December 31, 2021 was NT\$366,507 thousand, representing 26.47% of net income before income tax.

Responsibility of Management and Governing Bodies for Individual Financial Statement

The responsibility of the management is to present individual financial statements in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and to maintain essential internal control to ensure it contains no material misstatement that may be caused by fraud or error.

In preparing for the individual financial statement, it is also management's responsibility to assess Ennoconn Corporation's ability to continue as a going concern, the disclosure of relevant matters, as well as the adoption of going concern accounting base. Unless the management intends to liquidate or cease operations of Ennoconn Corporation, or there is no practicable measure other than liquidation or termination of the business.

The governing bodies of Ennoconn Corporation (including audit committee) have the responsibility of overseeing financial reporting procedures.

CPA's Responsibility for Auditing Individual Financial Statement

The purpose of our audit of the individual financial statements is to attain reasonable assurance as to whether the individual financial statements as a whole contain any material misstatement that may be caused by fraud or error and to issue an audit report. Reasonable assurance is a high degree of certainty but not a guarantee that an audit conducted under Accepted Auditing Standards (GAAS) will always detect any material misstatement in the individual financial statement. Misstatements may be attributable to fraud or error. If misstated individual amounts or aggregated sums can reasonably be expected to have an influence on economic decisions from the users of individual financial statements, they will be deemed as material.

We have exercised professional judgment and maintained professional skepticism for our audit using GAAS. We have also performed the following tasks:

1. Identified and assessed the risks of material misstatements from fraud or errors in individual financial statements; design and implement appropriate countermeasures for the risks; and obtain sufficient and appropriate audit evidence to serve as audit opinion basis. Fraud is likely to involve collusion, forgery, deliberate omission, false declarations, or violations of internal control. Therefore, the risks of failing to detect material misstatements caused by fraud are higher than the causes.
2. Acquire the essential understanding of internal control relevant to audit to design appropriate audit procedures under the circumstances, but not to express opinions on the effectiveness of internal control of Ennoconn Corporation.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Based on the audit evidence obtained, conclude on the appropriateness of the going concern accounting base adopted by the management and whether there is any material uncertainty in the events or circumstances that may cause substantial doubts about the Ennoconn Corporation's ability to continue as a going concern. If we believe material uncertainty to exist in such events or conditions, users of individual financial statements will be reminded in the audit report about related disclosures, or audit opinion will be modified if such disclosures are no longer appropriate. Our conclusions are based on the audit evidence obtained as of the audit report date. However, future events or conditions may cause Ennoconn Technology Co., Ltd. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of individual financial statements (including relevant notes), and whether the individual financial statements fairly represent the related transactions and events.
6. Attain sufficient and appropriate audit evidence on the financial information of the investees using the equity method to express an opinion on the individual financial statements. We are responsible for direction, supervision and implementation of the audit, as well as forming an audit opinion on Ennoconn Corporation.

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 have also provided a declaration to the governing bodies stating that the personnel of our accounting firm has followed the item on independence in the CPA professional code of ethics. We have also communicated with the governing bodies on all matters that could affect CPA independence and other items (including relevant protective measures).

From our communication with the governing bodies, we have decided on the key audit matters in the 2022 individual financial statement for Ennoconn Technology Co., Ltd. We have stated these matters in the audit report. Unless the law or regulation does not allow public disclosure of specific issues, or in rare circumstances, we determine not to communicate particular matters in the audit report due to the reasonable probability that the negative impact of such communication is higher than the public interest.

KPMG

CPA: KOU,HUI-ZHI

GUO,XIN-YI

Securities and Futures
Commission Approval No.

Tai-Cai-Cheng (6) No.0930106739
: Jin-Guan-Zheng-Shen
No.1040003949

March 30, 2023

Ennoconn Technology Co., Ltd.

Balance Sheet

For the year ended December 31, 2022 and 2021

Unit: NT\$1,000

		2022.12.31		2021.12.31				2022.12.31		2021.12.31	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
Current assets:						Current Liabilities					
1100	Cash and cash equivalents (Note 6 (1) and (21))	\$ 623,358	2	1,355,059	6	2100	Short-term loans (Notes 6 (11))	\$ 5,195,000	17	2,300,000	10
1110	Financial assets measured at fair value through profit and loss - current (Note 6 (2) and (21))	-	-	4,343	-	2120	Financial Liability measured at fair value through profit and loss - current (Note 6 (2), (12) and (21))	-	-	598	-
1136	Financial assets measured at amortized cost - current (Note 6 (3) and (21))	4,255	-	4,225	-	2170	Accounts payable (Note 6 (21))	515,876	2	246,510	1
1170	Accounts receivable - net (Note 6 (4), (18) and (21))	855,432	3	540,586	2	2180	Accounts payable - related parties (Notes 6 (21) and 7)	165,939	-	161,688	1
1180	Accounts receivable - related parties, net (Notes 6 (4), (18), (21) and 7)	396,692	1	246,805	1	2200	Other payables - related parties (Notes 6 (21) and 7)	462,744	2	403,871	1
130X	Inventories (Note 6 (5))	784,767	3	457,845	2	2230	Current tax liabilities (Note 6 (15))	41,644	-	32,920	-
1470	Other current assets (Note 6 (10) and 7)	1,044,960	3	451,520	2	2280	Lease liabilities - current (Note 6 (13) and (21))	6,824	-	-	-
	Total Current Assets	<u>3,709,464</u>	<u>12</u>	<u>3,060,383</u>	<u>13</u>	2321	Corporate bonds matured or exercised redemption rights within one year or one operating cycle (Notes 6 (12) and (21))	-	-	1,137,035	5
Non-Current Assets:						2399	Other current liabilities (Note 6 (18))	426,306	1	162,390	1
1510	Financial assets measured at fair value through profit and loss Non-current (Note 6 (2) and (21))	-	-	300	-		Total Current Liabilities	<u>6,814,333</u>	<u>22</u>	<u>4,445,012</u>	<u>19</u>
1550	Investments accounted for using equity method (Note 6(6))	26,055,065	85	19,552,849	85		Non-current Liabilities:				
1600	Property, plant, and equipment (Note 6 (7))	497,107	2	504,566	2	2500	Financial Liability measured at fair value through profit and loss Non-current (Note 6 (2), (12) and (21))	1,423	-	-	-
1755	Right-of-use assets (Note 6 (8))	16,915	-	-	-	2530	Corporate bonds payable (Notes 6 (12) and (21))	7,996,895	26	7,916,900	34
1821	Intangible assets (Note 6 (9))	40,646	-	44,485	-	2570	Deferred tax liabilities (Note 6 (15))	653	-	616	-
1840	Deferred tax assets (Note 6 (15))	36,802	-	52,222	-	2580	Lease liabilities Non-current (Note 6 (13) and (21))	9,211	-	-	-
1990	Other non-current assets (Notes 6 (10) and (14))	306,408	1	1,042	-	2670	Other non-current liabilities	305,658	1	48,861	-
	Total Non-current Assets	<u>26,952,943</u>	<u>88</u>	<u>20,155,464</u>	<u>87</u>		Total Non-current Liabilities	<u>8,313,840</u>	<u>27</u>	<u>7,966,377</u>	<u>34</u>
							Total Liabilities	<u>15,128,173</u>	<u>49</u>	<u>12,411,389</u>	<u>53</u>
							Long-term loans (Notes 6 (16) and (23)) :				
						3110	Share capital	1,060,370	4	1,018,120	5
						3200	Capital surplus	9,285,324	30	8,865,780	38
							Retained earnings:				
						3310	Legal reserve	812,521	3	754,561	3
						3320	Special reserve	1,768,490	6	1,010,924	4
						3350	Unappropriated earnings	3,513,463	11	1,157,171	6
							Total retained earnings	6,094,474	20	2,922,656	13
						3400	Other equity	(905,934)	(3)	(1,768,490)	(8)
						3500	Treasury stock	-	-	(233,608)	(1)
							Total Equity	<u>15,534,234</u>	<u>51</u>	<u>10,804,458</u>	<u>47</u>
							Total Liabilities and Equity	<u>\$ 30,662,407</u>	<u>100</u>	<u>23,215,847</u>	<u>100</u>
	Total Assets	<u>\$ 30,662,407</u>	<u>100</u>	<u>23,215,847</u>	<u>100</u>						

(Please refer to Notes to the Individual Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

Ennoconn Technology Co., Ltd.
Comprehensive Income Statement
For the year ended December 31, 2022 and 2021

Unit: NT\$1,000

	2022		2021	
	Amount	%	Amount	%
4100 Sales revenue, net (Notes 6 (18) and 7))	\$ 5,304,930	100	3,343,018	100
5110 Cost of sales (Notes 6 (5), (7), (8), (9), (14) and 7)	<u>4,518,548</u>	85	<u>2,970,816</u>	89
5900 Gross profit	786,382	15	372,202	11
5910 Less : Unrealized Profit or loss from sales	45,975	1	5,842	-
5920 With : Realized Profit or loss from sales	<u>5,842</u>	-	<u>10,890</u>	-
Gross profit, net	<u>746,249</u>	14	<u>377,250</u>	11
Operating expenses (Notes 6 (5), (7), (8), (9), (14) and 7) :				
6100 Selling expenses	110,029	2	81,302	2
6200 General and administrative expenses	254,480	5	138,273	4
6300 Research and development expense	191,340	3	88,537	3
6450 Expected credit losses	<u>1,034</u>	-	<u>11</u>	-
Total operating expenses	<u>556,883</u>	10	<u>308,123</u>	9
6900 Net operating profit	<u>189,366</u>	4	<u>69,127</u>	2
Non-operating income and expenses (Note 6 (6) and (21)):				
7100 Interest income	11,433	-	577	-
7010 Other income	3,144	-	3,755	-
7020 Other gains and losses	90,821	2	(28,355)	(1)
7050 Financial costs	(135,051)	(3)	(125,599)	(4)
7070 Share of profit or loss of subsidiaries recognized under the equity method	<u>3,335,913</u>	63	<u>1,465,081</u>	44
Total non-operating income and expenses	<u>3,306,260</u>	62	<u>1,315,459</u>	39
7900 Net profit before tax	3,495,626	66	1,384,586	41
7950 Less: Income tax expense (Note 6 (15))	<u>42,710</u>	1	<u>49,642</u>	1
8200 Net income for period	<u>3,452,916</u>	65	<u>1,334,944</u>	40
8300 Other comprehensive income:				
8310 Items that will not be reclassified to profit or loss				
8311 Remeasurement of defined benefit plans	184	-	27	-
8330 Share of other comprehensive income from subsidiaries accounted for using equity method	56,366	1	(13,876)	-
8349 Less: Income tax relating to items that will not be reclassified to profit or loss	<u>37</u>	-	<u>5</u>	-
Total of components of other comprehensive income that will not be reclassified to profit or loss	<u>56,513</u>	1	<u>(13,854)</u>	-
8360 Components of other comprehensive income that will be reclassified subsequently to profit or loss				
8361 Exchange differences on translation of foreign financial statements	842,050	16	(738,853)	(22)
8380 Share of other comprehensive income from subsidiaries accounted for using equity method	1,006	-	(212)	-
8399 Less: Income tax relating to items that will be reclassified to profit or loss	<u>-</u>	-	<u>-</u>	-
Total of components of other comprehensive income that will be reclassified subsequently to profit or loss	<u>843,056</u>	16	<u>(739,065)</u>	(22)
8300 Other comprehensive income for period	<u>899,569</u>	17	<u>(752,919)</u>	(22)
Total comprehensive income for period	<u>\$ 4,352,485</u>	<u>82</u>	<u>\$ 582,025</u>	<u>18</u>
9750 Basic earnings per share (Unit: NT\$) (Note 6(17))	<u>\$ 32.60</u>		<u>13.91</u>	
9850 Diluted earnings per share (Unit: NT\$) (Note 6(17))	<u>\$ 24.32</u>		<u>11.05</u>	

(Please refer to Notes to the Individual Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

Ennoconn Technology Co., Ltd.
Statements of Changes in Equity
For the year ended December 31, 2022 and 2021

Unit: NT\$1,000

	Retained earnings					Other equity interest					
	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) on financial assets at FVTOCI	Total	Treasury stock	Total equity
Balance as of January 1, 2021	\$ 932,720	6,738,090	643,854	850,114	1,268,438	2,762,406	(934,258)	(76,666)	(1,010,924)	(233,608)	9,188,684
Net income for period	-	-	-	-	1,334,944	1,334,944	-	-	-	-	1,334,944
Other comprehensive income for period	-	-	-	-	4,647	4,647	(739,065)	(18,501)	(757,566)	-	(752,919)
Total comprehensive income for period	-	-	-	-	1,339,591	1,339,591	(739,065)	(18,501)	(757,566)	-	582,025
Surplus allocation and distribution:											
Provision for Legal reserve	-	-	110,707	-	(110,707)	-	-	-	-	-	-
Provision for Special reserve	-	-	-	160,810	(160,810)	-	-	-	-	-	-
Cash dividend on common shares	-	-	-	-	(480,785)	(480,785)	-	-	-	-	(480,785)
Convertible corporate bonds converted to ordinary shares	-	84,825	-	-	-	-	-	-	-	-	84,825
Employee stock option costs	-	15,345	-	-	-	-	-	-	-	-	15,345
Capital increase by cash	50,000	925,000	-	-	-	-	-	-	-	-	975,000
Changes in ownership interests in subsidiaries	-	215,750	-	-	-	-	-	-	-	-	215,750
New shares issued by other companies	35,400	886,770	-	-	(698,556)	(698,556)	-	-	-	-	223,614
Balance as of December 31, 2021	1,018,120	8,865,780	754,561	1,010,924	1,157,171	2,922,656	(1,673,323)	(95,167)	(1,768,490)	(233,608)	10,804,458
Net income for period	-	-	-	-	3,452,916	3,452,916	-	-	-	-	3,452,916
Other comprehensive income for period	-	-	-	-	37,013	37,013	843,056	19,500	862,556	-	899,569
Total comprehensive income for period	-	-	-	-	3,489,929	3,489,929	843,056	19,500	862,556	-	4,352,485
Surplus allocation and distribution:											
Provision for Legal reserve	-	-	57,960	-	(57,960)	-	-	-	-	-	-
Provision for Special reserve	-	-	-	757,566	(757,566)	-	-	-	-	-	-
Cash dividend on common shares	-	(424,148)	-	-	(318,111)	(318,111)	-	-	-	-	(742,259)
Surplus allocation and distribution:											
Capital increase by cash	48,800	1,056,570	-	-	-	-	-	-	-	-	1,105,370
Cancellation of treasury stock	(6,550)	(227,058)	-	-	-	-	-	-	-	233,608	-
Change in associates accounted for using the equity method	-	472	-	-	-	-	-	-	-	-	472
Changes in ownership interests in subsidiaries	-	13,708	-	-	-	-	-	-	-	-	13,708
Balance as of December 31, 2022	\$ 1,060,370	9,285,324	812,521	1,768,490	3,513,463	6,094,474	(830,267)	(75,667)	(905,934)	-	15,534,234

(Please refer to Notes to the Individual Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

Ennoconn Technology Co., Ltd.
Statement of Cash Flows
For the year ended December 31, 2022 and 2021

Unit: NT\$1,000

	2022	2021
Cash flows of operating activities:		
Net profit before income tax for the period	\$ 3,495,626	1,384,586
Adjustments:		
Adjustments for:		
Depreciation expenses	11,156	13,870
Amortization expenses	4,035	3,400
Expected credit losses	1,034	11
Net losses from financial assets and liabilities at fair value through profit or loss	5,467	4,405
Interest expenses	135,051	125,599
Interest income	(11,433)	(577)
Share-based payment compensation	-	15,345
Share of profits of associates and subsidiaries accounted for using the equity method	(3,335,913)	(1,465,081)
Inventory (recovery gains) losses from market declines	(56,647)	39,436
Losses on inventory scrap	17,377	-
Unrealized gain from sales	45,975	5,842
Realized gain from sales	(5,842)	(10,890)
Loss on buyback of corporate bonds payable	-	2,189
Gains on lease modification	-	(28)
Total adjustments to reconcile profit (loss)	(3,189,740)	(1,266,479)
Changes in operating assets and liabilities:		
Accounts receivable	(491,132)	(120,414)
Inventories	(287,653)	(275,176)
Other current assets	(587,348)	(245,820)
Accounts payable	282,212	(102,954)
Other payables	127,720	197,104
Other current liabilities	263,915	112,559
Total adjustments	(3,882,026)	(1,701,180)
Cash used in operations	(386,400)	(316,594)
Interest received	11,433	577
Interest paid	(118,664)	(105,931)
Income taxes paid	(18,269)	(8,930)
Net cash used in operating activities	(511,900)	(430,878)

Cash flows of investing activities:

Proceeds from disposal of financial assets at amortized cost	\$	-	285,648
Acquisition of financial assets measured at amortized cost		(30)	-
Acquisition of investments accounted for using the equity method		(3,102,589)	-
Acquisition of property, plant, and equipment		(1,805)	(1,835)
Proceeds from disposal of property, plant, and equipment		-	3,593
Increase (decrease) in refundable deposits		(305,177)	1,173
Acquisition of intangible assets		(196)	(46,833)
Acquired Right-of-use assets		(1,077)	-
Increase in prepayments of equipment		-	(2)
Dividends received		809,755	607,373
Net cash (outflow) inflow from financing activities		<u>(2,601,119)</u>	<u>849,117</u>

Cash flows of financing activities:

Increase (decrease) in short-term loans		2,895,000	(2,366,000)
Proceeds from issuance of convertible corporate bonds		-	2,501,355
Repayments of corporate bonds payable		(1,139,508)	(205,283)
Increase in deposit margin		256,797	48,647
Repayments of lease principal		(2,900)	(3,419)
Distribution of cash dividends		(742,259)	(480,785)
Capital increase by cash		<u>1,105,370</u>	<u>975,000</u>
Net cash flows generated from financing activities		<u>2,372,500</u>	<u>469,515</u>
Effect of exchange rate changes on cash and cash equivalents		8,818	460
Net increase (decrease) in cash and cash equivalents		(731,701)	888,214
Cash and cash equivalents at the beginning of the period		<u>1,355,059</u>	<u>466,845</u>
Cash and cash equivalents at the end of the period	\$	<u><u>623,358</u></u>	<u><u>1,355,059</u></u>

(Please refer to Notes to the Individual Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

Ennoconn Corporation

Comparison Table of Amended Articles of Incorporation

Amended Provisions	Current Provisions	Explanation
<p>Article 20-1</p> <p>If there are “current net profits after tax” specified in the Company’s annual final accounts, they shall be distributed in the following order:</p> <p>(I) Recovery of losses.</p> <p>(II) 10% of such profits shall be withdrawn as statutory surplus reserve in accordance with laws, but if accumulated statutory surplus reserve reaches the Company’s total capital, this provision shall not apply.</p> <p>(III) Others profits shall be withdrawn or reversed as special surplus reserve in accordance with laws and regulations.</p> <p>(IV) After the amounts specified in the above-mentioned (I) to (III) are deducted from the “current net profits” set forth in the final accounts, the Board of Directors shall make a specific distribution plan for distributable earnings regarding the accumulated opening undistributed earnings and adjustment to current undistributed earnings, and submit it to the Shareholders’ Meeting for resolution and distribution.</p> <p>The Company shall distribute dividends and remunerations in accordance with Article 240-5 of the Company Act, or all or part of the legal reserve and capital reserve</p>	<p>Article 20-1</p> <p>If there are “current net profits after tax” specified in the Company’s annual final accounts, they shall be distributed in the following order:</p> <p>(I) Recovery of losses.</p> <p>(II) 10% of such profits shall be withdrawn as statutory surplus reserve in accordance with laws, but if accumulated statutory surplus reserve reaches the Company’s total capital, this provision shall not apply.</p> <p>(III) Others profits shall be withdrawn or reversed as special surplus reserve in accordance with laws and regulations.</p> <p>(IV) After the amounts specified in the above-mentioned (I) to (III) are deducted from the “current net profits” set forth in the final accounts, the Board of Directors shall make a specific distribution plan for distributable earnings regarding the accumulated opening undistributed earnings and adjustment to current undistributed earnings, and submit it to the Shareholders’ Meeting for resolution and distribution.</p> <p>If the Company distributes, in cash, dividends and bonuses or part or all of the statutory surplus reserve and capital reserve specified in paragraph 1, Article</p>	<p>According to Article 240 of the Company Act, cash dividends issued by a public company may be distributed by an extraordinary resolution of the board of directors. The Company may amend or delete some of texts in this clause in compliance with regulations.</p>

Amended Provisions	Current Provisions	Explanation
<p>stipulated in Article 241-1 of the Company Act; when distributing in forms of cash, the board of directors shall distribute the distribution after the attendance of more than two-thirds of the directors and the acceptance of more than half of the directors presented, and report to the shareholders' meeting. <u>It is not subject to the adoption of Shareholders' Meeting mentioned in preceding paragraph.</u></p> <p>The Company lies in a growth stage. In line with the business development and expansion in the future, the Company's policy for dividend distribution takes into considerations such as the Company's future capital expenditure budget and demand for fund. However, in terms of distribution of dividends, no less than 10% of the dividends to be distributed in the then current year shall be distributed in cash.</p>	<p>241 of the Company Act, the Board of Directors shall be authorized to hold a meeting to be attended by over two-thirds of its members in accordance with paragraph 5, Article 240 of the Company Act, and such distribution may be conducted after it is approved by over half of the directors present and shall be reported to Shareholders' Meeting.</p> <p>The Company lies in a growth stage. In line with business development and expansion in the future, the Company's policy for dividend distribution takes into considerations such as the Company's future capital expenditure budget and demand for fund. <u>The earnings will be distributed with the distribution plan issued by the Board of Directors and the adoption of Shareholders' Meeting.</u> However, in terms of distribution of dividends, no less than 10% of the dividends to be distributed in the then current year shall be distributed in cash.</p>	
<p>Article 22 These Articles of Incorporation were formulated on June 30, 1999. The 1st amendment was made on December 1, 2000.</p> <p>.</p> <p>.</p> <p>.</p> <p>The 20th amendment was made on June 23, 2022. <u>The 21st amendment was made on May 30, 2023.</u></p>	<p>Article 22 These Articles of Incorporation were formulated on June 30, 1999. The 1st amendment was made on December 1, 2000.</p> <p>.</p> <p>.</p> <p>.</p> <p>The 20th amendment was made on June 23, 2022.</p>	<p>The amendment date is added.</p>

Ennoconn Corporation

Comparison Table of Amended Rules of Procedure for Shareholders'

Meeting

Amended Provisions	Current Provisions	Explanation
<p>Article 3</p> <p>The Company's Shareholders' Meeting shall be convened by its Board of Directors, unless otherwise stipulated by laws and regulations.</p> <p><u>When the Company convenes a shareholders' meeting via video conferencing, unless otherwise specified in the Regulations Governing the Administration of Shareholder Services of Public Companies, it shall be stated in the articles of incorporation and resolved by the board of directors. The video shareholders' meeting shall be resolved by a resolution of the board of directors attended by two-thirds or more of the directors and approved by a majority of the attending directors.</u></p> <p>The following paragraphs are omitted.</p>	<p>Article 3</p> <p>The Company's Shareholders' Meeting shall be convened by its Board of Directors, unless otherwise stipulated by laws and regulations.</p> <p>The following paragraphs are omitted.</p>	<p>I. The provision is amended as per Tai-Zheng-Zhi-Li-Zi Notice No. 1120004167 Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings issued by Taiwan Stock Exchange on March 17, 2023.</p> <p>II. Since the Company holds a video shareholders' meeting, shareholders can only attend the shareholders' meeting in the form of video conferencing instead of physical meetings. There are many restrictions on shareholders' rights and interests. Paragraph 2 is added to protect the rights of shareholders.</p>
<p>Article 6-1</p> <p>If the Company will hold Shareholders' Meeting by video, the following items shall be specified in the Shareholders' Meeting Notice:</p>	<p>Article 6-1</p> <p>If the Company will hold Shareholders' Meeting by video, the following items shall be specified in the Shareholders' Meeting Notice:</p>	<p>I. Given that shareholders can only attend the shareholders' meeting through</p>

Amended Provisions	Current Provisions	Explanation
<p>Paragraph 1 and 2 omitted.</p> <p>III. The shareholders' meeting held by video conference shall be convened with appropriate alternative measures for shareholders who have difficulties in participating in the shareholders' meeting by video conference. <u>Unless otherwise specified in Paragraph 6, Article 44 (9) of Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall provide shareholders with connection equipment and necessary assistance, and specify the period during which shareholders may apply to the Company and other relevant precautions.</u></p>	<p>Paragraph 1 and 2 omitted.</p> <p>III. Appropriate alternatives to the shareholders who have difficulties to attend the meeting by video if a video Shareholders' Meeting will be held.</p>	<p>video conferencing, the last part of sub-section 3 is added, to provide appropriate alternative measures for shareholders who have difficulty participating in the shareholders' meeting through video conferencing, and to assist them in using connected devices to participate in the shareholders' meeting.</p> <p>II. According to Paragraph 6, Article 44(9) of Regulations, if, due to a natural disaster, unforeseen event, or other force majeure event, the Ministry of Economic Affairs announces that within a certain period of time companies may hold their shareholders' meetings by means of video conferencing, companies may be exempted during that period from the requirement of express provision in the Articles of Incorporation. Thus, sub-section 3 is amended. In case of</p>

Amended Provisions	Current Provisions	Explanation
		circumstances stated in Paragraph 6, Article 44(9), the last part of Sub-section 3 is not applicable.
<p>Article 22 When the Company convenes the shareholders' meeting via video conferencing, an alternative measure shall be provided to shareholders who have difficulty to exercise their voting rights in writing or by electronic means. <u>Unless otherwise specified in Paragraph 6, Article 44 (9) of Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall provide shareholders with connection equipment and necessary assistance, and specify the period during which shareholders may apply to the Company and other relevant precautions.</u></p>	<p>Article 22 When the Company convenes the shareholders' meeting via video conferencing, an alternative measure shall be provided to shareholders who have difficulty to exercise their voting rights in writing or by electronic means.</p>	<p>The amendment reason is the same as Article 6(1).</p>

Ennoconn Corporation

Rules of Procedures of the Shareholders' Meeting

- Article 1 To establish a good governance system for the Company's Shareholders' Meeting, and improve its supervisory and management functions, these Rules are formulated in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, for compliance with.
- Article 2 The Company's Rules of Procedures of the Shareholders' Meeting shall subject to these Rules, unless otherwise stipulated by laws or Articles of Incorporation.
- Article 3 The Company's Shareholders' Meeting shall be convened by its Board of Directors, unless otherwise stipulated by laws and regulations.
- Any changes to the method for holding the Company's Shareholders' Meeting shall subject to the Board of Directors' resolution, and shall be made, before the Shareholders' Meeting notice is sent, at the latest.
- The Company shall, 30 days before an annual shareholders' meeting or 15 days before an extraordinary shareholders' meeting, produce the shareholders' meeting notice, the power of attorney form, and the information about items for recognition and discussion and election or dismissal of directors into an electronic file for upload on the MOPS. The Company shall, 21 days before a general shareholders' meeting or 15 days before an extraordinary shareholders' meeting, produce the handbook of shareholders' meeting and supporting documents into an electronic file for upload on the MOPS. Yet, if the Company's capital income reaches NT\$10 billion on the date when the fiscal year ends, or when the over 30% of the Company's stocks are possessed by foreign investors and investors from Mainland China who have been recorded in the name list of the most recent shareholders' meeting, the relevant electronic files should be transmitted at least 30 days before the shareholders' meeting is convened. The Company shall properly prepare the Handbook for the then current Shareholders' Meeting and supplemental meeting information 15 days before Shareholders' Meeting for checking by shareholders at any time, and display them in the Company and the professional stock-affairs agency entrusted by the

Company.

The Company shall provide the said Handbook and supplemental meeting information on the current day of Shareholders' Meeting in the following way for checking by shareholders:

- I. They shall be issued at the Shareholders' Meeting site, if a physical Shareholders' Meeting is held.
- II. They shall be issued at the Shareholders' Meeting site and their electronic files shall be transmitted to video-conferencing platform, if the Shareholders' Meeting is held under the assistance of video.
- III. Their electronic files shall be transmitted to video-conferencing platform, if the Shareholders' Meeting is held by video.

Causes for holding meeting shall be specified in the Notice and Announcement; Notice may be made electronically if it is agreed by the Notice recipient.

Election or dismissal of directors, amendment to Articles of Incorporation, capital decrease, application for stopping public offering, non-competition license for directors, capital increase from surplus, capital increase from reserves, company dissolution, merger and separation, the matters specified in paragraph 1, Article 185 of the Company Act, and the matters specified in Article 26-1 and 43-6 of the Securities and Exchange Act and specified in Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be listed in the causes for holding a meeting and their major contents shall be explained, and they shall not be proposed as extempore motions; Their major contents shall be entered in the website designated by the authority in charge of securities or the company, and the website address shall be specified in the Notice.

If overall re-election of directors and supervisors and their office assumption dates have been specified in the causes for holding a Shareholders' Meeting, their office assumption dates shall not be changed at the same meeting by extempore motion or any other way after completion of re-election at this Shareholders' Meeting.

Each shareholder holding over 1% of the total number of issued shares may make only one proposal to the Company's annual Shareholders' Meeting, and more than one proposals will not be included in the proposals to be discussed. 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 make only one proposal, in accordance with Article 172-1 of the Company Act, to urge the company to improve public interests or fulfill its social responsibilities, and more than one proposals will not be included in the proposals to be discussed.

The Company shall announce shareholders' proposals accepted by it before the stock transfer stopping date before annual Shareholders' Meeting, written or electronic acceptance method, the place of acceptance and acceptance period; acceptance period shall not be less than ten days.

A proposal made by a shareholder shall be limited to 300 words, and any proposal with more than 300 words will not be included in the proposals to be discussed; a shareholder making proposal shall attend annual Shareholders' Meeting in person or by entrusted person, and shall participate in the discussion on this proposal.

The Company shall notify the shareholders making proposals of handling results before the date of notice about holding Shareholders' Meeting, and shall list the proposals in compliance with this Article in the meeting Notice. For any shareholder's proposal which is not included in the proposals to be discussed, the Board of Directors shall explain the reasons for such condition at the Shareholders' Meeting.

Article 4 A shareholder may issue the Power of Attorney printed by the Company specifying the scope of authorization to entrust an agent to attend each Shareholders' Meeting.

Each shareholder is limited to issuing one power of attorney and appointing one proxy only. The power of attorney shall be delivered to the Company 5 days before the shareholders' meeting. If the power of attorney is duplicated, the first one that is delivered shall prevail. This requirement does not apply to a statement revoking the former power of attorney.

If any shareholder would intend to attend Shareholders' Meeting in person or exercise voting rights in a writing or electronic way after Power of Attorney would have been served to the Company, it shall send a Power of Attorney cancellation notice to the Company in writing at least two days before the Shareholders' Meeting; In case of overdue cancellation, entrusted agent shall attend and exercise voting rights at the

meeting.

If any shareholder would intend to attend Shareholders' Meeting by video after Power of Attorney would have been served to the Company, it shall send a Power of Attorney cancellation notice to the Company in writing at least two days before the Shareholders' Meeting; In case of overdue cancellation, entrusted agent shall attend and exercise voting rights at the meeting.

Article 5 Shareholders' Meeting shall be held at a place where the Company is located or a place that is convenient for shareholders to attend, and suitable for holding, the Shareholders' Meeting. The meeting shall start no earlier than 9:00 am and end no later than 3:00 pm. The opinions of independent directors shall be fully considered for meeting place and time.

If the Company holds Shareholders' Meeting by video, it shall not subject to the said restrictions on meeting place.

Article 6 The Company shall set out registration time, registration location, and other notes for shareholders, solicitors, and authorized representatives (hereinafter, the shareholders).

The registration time for shareholders in the previous Paragraph shall be at least 30 minutes prior to the beginning of the meeting. The registration location shall have clear signs as well as enough and eligible personnel for registration. Shareholders shall sign in 30 minutes before the video conferencing commences. Shareholders who have completed the sign-in shall be deemed to have attended the shareholders' meeting in person.

Shareholders shall attend Shareholders' Meeting with attendance certificates or sign-in cards or other attendance documents. The Company shall not add any additional requirements on shareholder's attendance certification documents or require shareholders to provide any other certification documents; The agent specified in the Power of Attorney shall also take his/her identification document for verification.

The Company shall establish a signature book for the shareholders attending the meeting to sign in, or the shareholders attending the meeting shall submit sign-in cards for signing in for the meeting instead of signing on the signature book.

The Company shall deliver the Handbook, Annual Report, Attendance Certificates, speech slips, voting ballots and other meeting data to the

shareholders present at the Shareholders' Meeting; if directors will be elected, election ballots shall be provided.

If any government or legal person is a shareholder, its representatives attending the Shareholders' Meeting shall not be limited to one person. If any legal person is entrusted to attend the Shareholders' Meeting, only one representative may be appointed to attend the meeting.

If Shareholders' Meeting will be held by video, the shareholders who intend to attend the meeting by video shall register with the Company at least two days before the Shareholders' Meeting.

If Shareholders' Meeting will be held by video, the Company shall upload Handbook, Annual Report and other related data to the video-conferencing platform of the Shareholders' Meeting at least 30 minutes before start of the meeting, which shall be disclosed continuously, until the end of the meeting.

Article 6-1 When the Company convenes the shareholders' meeting by video conferencing, the information below shall be stated in the meeting notice:

- I. The methods for shareholders to attend the meeting by video and exercise rights at such meeting.
- II. The methods for dealing with any failure of video-conferencing platform or video-based meeting caused by any natural disasters, incidents or other force majeure events, at least including:
 - (I) The delayed time or the time for resumption of the meeting caused by occurrence, and continued failure in elimination, of the said failure, and the date for delayed meeting or for resumption of the meeting.
 - (II) Any shareholder who has not registered for attending the original Shareholders' Meeting by video shall not attend the delayed or resumed meeting.
 - (III) Where a video-assisted Shareholders' Meeting is held, if the video meeting cannot be resumed, and if the total number of shares represented by the shareholders attending the meeting reaches statutory number after the number of shares represented by the shareholders attending the Shareholders' Meeting by video is deducted, the Shareholders' Meeting shall be resumed, and the number of shares represented by the shareholders attended the meeting by video shall be included in the total number of shares represented by the shareholders attending the

meeting, but it shall be deemed as waiver of all the proposals at this Shareholders' Meeting.

(IV) The methods for dealing with the situation where the results of all proposals have been announced, and there's no extempore motion.

III. Appropriate alternatives to the shareholders who have difficulties to attend the meeting by video if a video Shareholders' Meeting will be held.

Article 7 If Shareholders' Meeting is convened by the Board of Directors, chairperson shall be served by the chairman. If the chairman asks for leave or cannot exercise his/her powers due to any reason, vice chairman shall do the same for the chairman. If there's no vice chairman or vice chairman also asks for leave or cannot exercise his/her powers due to any reason, a managing director shall be designated by the chairman to do the same. If there is no managing director, a director shall be designated to conduct that, while, if no agent is designated by the chairman, a director shall be recommended by managing directors or directors to serve as the chairperson for the chairman.

If the said chairperson is served by a managing director or director, he/she shall have assumed his/her office for more than six months and understand the company's financial and business status. If the said chairperson is served by the representative of a corporate director, the same shall apply.

A Shareholders' Meeting convened by the Board of Director is better to be presided over by the chairman in person and attended by over half of the Board of Directors' members and at least one Audit Committee's member in person and at least one representative of various functional committee's members, and the attendance shall be recorded in the Shareholders' Meeting minutes.

If Shareholders' Meeting is convened by a person with the right to convene the meeting other than the Board of Directors, chairperson shall be served by such person, while, if there are two or more such persons, one of them shall be recommended by each other to serve as chairperson.

The Company shall appoint lawyers, CPAs or relevant persons to attend the Shareholders' Meeting.

Article 8 The Company shall record and video the whole process of shareholder's sign-in, meeting, voting and votes counting continuously without interruption from the time of sign-in by shareholders.

The said audio and video materials shall be kept for at least one year. However, in case of any lawsuit filed by any shareholder in accordance with Article 189 of the Company Act, they shall be kept until the lawsuit is closed.

If Shareholders' Meeting is held by video, the Company shall record and keep shareholders' registration, sign-in, questioning and voting, company's vote counting results and other data, and shall make audio and video records about the whole process of the video meeting continuously without interruption.

The Company shall properly keep the said data and audio and video records during its survival period, and submit the audio and video records to the party which dealt with the video meeting related affairs for keeping.

If Shareholders' Meeting is held by video, the Company may make audio and video records on the back-stage operating interface of video-conferencing platform.

Article 9 Attendance at the Shareholders Meeting shall be calculated based on shares. The number of shares in attendance shall be counted according to the shares indicated in the sign-in book or the sign-in cards handed in and the sign-in record on the video conferencing platform, plus the number of shares whose voting rights are exercised in writing or by electronic means.

Chairperson shall, at the meeting commencement time, announce commencement of the meeting, and announce the number of shares without voting rights and the number of shares represented by the shareholders present and other related information. Chairperson may announce postponement of the meeting only if there are insufficient shareholders representing over half of the total number of issued shares present, and the postponement shall be limited to two times and postponed time shall not exceed one hour in total. If there are insufficient shareholders representing over one-third of the total number of issued shares present after postponement for two times, chairperson shall announce adjournment of the meeting. If a shareholders' meeting is convened by video conference, the Company shall also declare the meeting adjourned on the video conference platform.

If there are not enough shareholders representing at least one-third of

outstanding shares attending the meeting after two postponements under the preceding paragraph, tentative resolutions may be passed in accordance with Article 175, Paragraph 1 of the Company Act. Shareholders shall be notified of the tentative resolutions, and another shareholders' meeting will be convened within one month. If a shareholders' meeting is convened by video conference, shareholders who wish to attend by video conference shall re-register with the Company in accordance with Article 6.

If the number of shares represented by shareholders present reaches more than half of the total number of issued shares before the end of the then current meeting, chairperson may re-submit the tentative resolution to the Shareholders' Meeting for voting in accordance with Article 174 of the Company Act.

Article 10 If a Shareholders' Meeting is convened by the Board of Directors, the meeting agenda shall be formulated by the Board of Directors, and relevant proposals (including extempore motions and amendments to original proposals) shall be voted on a case-by-case basis, and the meeting shall be conducted according to the scheduled agenda, which shall not be changed without the resolution of Shareholders' Meeting.

If a Shareholders' Meeting is convened by a person with the right to convene the meeting other than the Board of Directors, the provisions specified in the preceding paragraph shall apply.

The chairperson may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extempore motions). If the chairperson declares the meeting adjourned in violation of the rules of procedure, a new chairperson may be elected by agreement of a majority of the votes represented by the attending shareholders to continue the meeting.

Chairperson shall give sufficient opportunities for explaining and discussing on proposals and any amendments or extempore motions proposed by shareholders, and shall announce stopping of discussion and submission for voting and arrange for suitable voting time when he/she believes voting may be conducted.

Article 11 A shareholder wishing to speak at a shareholders meeting shall first fill out a slip, specifying therein the major points of their speech, shareholder account number (or attendance card number) and account name, and the

chairperson shall determine their order of giving a speech.

If any shareholder present only submits a speaker's slip but does not give a speech, it shall be deemed as that he/she does not give a speech. In case of any discrepancy between the contents of speech and that specified on a speaker's slip, the former shall prevail.

Each shareholder shall give a speech for the same one proposal for no more than two times without the chairperson's consent and no more than five minutes each time. If any shareholder's speech violates any regulations or exceeds the scope of the proposal being discussed, the chairperson may stop him/her from giving the speech.

When a shareholder present is giving a speech, other shareholders shall not interfere with his/her speech, unless they have obtained the consent of the chairperson and the shareholder giving the speech, and the chairperson shall prevent shareholders from violation of such provision.

If a corporate shareholder designates two or more representatives to attend a Shareholders' Meeting, only one representative may be elected to give a speech for the same one proposal.

After a shareholder present has given a speech, the chairperson shall make reply in person or designate relevant person to make reply.

If the Company's Shareholders' Meeting is held by video, the shareholders attending the meeting by video may raise queries by text on each proposal for no more than two times and no more than 200 words each time, on video-conferencing platform, after the chairperson announces commencement of the meeting, until adjournment of the meeting, and paragraph 1 to 5 shall not apply.

The said queries shall be disclosed on the video-conferencing platform of the Shareholders' Meeting if they do not violate any regulations nor exceed the scope of the proposals being discussed, so as to make related persons to know.

Article 12 Voting at the Shareholders Meeting shall be calculated based on shares.

For resolutions at Shareholders' Meeting, the number of shares represented by the shareholders without voting rights shall not be calculated in the total number of issued shares.

If any shareholder has conflict of interest which may damage the Company's interest, it shall not participate in the voting on the matters at the meeting, nor exercise voting rights for any other shareholder.

The number of shares represented by the shareholder who shall not exercise voting rights as specified in preceding paragraph shall not be calculated in the number of voting rights represented by the shareholders present.

If one person is entrusted by two or more shareholders, the voting rights represented by him/her shall not exceed 3% of the voting rights represented by the total number of issued shares, and any exceeded voting rights will not be calculated, except for trust enterprise or the stock-affairs agency approved by the authority in charge of securities.

Article 13 Shareholder's each share shall be entitled to one voting right, except for the shares restricted or without voting rights as specified in paragraph 2, Article 179 of the Company Act.

Voting rights shall be exercised in an electronic way or in writing at the Company Shareholders' Meeting; If voting rights will be exercised in writing or in an electronic way, their exercising method shall be specified in Shareholders' Meeting' Notice. Shareholders who exercise their voting rights in writing or in an electronic way shall be deemed as present at the Shareholders' Meeting in person. But it shall be deemed as waiver of the extempore motions or amendments to original proposals at this Shareholders' Meeting, thus, the Company shall avoid from proposing extempore motions or making 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 the Company at least 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.

Where Shareholders' Meeting is held by video, if any shareholder would intend to attend Shareholders' Meeting in person or by video after it would have exercised its voting rights in writing or in an electronic way, it shall cancel the said intention about exercising voting rights, in the same way as that for exercising its voting rights, at least two days before the Shareholders' Meeting; In case of overdue cancellation, the voting rights exercised in writing or in an electronic way shall prevail. If the shareholder exercises the voting right in writing or by electronic means and appoints a proxy with a proxy form to attend the shareholders' meeting, the voting right exercised by the attending proxy at the meeting

shall prevail.

Resolutions shall be approved by over half of the voting rights of the shareholders present at the meeting, unless otherwise stipulated by the Company Act and the Company's Articles of Incorporation. Unless there's no objection as inquired by chairperson, shareholders shall vote on proposals one by one after the total votes of the shareholders present at the meeting for each proposal are announced by chairperson or its designated person, and shareholder's affirmative, dissenting and abstention votes shall be entered in MOPS on the day immediately after the Shareholders' Meeting.

If there's any amendment or alternative to the same one proposal, chairperson shall determine the order for voting on it and the original proposal. If one of proposals has been approved, the other proposals shall be deemed as to be rejected and no further voting is required.

Scrutineers and tellers for voting shall be designated by the chairperson, but scrutineer shall have a shareholder status.

Votes cast at Shareholders' Meeting or on the proposals for election shall be counted on the Shareholders' Meeting site in a public way, and voting results shall be announced on site after completion of votes counting, including calculated voting rights, and they shall be made into records.

Where the Company holds Shareholders' Meeting by video, the shareholders attending the meeting by video shall vote on proposals and election proposals on video-conferencing platform after the chairperson announces commencement of the meeting, and shall complete voting before the chairperson announces termination of voting, otherwise, overdue voting shall be deemed as waiver.

When a shareholders' meeting is convened by video conference, after the chairperson declares the voting closed, the votes shall be counted at one go, and the voting and election results shall be announced.

Where the Company holds video-assisted Shareholders' Meeting, if any shareholder who has registered for attending the meeting by video according to Article 6 would intend to attend physical Shareholders' Meeting, it shall cancel the registration, in the same way as that for registration, at least two days before the Shareholders' Meeting; In case of overdue cancellation, it shall attend the Shareholders' Meeting only by video.

Any shareholder who attends Shareholders' Meeting by video, exercises voting rights in writing or in an electronic way, and does not cancel its intention shall not exercise its voting rights on, or propose any amendments to, the original proposals or exercise its voting rights on such amendments.

Article 14 If directors need to be elected at the Shareholders' Meeting, it shall be operated according to the relevant election and appointment rules formulated by the Company, and election results shall be announced on site, including the list of elected directors and their votes, and the list of candidates failed in the election of directors and supervisors and their votes.

The votes for election as specified in the preceding paragraph shall be sealed and signed by scrutineers, and shall be properly kept for at least one year. However, in case of any lawsuit filed by any shareholder in accordance with Article 189 of the Company Act, they shall be kept until the lawsuit is closed.

Article 15 The resolutions of the Shareholders' Meeting shall be made into meeting minutes, which shall be signed or affixed with seal by the chairperson, and shall be distributed to all shareholders within 20 days after the meeting. Meeting minutes may be made and distributed electronically.

The Company shall publish distribution of meeting minutes as specified in the preceding paragraph in MOPS.

The meeting year, month, date and venue, name of chairperson, method of resolution, major points for discussion on proposals, and voting results (including statistical data) shall be recorded in meeting minutes faithfully. If any director is elected, the votes obtained by each candidate shall be disclosed. Meeting minutes shall be kept permanently during the survival period of the Company.

Where Shareholders' Meeting is held by video, the commencement and termination time of the meeting, meeting methods, name of chairperson and meeting minute, the methods for dealing with any failure of video-conferencing platform or video-based meeting caused by any natural disasters, incidents or other force majeure events and its dealing status shall be specified in the meeting minutes, in addition to the said items to be recorded.

If the Company holds Shareholders' Meeting by video, it shall specify,

in the meeting minutes, the appropriate alternatives to the shareholders who have difficulties to attend the meeting by video.

Article 16 The Company shall, on the day of the shareholders' meeting, compile a statistical statement in the prescribed format and disclose the number of shares solicited by the solicitor, the number of shares represented by the proxies, and the number of shares in attendance in writing or by electronic means clearly on-site at the shareholders' meeting. The Company shall upload the meeting agenda handbook, annual report, and other relevant materials to the video conference platform at least 30 minutes prior to the start of the meeting and continue to disclose them till the end of the meeting.

If the Company holds Shareholders' Meeting by video, it shall disclose the total number of shares represented by the shareholders attending the meeting on video-conferencing platform at the time of announcing commence of the meeting. If the total number of shares represented by the shareholders attending the meeting and the number of votes are calculated separately in the meeting, the same shall apply.

If any resolutions by the shareholders' meeting are material information as stipulated by laws and TWSE/TPEX regulations, the Company shall upload the content to the MOPS prior to a deadline.

Article 17 The personnel who deal with Shareholders' Meeting related affairs shall wear identification cards or armbands.

Chairperson shall direct disciplinary officers or security persons to assist in maintaining the order at the meeting site. Disciplinary officers or security persons shall wear armbands or identification cards with the text "Disciplinary Officer".

If the meeting site is equipped with loudspeaker equipment, and if any shareholder gives speech not by using the equipment provided by the Company, chairperson shall prevent such shareholder from doing so.

If any shareholder violates the Rules of Procedures, does not make correction as required by chairperson, prevents the meeting from being conducted, and refuses to make correction, chairperson shall instruct disciplinary officers or security persons to ask him/her to leave the meeting site.

Article 18 Chairperson may decide to announce a break when the meeting is in progress. In case of any force majeure, chairperson shall suspend the

meeting, and announce the time for assumption of the meeting depending on the situation.

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

The Shareholders Meeting may resolved to postpone or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 19 If Shareholders' Meeting is held by video, the Company shall disclose the results of voting on proposals and election results, on the video-conferencing platform of the Shareholders' Meeting, in a real time, after termination of the voting, according to provisions, which shall be disclosed continuously for at least 15 minutes after the chairperson announces adjournment of the meeting.

Article 20 If the Company holds Shareholders' Meeting by video, chairperson and recording person shall be at the same place in domestic, and chairperson shall be at the place announced by him/her upon commencement of the meeting.

Article 21 If Shareholders' Meeting will be held by video, the Company shall provide shareholders with a simple connection test before the meeting, and provide relevant services in a real time before and in the meeting to assist in dealing with any technical problems of communication.

If Shareholders' Meeting is held by video, the chairperson shall, at the time of announcing commencement of the meeting, separately announce the date of any postponed or resumed meeting to be held within 5 days in case of any failure of video-conferencing platform or video-based meeting lasting for more than 30 minutes caused by any natural disasters, incidents or other force majeure events before the chairperson announces adjournment of the meeting, except for the conditions not requiring postponement or resumption as specified in paragraph 4, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, and Article 182 of the Company Act shall not apply.

In case of any said delayed or resumed meeting, any shareholder who has not registered for attending the original Shareholders' Meeting by

video shall not attend the delayed or resumed meeting.

Where any meeting shall be postponed or resumed according to paragraph 2, if any shareholder who has registered for attending the original Shareholders' Meeting by video and completed sign-in fails to attend the postponed or resumed meeting, the number of shares represented by such shareholder attending the original Shareholders' Meeting, and the voting and election rights exercised by such shareholder shall be included in the total number of shares represented by, and the voting and election rights of, the shareholders attending the postponed or resumed meeting.

During a postponed or resumed session of a shareholders meeting held under paragraph 2, 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.

Where the Company holds video-assisted Shareholders' Meeting and video meeting cannot be resumed as specified in paragraph 2, the Shareholders' Meeting shall continue to be conducted and the meeting does not need to be postponed or resumed according to paragraph 2 if the total number of shares represented by the shareholders attending the meeting still reaches statutory number for holding a shareholders' meeting after the number of shares represented by the shareholders attending the Shareholders' Meeting by video is deducted.

If the meeting shall continue to be conducted as specified in the preceding paragraph, the number of the shares represented by the shareholders attending the Shareholders' Meeting by video shall be included in the total number of shares represented by the shareholders attending the Shareholders' Meeting, but it shall be deemed as waiver of all the proposals at this Shareholders' Meeting.

If the Company postpones or resumes the meeting according to paragraph 2, it shall make preparation based on the original Shareholders' Meeting date and the various rules in accordance with paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

The Company shall handle it based on the date for postponed or resumed Shareholders' Meeting specified in paragraph 2 in accordance with Article 12 and paragraph 3, Article 13 of the Regulations Governing the

Use of Proxies for Attendance at Shareholder Meetings of Public Companies, as well as paragraph 2, Article 44-5, Article 44-15 and paragraph 1, Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

Article 22 If the Company holds Shareholders' Meeting by video, it shall provide the method for exercising voting rights in writing or in an electronic way as an appropriate alternative to the shareholders who have difficulties to attend the meeting by video.

Article 23 These Rules shall be implemented after they are approved by Shareholders' Meeting, and the same shall apply to any amendments hereto.

Articles of Incorporation of Ennoconn Corporation

Chapter 1 General Provisions

- Article 1 The Company is incorporated in accordance with the Company Act, with its name of 樺漢科技股份有限公司 and English name of Ennoconn Corporation.
- Article 2 The Company's business activities are as follows:
- I. F118010 Wholesale of Information Software.
 - II. F218010 Retail of Information Software.
 - III. F401010 International Trade.
 - IV. F401021 Import of Telecommunication Controlled Radio-frequency Equipment.
 - V. CC01080 Manufacturing of Electronic Components.
 - VI. CC01110 Manufacturing of Computer and Peripheral Equipment.
 - VII. CC01120 Manufacturing and Duplicating of Data Storage Media.
 - VIII. I301010 Information Software Service.
 - IX. I301020 Data Processing Service.
 - X. I301030 Electronic Information Supply Service.
- Article 3 The Company's head office is located in New Taipei City, and the Company may establish branches at home and abroad legally with its Board of Directors' resolution if necessary.
- Article 4 The Company shall make announcement in accordance with Article 28 of the Company Act.
- Article 4-1 The total amount of reinvestments is not subject to not exceeding 40% of the paid-in capital as per Article 13 of the Company Act. The Board of Directors is authorized to decide related matters accordingly.
- Article 4-2 The Company's endorsement guarantees are handled in accordance with the "Procedures for Endorsement and Guarantee".

Chapter 2 Shareholding

Article 5 The Company's total capital is NT\$2.5 billion, which are divided into 250 million shares, each with a denomination of NT\$10. The Board of Directors is authorized to issue un-issued shares by different times. 5 million shares shall be reserved from the said total shares for issuance of warrants to employees, and such warrants shall be issued by the Board of Directors by different times.

Article 5-1 To transfer shares to employees at less than the average actual share repurchase price or lower than the closing price of the Company stocks on the issuing date, the Company must have obtained the consent of at least two-thirds of the voting rights present at the most recent shareholders meeting attended by shareholders representing a majority of total issued shares.

Article 6 The transfer objects of the shares acquired by the Company include the employees of the companies controlled by or subordinated to the Company who meet certain conditions, and the Board of Directors is authorized to determine the conditions and transfer method.

The issuance objects of the Company's employee warrants include the employees of the companies controlled by or subordinated to the Company who meet certain conditions, and the Board of Directors is authorized to determine the conditions and issuance method.

The issuance objects of the Company's new shares with restricted employee's rights include the employees of the companies controlled by or subordinated to the Company who meet certain conditions, and the Board of Directors is authorized to determine the conditions and issuance method.

The issuance objects of the Company's new shares for subscription by employees for capital increase in cash include the employees of the companies controlled by or subordinated to the Company who meet certain conditions, and the Board of Directors is authorized to determine the conditions and subscription method.

Article 7 The Company's shares are registered, signed or affixed with seals by more than three directors, and issued after legal registration. The Company may

be exempted from printing and producing stocks for issuance of new shares after it is listed, but it shall log on the system of securities custody institution.

Article 8 Registration of stock transfer or change in stock account name shall be stopped within 60 days before annual Shareholders' Meeting, within 30 days before extraordinary Shareholders' Meeting, or within 5 days before the base date for distribution of dividends, bonuses or other benefits as determined by the Company.

Chapter 3 Shareholders' Meeting

Article 9 Shareholders' Meeting is composed of annual Shareholders' Meeting and extraordinary Shareholders' Meeting. Annual Shareholders' Meeting shall be held once every year within six months after the end of each fiscal year. Extraordinary Shareholders' Meeting shall be held as necessary in accordance with laws.

The Company's Shareholders' Meeting may be held by video conference or any other methods announced by the central competent authority.

The conditions, operating procedures, other matters and related regulations to be met, followed and complied with by the Shareholder' Meeting to be held by video shall subject to the regulations of the authority in charge of securities, if any.

Article 10 A shareholder may entrust an agent to attend Shareholders' Meeting by issuing and signing on or affixing with seal on the Power of Attorney printed by the Company specifying the scope of authorization, if it cannot attend the meeting due to any reason.

A shareholder shall entrust an agent to attend the meeting in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies issued by competent authority, in addition to Article 177 of the Company Act.

Article 11 Each shareholder of the Company shall have be entitled to one voting right per share, unless any share is restricted or has no voting rights as stipulated by laws and regulations.

Article 12 The resolutions of Shareholders' Meeting shall be approved by more than half of the voting rights represented by the shareholders present at the Shareholders' Meeting attended by the shareholders representing over half of the total number of issued shares, unless otherwise provided by the Company Act.

Chapter 4 Director

Article 13 The Company shall establish 7 to 9 directors with a term of three years. The candidate nomination system specified in Article 192-1 of the Company Act shall be adopted for election of directors. Directors shall be elected by Shareholders' Meeting from the list of candidates, and the same directors may be re-elected. Total number of shares held by all shareholders shall not be less than a certain percentage of the total shares issued by the Company, and such percentage shall subject to that stipulated by competent authority.

At least three independent directors shall be established in the said total number of directors. Independent directors and non-independent directors shall be elected together, and elected independent directors and non-independent directors shall be calculated separately. Independent director's professional qualifications, shareholding, restriction on assumption of office on part-time basis, nomination and other matters to be followed shall subject to relevant laws and regulations.

Article 13-1 The Company establishes the Audit Committee pursuant to Article 14-4 of the Securities and Exchange Act. The Audit Committee shall be composed of the entire number of independent directors, and exercise powers conferred by the Company Act, Securities and Exchange Act, and any other law to be exercised by supervisors.

Article 14 The Board of Directors shall be composed of directors, and one chairman shall be elected by directors as approved by more than half of the directors present at the Board of Directors' meeting attended by over two-thirds of directors, and chairman shall represent the Company to the external. Directors shall attend Board of Directors' meeting in person. If any director cannot attend the meeting due to any reason, it shall issue Power of Attorney each time, specifying the scope of authorization regarding the

cause for holding the meeting, to entrust other director to attend the meeting for it. However, each person shall only be entrusted by one director.

If the Company holds Board of Directors' meeting, the cause for holding the meeting shall be specified, and directors shall be notified 7 days in advance, however, the meeting may be held at any time in case of any emergency.

Board of Directors' meeting shall be convened in writing, or by e-mail or fax or otherwise.

If Board of Directors' meeting is held by video, the directors present at the meeting by video shall be deemed as attending the meeting in person.

Article 15 If the chairman asks for leave or cannot exercise his/her duties due to any reason, he/she shall designate an agent in accordance with Article 208 of the Company Act.

Article 16 The Board of Directors is authorized to determine the remuneration to all directors based on their participation in and contribution to the Company's operating by referring to the general level in the industry regardless of operating profits or losses.

The Board of Directors may purchase liability insurance for all directors during their tenure depending on actual needs as approved by more than half of the directors present at the Board of Directors' meeting attended by over half of directors.

Chapter 5 Managerial Officer

Article 17 The Company may establish several managerial officers, whose appointment, dismissal and remuneration shall be dealt with in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

Article 18 At the end of each fiscal year, the board of directors shall prepare: 1. business report, 2. financial statements; 3. the proposals for earnings distribution or loss allocation and other reports. These documents shall be submitted to the annual shareholders' meeting in accordance with the law for recognition.

Article 19 (Omitted)

Article 20 If the Company has profits in a year, it shall withdraw no less than 2% of the profits as employee compensation, which shall be issued in the form of shares or in cash by the resolution of the Board of Directors, and the issuance objects include the employees of the companies controlled by or subordinated to the Company who meet certain conditions, and the Board of Directors is authorized to formulate relevant rules; The Company may withdraw no more than 2% of the said profits as directors' compensation as resolved by the Board of Directors. Employee compensation and directors' remuneration distribution proposal shall be submitted and reported to Shareholders' Meeting.

However, in case of any accumulated losses to the Company, it shall reserve certain amount for recovery of the losses, and then allocate employee compensation and directors' compensation according to the said ratio.

Article 20-1 If the Company has any "net profit after tax for the current period" in the annual final accounts, it shall be distributed in the following order:

- (I) Recovery of losses.
- (II) 10% of such profits shall be withdrawn as statutory surplus reserve in accordance with laws, but if accumulated statutory surplus reserve reaches the Company's total capital, this provision shall not apply.
- (III) Others profits shall be withdrawn or reversed as special surplus reserve in accordance with laws and regulations.
- (IV) After the amounts specified in the above-mentioned (I) to (III) are deducted from the "current net profits" set forth in the final accounts, the Board of Directors shall make a specific distribution plan for distributable earnings regarding the accumulated opening undistributed earnings and adjustment to current undistributed earnings, and submit it to the Shareholders' Meeting for resolution and distribution.

If the Company distributes, in cash, dividends and bonuses or part or all of the statutory surplus reserve and capital reserve specified in paragraph 1, Article 241 of the Company Act, the Board of Directors

shall be authorized to hold a meeting to be attended by over two-thirds of its members in accordance with paragraph 5, Article 240 of the Company Act, and such distribution may be conducted after it is approved by over half of the directors present and shall be reported to Shareholders' Meeting.

The Company is in a growth stage at present, and distribution plan shall be made by its Board of Directors for distribution of earnings based on development and expansion of its business in the future by considering the Company's future demands for capital expenditures, budgets and funds, and such distribution may be conducted after it is resolved by Shareholders' Meeting. However, in terms of distribution of dividends, no less than 10% of the dividends to be distributed in the then current year shall be distributed in cash.

Article 20-2 When the Company intends to cancel the public offering of its shares, it shall be submitted to the shareholders' meeting for resolution, and this provision shall not be changed during the period of the Emerging Stock Market and the period of the listed stock market.

Chapter 7 Bylaws

Article 21 Any issues or matters not specified herein shall subject to the Company Act and relevant laws and regulations.

Article 22 These Articles of Incorporation were formulated on June 30, 1999.

The 1st amendment was made on December 1, 2000.

The 2nd amendment was made on April 12, 2001.

The 3rd amendment was made on October 29, 2004.

The 4th amendment was made on April 7, 2005.

The 5th amendment was made on April 7, 2005.

The 6th amendment was made on April 24, 2006.

The 7th amendment was made on May 28, 2007.

The 8th amendment was made on February 9, 2011.

The 9th amendment was made on June 28, 2011.

The 10th amendment was made on June 27, 2012.

The 11th amendment was made on October 4, 2012.
The 12th amendment was made on January 22, 2013.
The 13th amendment was made on June 4, 2013.
The 14th amendment was made on April 29, 2014.
The 15th amendment was made on May 12, 2015.
The 16th amendment was made on May 20, 2016.
The 17th amendment was made on June 28, 2018.
The 18th amendment was made on June 28, 2019.
The 19th amendment was made on June 23, 2020.
The 20th amendment was made on June 23, 2022.

Ennoconn Corporation



Chairman: Fu-Chuan Chu



Ennoconn Corporation Rules for Election of Directors

Article 1 The Company shall elect directors according to these Rules, unless otherwise stipulated by laws and regulations or Articles of Incorporation.

Article 2 The Company shall elect and appoint directors by considering the overall configuration of its Board of Directors. Diversity shall be considered for the Board of Directors' members. The Board of Directors shall formulate appropriate diversification policy based on its own operating, business type, and development needs, including but not limited to the following two major standards:

- I. Basic conditions and values: Gender, age, nationality, culture, etc.
- II. Professional knowledge and skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.

The Board of Directors' members shall generally have the knowledge, skills and quality required for fulfillment of duties, and the Board of Directors shall have the following capabilities as a whole:

- I. Operational judgment capabilities.
- II. Accounting and financial analysis capabilities.
- III. Business management capabilities.
- IV. Crisis management capabilities.
- V. Knowledge in the industry.
- VI. International market perspective.
- VII. Leadership.
- VIII. Decision-making capabilities.

There shall be no relationship of spouses and relatives within the second degree of kinship between or among over half of the directors.

Article 3 The qualifications of the Company's independent directors shall meet the requirements specified in Articles 2, 3 and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

Selection and appointment of the Company's independent directors shall comply with Article 5, 6, 7, 8 and 9 of the Regulations Governing

Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be dealt with in accordance with Article 24 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article 4 The Company shall elect directors in accordance with the candidate nomination system specified in Article 192-1 of the Company Act.

If any director is dismissed due to any reason, resulting in the number of directors less than five, the Company shall re-elect a director at the latest Shareholders' Meeting. However, if the vacancy of directors reaches one-third of the seats specified in its Articles of Incorporation, the Company shall hold an extraordinary Shareholders' Meeting for re-election within 60 days from fact occurrence date.

If the number of independent directors is less than that specified in paragraph 1, Article 14-2 of the Securities and Exchange Act, independent directors shall be elected at the latest Shareholders' Meeting; In case of dismissal of any independent director, extraordinary Shareholders' Meeting shall be held for re-election of independent director within 60 days from fact occurrence date.

Article 5 The Company shall adopt cumulative voting system for election of directors. Each share shall be entitled to the same voting rights as the number of directors to be elected. One person may be elected, or several persons may be designated for election among them.

Article 6 The Board of Directors shall prepare votes in the number equaling to the number of directors to be elected, fill in their votes, and distribute them to shareholders present at the Shareholders Meeting. In terms of elector's names, attendance certificate numbers may be printed on the votes for instead.

Article 7 Any vote shall be null and void in case of any following condition:

- I. Any vote not prepared by the person with the right to convene the meeting is used.
- II. Any blank vote is put into voting box.
- III. Any vote is illegible or altered.
- IV. Any vote is filled with elected director inconsistent with the list of candidate directors.
- V. Any vote filled with any text other than vote number.

- Article 8 In terms of the Company's directors, the voting rights related to independent directors and non-independent directors shall be calculated based on the number of directors specified in Articles of Incorporation. Those obtained votes with more voting rights shall be elected, while, if two or more candidates obtain the votes with the same voting rights and the number of directors exceeds stipulated number of directors, such candidates shall draw lots for final election, and chairperson will draw lots for any candidate not present at the meeting.
- Article 9 Before election begins, chairperson shall designate several scrutineers and tellers with shareholder status to perform various relevant duties. Voting boxes shall be prepared by the Board of Directors and shall be opened for inspection by scrutineers before voting.
- Article 10 Voting results shall be announced by the chairperson on site after voting is completed, including the list of elected directors and their votes.
The votes for election as specified in the preceding paragraph shall be sealed and signed by scrutineers, and shall be properly kept for at least one year. However, in case of any lawsuit filed by any shareholder in accordance with Article 189 of the Company Act, they shall be kept until the lawsuit is closed.
- Article 11 The Company's Board of Directors will issue notice of election to elected directors.
- Article 12 These Rules shall be implemented after they are approved by Shareholders' Meeting, and the same shall apply to any amendments hereto.

Ennoconn Corporation Shareholding of All Directors

Base date: April 1, 2023

Title	Name	Shares held
Chairman	Fu-Chuan Chu	1,026,726
Director	Legal Representative of Bon Shin International Investment Co., Ltd.: Mei-Hui Hung	33,178,779
Director	Legal Representative of Bon Shin International Investment Co., Ltd.: Chuan-Wang Chang	33,178,779
Independent director	Yu-Hui Su	0
Independent director	Miao-Hsin Wen	0
Independent director	Hsin-I Chan	0
Total		34,205,505
In accordance with Article 26 of Securities and Exchange Act, the minimum percentages of registered shares to be held by directors		8,000,000

Note: Total shares issued as of April 1, 2023: Common shares 108,765,088.

(Including privately placed common shares 4,880,000)