

Stock Code: 3338

TaiSol Electronics Co., Ltd.

Handbook for the 2023 Annual Meeting of Shareholders

Date : May 30, 2023

**Place: 1F, No. 335, Ruiguang Road., Neihu District, Taipei City
(Hon Hui Rui Guang Plaza - t.Hub - Meeting room 103)**

Table of Contents

1. Meeting Procedure	1
2. Meeting Agenda	2
3. Company Reports.....	3
4. Ratification Items.....	5
5. Discussion Items	7
6. Questions and Motions.....	7
7. Attachments	
(I) The 2022 Business Report	8
(II) The Audit Committee’s Review Report on the 2022 Financial Statements	11
(III) Independent Auditors’ Report and 2022 Financial Statements	12
(IV) Amendments to the Company’s “ Rules of Procedure for Shareholder Meetings” Comparison Table	31
8. Appendices	
(I) Articles of Incorporation	38
(II) Rules of Procedure for Shareholder Meetings (Before the Amendment)	43
(III) Current Shareholding of Directors.....	51

TaiSol Electronics Co., Ltd.

Procedure for the 2023 Annual Meeting of Shareholders

- 1. Call the Meeting to Order**
- 2. Chairperson Remarks**
- 3. Company Reports**
- 4. Ratification Items**
- 5. Discussion Items**
- 6. Questions and Motions**
- 7. Adjournment**

TaiSol Electronics Co., Ltd.

Year 2023

Agenda of Annual Meeting of Shareholders

Time: 09:00 a.m. on Tuesday, May 30, 2023

Place: 1F, No.335, Ruiguang Road., Neihu District, Taipei City
(Hon Hui Rui Guang Plaza - t.Hub - Meeting room 103)

Type of Meeting : Physical Meeting

1. Call the Meeting to Order
2. Chairperson Remarks
3. Company Reports
 - (1) The 2022 Business Report.
 - (2) The Audit Committee's Review Report on the 2022 Financial Statements.
 - (3) The Status of Endorsements and Guarantees.
 - (4) Reports of 2022 Employees' and Directors' Remuneration Proposal.
 - (5) Reports of the Implementation of Treasury Stocks.
 - (6) Reports of the Issuance of Domestic Unsecured Convertible Corporate Bonds.
4. Ratification Items
 - (1) Adoption of the 2022 Business Report and Financial Statements.
 - (2) Adoption of the Proposal for Distribution of 2022 Profits.
5. Discussion Items
 - (1) Discussion of Amendment to the " Rules of Procedure for Shareholder Meetings ".
 - (2) Proposal of Release the Prohibition on Directors from Participation in Competitive Business.
6. Questions and Motions
7. Adjournment

Company Report

Report No.1: The 2022 Business Reports.

Explanation: The 2022 Business Reports is attached as page 8 to 10, Attachment (I) .

Report No.2: The Audit Committee's Review Report on the 2022 Financial Statements.

Explanation: The 2022 Audit Committee's Review Report is attached as page 11, Attachment (II).

Report No.3: The Status of Endorsements and Guarantees.

Explanation: Status of Endorsements and Guarantees provided by the Company in 2022 are as follows:

Counterparty of guarantee	Relationship with the Company	Guarantee amount	Description
Suzhou TaiSol SiYang TaiSol	Subsidiary wholly-owned by the Company	US\$3 million	To acquire a shared financing limit from a bank for working capital, the Company provided endorsements/guarantees.

Report No.4: Reports of 2022 Employees' and Directors' Remuneration Proposal.

Explanation: According to Article 20 of the Articles of Incorporation, considering the overall business operation of the Company, it is recommended to appropriate an amount of NT\$11,189,309 as bonus to employees and NT\$10,300,000 as remuneration to directors paid in cash from the net income of 2022.

Report No.5: Report of the Implementation of Treasury Stocks.

Explanation: The implementation of treasury stocks of the Company in 2022 is as follows:

Tranche of the share buyback	1 st
Date of Board resolution	2022/07/01
Purpose of the share buyback	Transfer to employees
Scheduled buyback period	2022/07/01 to 2022/08/31
Approved number of shares to be bought back	600,000 common shares
Scheduled buyback shares as a percentage of the total number of the company' issued shares	0.68%
Scheduled buyback price range	NT\$30 to NT\$60
Actual buyback period	2022/07/05 to 2022/08/31
Actual number of shares bought back	450,000 common shares
Total monetary amount of shares bought back	NT\$17,252,850
The average buyback price per share	NT\$38.34
Cumulative shares held by the company as a percentage of the total number of the company' issued shares	0.51%
Implementation of the share buyback	In order to take into account the market mechanism and protect the overall shareholders' rights and interests, the company will buy shares back in batches depending on the stock price changes, so the share buyback program has not been completed.

Report No.6: Reports of the Issuance of Domestic Unsecured Convertible Corporate Bonds .

Explanation: To enrich working capital, the Company issued domestic unsecured convertible corporate bonds. The issuance and the implementation of conversion are set out in the table below:

Corporate bond category	The 2 nd tranche of unsecured domestic convertible corporate bonds
Issuance date	20 August 2019
Issuance purpose	Enriching working capital
Total issuance amount	NT\$303millions
Latest conversion price	NT\$68.27
Remarks	The convertible corporate bonds expired and were fully settled on August 20, 2022.

Ratification Items

Proposal 1: (Proposed by the Board of Directors)
Adoption of the 2022 Business Report and Financial Statements.

Explanation:

1. The 2022 business report and standalone financial statements.(including consolidated financial statements) were composed by the Board of Directors on February 24, 2023, and examined by the Audit Committee.
2. The company’s financial statements were audited by independent auditors, Derek Chen and Jason Yin ,of KPMG Taiwan and were reviewed by the supervisor along with the business report with a written audit report issued.
3. The 2022 business report, Audit Committee’s review report, independent auditor’s report, and financial statements are attached as page 8 to 30 ,Attachments (I) to (III) .

Resolution:

Proposal 2: (Proposed by the Board of Directors)
Adoption of the Proposal for Distribution of 2022 Profits.

Explanation:

1. The Company’s net income after tax of 2022 was NT\$267,476,601; after the deduction of the 10% legal reserve of NT\$26,747,660 and adding the item of reduction for interest reversal - special reserve (exchangeable differences from the translation of financial statements of foreign operations) of NT\$24,434,526 and unappropriated retained earnings at the beginning of period of NT\$179,307,248, the retained earnings available for distribution is NT\$444,470,715.
2. The amounts of NT\$174,916,282 out of the 2022 earnings are appropriated for distribution as cash dividends to shareholders, respectively. The dividend will be calculated based on the numbers of shares held by shareholders set out in the shareholders’ register on the dividend base date. The proposed cash dividends to be distributed to shareholders is NT\$2 per share. The distribution of cash dividends is calculated to dollar (round up to the dollar). The total amount of the odd shares with a distribution of less than NT\$1 will be booked as the other income of the company.
3. For details of the 2022 Earning Distribution Table, please refer to the following table.

TaiSol Electronics Co., Ltd.
2022 Earning Distribution Table

Unit: NT\$

Item	Amount
Unappropriated retained earnings at the beginning of period	179,307,248
Add: Net income of 2022	267,476,601
Less: Legal Reserve(10%)	26,747,660
Add: Item of reduction for interest reversal - special reserve	24,434,526
Retained Earnings available for distribution	444,470,715
Distribution Item:	
Less: Cash Dividends (NT\$2 per share) ^{Note 1}	174,916,282
Unappropriated retained earnings at the end of period	269,554,433

Note: 1. Excluding 450,000 treasury shares

2. According to the requirements under Letter Tai-Cai-Shui-No. 871941343 of the Ministry of Finance dated April 30, 1998, the distribution of earnings shall be individually recognized. For the earning distribution, the Company, in principle, distributes the distributable earnings in 2022 first; if there is any insufficiency, it adopts the sequence of last-in-first-out based on the generation year of earnings to distribute accumulated distributable earnings in the past.

Chairman:

Manager:

Chief accountant:

4. After the annual shareholders' meeting has approved the proposal for earning distribution, the Chairman is authorized to otherwise set the dividend base date and make arrangements for the matters related to the distribution of cash dividends.
5. If there is any change in the yield rate because of any change in the Company's outstanding shares, a request is to be made having the Chairman authorized to handle matters related to the changes.

Resolution:

Discussion Items

Proposal 1:

(Proposed by the Board of Directors)

Discussion of Amendment to the “ Rules of Procedure for Shareholder Meetings ”. Please proceed to discuss.

Explanation:

In response to Announcement Tai-Zheng-Ji-Li-Zi No. 1110004250 dated March 8, 2022 and the actual requirements of the Company, the Company hereby proposes to amend the “Rules of Procedure for Shareholder Meetings ” . Please refer to page 29 to 35(Attachment (IV)) for details.

Resolution:

Proposal 2:

(Proposed by the Board of Directors)

Proposal for Release the Prohibition on Directors from Participation in Competitive Business.
Please proceed to discuss.

Explanation:

1. According to Article 209 of the Company Act, “A Director who does anything for himself or on behalf of another person that is within the scope of the Company’s business, shall explain to the shareholders’ meeting the essential contents of such an act and secure its approval.”
2. To take good advantage of the specialties and experience of the company’s directors, the release of the prohibition on following directors from participation in competitive business is proposed in the shareholders’ meeting for approval according to laws.
3. Other concurrent position of Directors are as follows:

Title	Name	Company Name and Concurrent Position
Independent Director	Fang, Yen-Ling	Independent director, Pharmosa Biopharm Inc.
Director	Lin, Chan-Lieh	Professional consultation advisor, Mec Imex Inc.

Resolution:

Questions and Motions

Adjournment

TaiSol Electronics Co., Ltd.
The 2022 Business Report

I. Business achievements in 2022

1. The 2022 business plan implementation highlight and achievements

The Company's consolidated net operating revenue in 2022 was NT\$4,568,318 thousand, representing a decrease of 8.24% from 2021; the consolidated net operating income in 2022 was NT\$275,680 thousand, representing a decrease of 2.52% from 2021; net income after tax in 2022 was NT\$267,477 thousand, representing an increase of 42.69% from 2021; earnings per share in 2022 were NT\$3.05.

Even in the face of the lockdown controls of the Mainland, competition with enterprises invested by Chinese investors, and other challenges in the first half of the year, TaiSol recorded favorable performances by adhering to the sustainable, innovative, and customer-oriented spirits. With the chaotic economic development in the second half of the year, TaiSol focused on selling inventories, streamlining the organization, adjusting and controlling costs and expenditures, and maintaining its standards for its overall performance.

Regarding our profits, due to the material appreciation of the USD and the adjustment to product structure and strategic order-taking of the Company, we strategically increased selling prices in response to the turbulent prices of raw materials and international freight. The gross margin in 2022 was 19.11%, representing an upswing of 1.37% from 2021; the profit margin in 2022 was 5.86%, representing an increase of 2.09% from 2021.

2. Budget implementation

According to the requirements of the "Regulations Governing the Publication of Financial Forecasts of Public Companies," the Company is not required to disclose the implementation status as it did not disclose its financial forecast for 2022.

3. Financial income/expenses and profitability analysis

Unit: NT\$000'

Item		Year	2022	2021
Financial income/expenses	Operating revenue		4,568,318	4,978,281
	Gross profit		872,984	883,375
	Net income after tax attributable to the parent company		267,477	187,449
Profitability	Return on assets (%)		7.23%	4.67%
	Return on equity (%)		15.02%	11.04%
	Ratio of net income before tax to paid-in capital (%)		41.64%	29.10%
	Profit margin (%)		5.86%	3.77%
	Basic earnings per share (NT\$)		3.05	2.13

4. R&D status

(1) R&D expenditures for the most recent two years

Unit: NT\$000'

Year	2022	2021
R&D expenses	177,758	204,347
Ratio of R&D expenses to operating revenue (%)	3.89%	4.10%

(2) R&D achievement

- A. EVAC air-cool thermal module for high-power servers
- B. Open and closed server liquid cooling system
- C. Thermal module solution for high-performance GPU & Switch
- D. Thermal applications of high-performance vapor chambers of business and gaming laptops
- E. Thermal application of single-sided flat head heat pipes of ultra-thin 5G handheld devices
- F. Thermal parts of new roll-bond chambers of gNB in combination with solid/semi-solid die-casting boxes
- G. Immersion liquid cooling thermal solution for data centers
- H. 3D vapor chamber thermal system application
- I. Development of coolant circuit thermosiphon thermal system
- J. Thermoelectric cooling chip thermal application
- K. ADAS system thermal solution
- L. SD 7.0 on-board and sub-board high-frequency product development project
- M. SD 8.0 on-board and sub-board high-frequency product development project
- N. Micro SD 7.1 on-board high-frequency product development project
- O. Micro SD 7.1 sub-board high-frequency product development project
- P. USB4-C high-frequency product design project

II. Business plan in 2023

1. Business policy

Facing the impacts of different economic variables in 2022, TaiSol team has been actively implementing streamlined management, including cost control and trial establishment of supply/demand forecasts, carrying out production according to customers' requirements, reducing the waste of resources, and cutting down our inventories to improve the efficiency of turnover. For our plants, we carried out regular examinations of procedures in the hope of improving the quality of supplies. We also made QA, procurement, and relevant organizational adjustments to maintain our healthy business nature and cultivate the resilience to withstand the downturn of the macroeconomic environment and abrupt changes.

2. Material production and sales policy

(1) Marketing strategy

- A. Fully grasp the industrial dynamics and actively develop high-end products to stabilize the engagement of major international customers and secure businesses for new machine types.
- B. With Taiwanese companies decentralized their production systems and the evident relocation to Southeast Asia, India, and Mexico in recent years, in response to customers' acts, TaiSol established offices in relevant regions to expand its scope of services and concurrently explore new business opportunities.

(2) Production strategy

- A. Complete the relocation of the plant in Siyang, adjust the organization of different plant areas, clearly establish the positioning and production capacity plan, integrate the suitability of resources, and satisfy customers' requirements immediately.
- B. Actively make downward adjustments to the volume of inventories, set up an additional Procurement Section of the Group to avoid idle inventories and lock-up of capital and keep abreast of the pricing trends of supplies at all times through the centralized management of the Procurement Section so as to reduce costs, make flexible responses to internal/external risks, and reinforce our competitive strength.

(3) R&D strategy

- A. Invest in forward-looking technologies and nurture professional talents, improve R&D and innovation force and capacity, and focus on crucial core technologies and patent protection.
- B. Accelerate the development of new gNB, optical transceivers, smart devices of IoT, HPC servers, thermal products of CPE, smart phones, handheld and wearable devices, CPU of EVs, automotive electronic control units, thermal modules for automotive systems, and technologies, maintain the leading position in R&D, and provide diverse products and services with high added value.

3. Future development strategies of the Company

With the increasing complexity of the overall operating environment, we will increase the ratio of automotive, energy storage, 5G, cloud server, and HPC products and provide water-cooling and air-cooling integrated thermal solutions to improve our profitability. In 2023, with the continuation of the growth momentum, we hope to create a more adaptable and efficient team by reinforcing the competitive strength of our internal parts, providing values that exceed customers' expectations, continuing to provide stable compensation for shareholders and employees under the backdrop of the uncertain recovery of industrial circulations, and share the business achievements in the future.

TaiSol Electronics Co., Ltd.

Chairman: Yu, Ching-Sung

President: Liang, Chun-Hsin

Chief accountant: Wu, Mei-Ling

Audit Committee 's Review Report

We have reviewed the Company's financial report and consolidated financial report (including the balance sheet, statement of comprehensive income, statement of changes in equity, and statement of cash flows), business report, and the earning distribution table for 2022 duly prepared by the Board, in which the financial report and consolidated financial report have been duly audited and verified by CPAs Jason Yin and Derek Chen from KPMG, and they have issued the auditor's report, to which we have found no misstatement, and we hereby issue a review report as presented above in accordance with relevant requirements of the Securities and Exchange Act and the Company Act. Please proceed to review it.

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The 2023 Annual Shareholders' Meeting of the Company

TaiSol Electronics Co., Ltd.

Chairperson of the Audit Committee: Fang, Yen-Ling

February 24, 2023

Independent Auditors' Report

To the Board of Directors of TaiSol Electronics Co., Ltd.:

Opinion

We have audited the parent company only financial statements of TaiSol Electronics Co., Ltd.(“the Company”), which comprise the parent company only balance sheet as of December 31, 2022 and 2021, the parent company only statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2022 and 2021, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

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

1. Revenue recognition

Please refer to Notes 4(m), 5(a), 6(l) and 6(r) to the parent company only financial statements.

Description of key audit matter:

The test on revenue recognition is one of our key audit matters. The Company has to provide a discount to its customers based on the contract agreement and records it as a reduction of revenue.

How the matter was addressed in our audit:

Our principal audit procedures included the following:

- Test the manual controls relating to sales and collection operations and financial reporting, check and reconcile sales system data with general ledger entries, and assess whether the Company's revenue recognition policy is in compliance with the relevant standards and revenue information is properly disclosed.
- Read the relevant customer sales contracts and terms, test for consistency with accounting policies, and consider the accounting treatment and disclosure of sales discounts.
- Perform year-to-year analysis on the revenue by product line and the revenue from top ten customers to determine whether there are any significant misstatements.
- Select appropriate samples to verify with vouchers and relevant documents.
- Select sales transactions from a period of time before and after the balance sheet date and verify with vouchers and relevant documents to assess the accuracy of the timing and amounts of revenue recognized.
- Obtain the detail of the discounts accrued by the management of the Company (refund liabilities) and verify with the relevant internal and external information to assess the reasonableness of the relevant parameters and the underlying assumptions. Review the accuracy of the estimated discount accrued in prior years to assess whether there are material anomalies in the amounts of the accrued discounts (refund liabilities).

2. Commission estimate

Please refer to Notes 4(f) , 5(b), 6(l) to the parent company only financial statements.

Description of key audit matter:

Commission expense is one of our key audit matters. Part of the sales of the Company are made through agents and commissions are required to pay on the basis of contract agreements. These expenses estimated by the management of the Company in respect of the foregoing are accrued as operating expenses.

How the matter was addressed in our audit:

Our principal audit procedures included the following:

- Read the terms of the sales contract of the relevant agent and test the consistency of the accounting treatment.
- Perform year-to-year analysis on the commission expense of the main agents to evaluate if there are any significant abnormalities.
- Obtain the detail of the commission accrued by the management of the Company and verify with the relevant internal and external information to assess the reasonableness of its parameters and the underlying assumptions. Review the accuracy of the estimated commission expenses accrued in prior years to assess whether there are material anomalies in the amounts of the accrued commission.

3. Valuation of Inventory

Please refer to Notes 4(g), 5(c) and 6(d) to the parent company only financial statements.

Description of key audit matter:

Inventories are measured at the lower of cost or net realizable value at the reporting date. Due to factors such as rapid changes in technology or the upgrading of production technology, the obsolete or no longer meet market demand of the original product, the sales price of the relevant product may fluctuate or become sluggish, and there may be a risk that the cost of inventories exceeds its net realized value.

How the matter was addressed in our audit:

Our principal audit procedures included the following:

- Review the inventory aging reports to analyze the changes for each period.
- Assess the reasonableness of the accounting policies of the Company, such as policies for the valuation of inventories or the provision of obsolete goods.
- Assess whether the process of the inventory valuation is in conformity with the accounting policies.
- Understand the basis for valuation of net realized value used by the management of the Company and select appropriate samples to assess the reasonableness of the net realized value of inventories.
- Assess whether the disclosure of the inventory is appropriate.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

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

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

Those charged with governance (including the audit committee or supervisors) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Chen, Fu Jen and Yin, Yuan Sheng.

KPMG

Taipei, Taiwan (Republic of China)
February 24, 2023

Notes to Readers

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

The independent auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
TAISOL ELECTRONICS CO., LTD.

Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2022		December 31, 2021		Liabilities and Equity		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 543,973	18	186,431	6	2100	Short-term borrowings (note 6(i))	\$ -	-	20,000	1
1170	Accounts receivable, net (notes 6(b) and (r))	810,833	27	1,214,429	36	2170	Accounts payable	213,919	7	305,402	9
1200	Other receivables, net (note 6(c))	2,055	-	4,865	-	2180	Accounts payable to related parties (note 7)	446,680	15	613,687	18
1210	Other receivables due from related parties, net (notes 6(c) and 7)	3,409	-	119,808	3	2200	Other payables (note 6(l))	206,920	7	206,355	6
130X	Inventories (note 6(d))	172,250	6	257,143	8	2220	Other payables to related parties (note 7)	7,882	-	19,843	1
1410	Prepayments	3,246	-	2,552	-	2230	Current tax liabilities	86,563	3	68,454	2
1470	Other current assets (note 8)	592	-	1,839	-	2280	Current lease liabilities (note 6(k))	2,974	-	3,690	-
	Total current assets	<u>1,536,358</u>	<u>51</u>	<u>1,787,067</u>	<u>53</u>	2300	Other current liabilities (notes 6(l) and (r))	85,300	3	64,440	2
Non-current assets:						2321	Bonds payable, current portion (note 6(j))	-	-	210,406	6
1550	Investments accounted for using equity method, net (note 6(e))	1,250,680	41	1,339,800	40		Total current liabilities	<u>1,050,238</u>	<u>35</u>	<u>1,512,277</u>	<u>45</u>
1600	Property, plant and equipment (notes 6(f) and 8)	149,515	5	151,324	5		Non-Current liabilities:				
1755	Right of use assets (note 6(g))	4,725	-	6,551	-	2570	Deferred tax liabilities (note 6(n))	110,165	4	111,538	4
1780	Intangible assets (note 6(h))	1,196	-	1,803	-	2580	Non-current lease liabilities (note 6(k))	1,785	-	2,910	-
1840	Deferred tax assets (note 6(n))	71,347	2	47,488	1	2670	Other non-current liabilities	12,858	-	13,094	-
1990	Other non-current assets	13,452	1	15,083	1		Total non-current liabilities	<u>124,808</u>	<u>4</u>	<u>127,542</u>	<u>4</u>
	Total non-current assets	<u>1,490,915</u>	<u>49</u>	<u>1,562,049</u>	<u>47</u>		Total liabilities	<u>1,175,046</u>	<u>39</u>	<u>1,639,819</u>	<u>49</u>
Total assets		<u>\$ 3,027,273</u>	<u>100</u>	<u>3,349,116</u>	<u>100</u>		Equity attributable to owners of parent (notes 6(j), (o) and (p)):				
						3110	Ordinary share	879,081	29	879,081	26
						3200	Capital surplus	348,899	11	348,765	11
							Retained earnings:				
						3310	Legal reserve	170,281	6	151,536	5
						3320	Special reserve	85,614	3	73,874	2
						3350	Unappropriated retained earnings	446,785	15	341,655	10
								<u>702,680</u>	<u>24</u>	<u>567,065</u>	<u>17</u>
						3410	Exchange differences on translation of foreign financial statements	(61,180)	(2)	(85,614)	(3)
						3500	Treasury shares	(17,253)	(1)	-	-
							Total equity	<u>1,852,227</u>	<u>61</u>	<u>1,709,297</u>	<u>51</u>
							Total liabilities and equity	<u>\$ 3,027,273</u>	<u>100</u>	<u>3,349,116</u>	<u>100</u>

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
TAISOL ELECTRONICS CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		<u>2022</u>		<u>2021</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenue (notes 6(r) and 7)	\$ 2,990,834	100	3,326,352	100
5000	Operating costs (notes 6(d), 7 and 12)	2,447,968	82	2,725,334	82
5900	Gross profit from operations	542,866	18	601,018	18
6000	Operating expenses (notes 6(b), (m), (s), 7 and 12):				
6100	Selling expenses	156,579	5	129,217	4
6200	Administrative expenses	60,104	2	71,729	2
6300	Research and development expenses	54,059	2	55,956	2
6450	Expected credit loss	39	-	1	-
		270,781	9	256,903	8
6900	Net operating income	272,085	9	344,115	10
7000	Non-operating income and expenses (notes 6(j), (k), (t) and 12):				
7100	Interest income	3,550	-	1,558	-
7010	Other income	27,042	1	25,074	1
7020	Other gains and losses, net	39,455	1	(18,357)	(1)
7050	Finance costs, net	(4,208)	-	(4,829)	-
7070	Share of profit (loss) of associates and joint ventures accounted for using equity method, net	13,564	1	(91,744)	(3)
		79,403	3	(88,298)	(3)
	Profit from continuing operations before tax	351,488	12	255,817	7
7950	Less: Income tax expenses (note 6(n))	84,011	3	68,368	2
	Profit	267,477	9	187,449	5
8300	Other comprehensive income:				
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	23,179	1	(11,740)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
8300	Other comprehensive income	23,179	1	(11,740)	-
8500	Total comprehensive income	\$ 290,656	10	175,709	5
	Earnings per share (note 6(q))				
9750	Basic earnings per share	\$ 3.05		2.13	
9850	Diluted earnings per share	\$ 3.00		2.10	

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
TAISOL ELECTRONICS CO., LTD.

Statements of Changes in Equity
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	Share capital			Retained earnings				Exchange differences on translation of foreign financial statements	Treasury shares	Total equity	
	Ordinary shares	Advance receipts for share capital	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings				Total retained earnings
Balance at January 1, 2021	\$ 878,012	271	878,283	345,042	129,160	74,065	334,491	537,716	(73,874)	-	1,687,167
Profit	-	-	-	-	-	-	187,449	187,449	-	-	187,449
Other comprehensive income	-	-	-	-	-	-	-	-	(11,740)	-	(11,740)
Total comprehensive income	-	-	-	-	-	-	187,449	187,449	(11,740)	-	175,709
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	-	-	22,376	-	(22,376)	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	-	(158,100)	(158,100)	-	-	(158,100)
Reversal of special reserve	-	-	-	-	-	(191)	191	-	-	-	-
Issuance of shares for exercise of employee stock options	1,069	(271)	798	129	-	-	-	-	-	-	927
Others	-	-	-	3,594	-	-	-	-	-	-	3,594
Balance at December 31, 2021	879,081	-	879,081	348,765	151,536	73,874	341,655	567,065	(85,614)	-	1,709,297
Profit	-	-	-	-	-	-	267,477	267,477	-	-	267,477
Other comprehensive income	-	-	-	-	-	-	-	-	23,179	-	23,179
Total comprehensive income	-	-	-	-	-	-	267,477	267,477	23,179	-	290,656
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	-	-	18,745	-	(18,745)	-	-	-	-
Special reserve appropriated	-	-	-	-	-	11,740	(11,740)	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	-	(131,862)	(131,862)	-	-	(131,862)
Purchase of treasury share	-	-	-	-	-	-	-	-	-	(17,253)	(17,253)
Disposal of subsidiaries	-	-	-	-	-	-	-	-	1,255	-	1,255
Others	-	-	-	134	-	-	-	-	-	-	134
Balance at December 31, 2022	\$ 879,081	-	879,081	348,899	170,281	85,614	446,785	702,680	(61,180)	(17,253)	1,852,227

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
TAISOL ELECTRONICS CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax	\$ 351,488	255,817
Adjustments:		
Adjustments to reconcile profit or loss:		
Depreciation expense	7,758	8,332
Amortization expense	607	1,313
Expected credit loss	39	1
Net loss on financial assets at fair value through profit or loss	-	105
Interest expense	4,208	4,829
Interest income	(3,548)	(1,549)
Share of (profit) loss of subsidiaries, associates and joint ventures accounted for using equity method	(13,564)	91,744
Loss on disposal of investments	1,255	-
Unrealized foreign exchange loss (gain)	12,334	(5,426)
Gains on modification of leases	(13)	(9)
Total adjustments to reconcile profit (loss)	9,076	99,340
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in accounts receivable	393,689	(136,161)
Decrease in accounts receivable due from related parties	-	5,702
Decrease in other receivables	3,078	25,000
Decrease (increase) in other receivables due from related parties	20,872	(17,255)
Decrease in inventories	84,892	42,945
(Increase) decrease in prepayments	(694)	147
Decrease in other current assets	1,247	3,531
Increase in other non-current assets	(617)	(360)
Total changes in operating assets	502,467	(76,451)
Changes in operating liabilities:		
Decrease in accounts payable	(91,786)	(137,480)
(Decrease) increase in accounts payable to related parties	(164,448)	253,511
Decrease in other payable	(1,192)	(40,408)
(Decrease) increase in other payable to related parties	(12,068)	12,836
Increase (decrease) in other current liabilities	17,909	(4,359)
(Decrease) increase in other operating liabilities	(220)	614
Total changes in operating liabilities	(251,805)	84,714
Total changes in operating assets and liabilities	250,662	8,263
Total adjustments	259,738	107,603
Cash inflow generated from operations	611,226	363,420
Interest received	3,799	1,081
Dividends received	134,149	-
Interest paid	(1,605)	(783)
Income taxes paid	(91,133)	(53,696)
Net cash flows from operating activities	656,436	310,022
Cash flows from (used in) investing activities:		
Acquisition of investments accounted for using equity method	(8,307)	-
Proceeds from disposal of investments accounted for using equity method	6	-
Acquisition of property, plant and equipment	(2,801)	(5,017)
Decrease (increase) in other receivables due from related parties	95,064	(66,829)
Acquisition of intangible assets	-	(312)
Decrease (increase) in other non-current assets	2,238	(729)
Net cash flows from (used in) investing activities	86,200	(72,887)
Cash flows from (used in) financing activities:		
Decrease in short-term borrowings	(20,000)	(192,000)
Repayments of bonds	(213,009)	-
Repayments of long-term debt	-	(41,667)
Payment of lease liabilities	(3,104)	(3,631)
Cash dividends paid	(131,862)	(158,100)
Exercise of employee share options	-	927
Payments to acquire treasury shares	(17,253)	-
Other financing activities	134	3,594
Net cash flows used in financing activities	(385,094)	(390,877)
Net increase (decrease) in cash and cash equivalents	357,542	(153,742)
Cash and cash equivalents at beginning of period	186,431	340,173
Cash and cash equivalents at end of period	\$ 543,973	186,431

See accompanying notes to parent company only financial statements.

Representation Letter

The entities that are required to be included in the combined financial statements of TaiSol Electronics Co., Ltd. as of and for the year ended December 31, 2022 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 by the Financial Supervisory Commission, "Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, TaiSol Electronics Co., Ltd. and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: TaiSol Electronics Co., Ltd.

Chairman: Yu, Ching-Sung

Date: February 24, 2023

Independent Auditors' Report

To the Board of Directors of TaiSol Electronics Co., Ltd.:

Opinion

We have audited the consolidated financial statements of TaiSol Electronics Co., Ltd. and its subsidiaries (“the Group”), which comprise the consolidated balance sheet as of December 31, 2022 and 2021, the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

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

1. Revenue recognition

Please refer to Notes 4(m), 5(b)(i), 6(m) and 6(s) to the consolidated financial statements.

Description of key audit matter:

The test on revenue recognition is one of our key audit matters. The Group has to provide a discount to its customers based on the contract agreement and records it as a reduction of revenue.

How the matter was addressed in our audit:

Our principal audit procedures included the following:

- Test the manual controls relating to sales and collection operations and financial reporting, check and reconcile sales system data with general ledger entries, and assess whether the Group's revenue recognition policy is in compliance with the relevant standards and revenue information is properly disclosed.
- Read the relevant customer sales contracts and terms, test for consistency with accounting policies, and consider the accounting treatment and disclosure of sales discounts.
- Perform year-to-year analysis on the revenue by product line and the revenue from top ten customers to determine whether there are any significant misstatements.
- Select appropriate samples to verify with vouchers and relevant documents.
- Select sales transactions from a period of time before and after the balance sheet date and verify with vouchers and relevant documents to assess the accuracy of the timing and amounts of revenue recognized.
- Obtain the detail of the discounts accrued by the management of the Group (refund liabilities) and verify with the relevant internal and external information to assess the reasonableness of the relevant parameters and the underlying assumptions. Review the accuracy of the estimated discount accrued in prior years to assess whether there are material anomalies in the amounts of the accrued discounts (refund liabilities).

2. Commission estimate

Please refer to Notes 4(g) , 5(b)(ii), 6(m) to the consolidated financial statements.

Description of key audit matter:

Commission expense is one of our key audit matters. Part of the sales of the Group are made through agents and commissions are required to pay on the basis of contract agreements. These expenses estimated by the management of the Group in respect of the foregoing are accrued as operating expenses.

How the matter was addressed in our audit:

Our principal audit procedures included the following:

- Read the terms of the sales contract of the relevant agent and test the consistency of the accounting treatment.
- Perform year-to-year analysis on the commission expense of the main agents to evaluate if there are any significant abnormalities.
- Obtain the detail of the commission accrued by the management of the Group and verify with the relevant internal and external information to assess the reasonableness of its parameters and the underlying assumptions. Review the accuracy of the estimated commission expenses accrued in prior years to assess whether there are material anomalies in the amounts of the accrued commission.

3. Valuation of Inventory

Please refer to Notes 4(h), 5(b)(iii) and 6(d) to the consolidated financial statements.

Description of key audit matter:

Inventories are measured at the lower of cost or net realizable value at the reporting date. Due to factors such as rapid changes in technology or the upgrading of production technology, the obsolete or no longer meet market demand of the original product, the sales price of the relevant product may fluctuate or become sluggish, and there may be a risk that the cost of inventories exceeds its net realized value.

How the matter was addressed in our audit:

Our principal audit procedures included the following:

- Review the inventory aging reports to analyze the changes for each period.
- Assess the reasonableness of the accounting policies of the Group, such as policies for the valuation of inventories or the provision of obsolete goods.
- Assess whether the process of the inventory valuation is in conformity with the accounting policies.
- Understand the basis for valuation of net realized value used by the management of the Group and select appropriate samples to assess the reasonableness of the net realized value of inventories.
- Assess whether the disclosure of the inventory is appropriate.

Other Matter

TaiSol Electronics Co., Ltd. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2022 and 2021, on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the audit committee or supervisors) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Chen, Fu Jen and Yin, Yuan Sheng.

KPMG

Taipei, Taiwan (Republic of China)
February 24, 2023

Notes to Readers

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

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
TAISOL ELECTRONICS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		<u>2022</u>		<u>2021</u>	
		Amount	%	Amount	%
4000	Operating revenue (notes 6(s) and 7)	\$ 4,568,318	100	4,978,281	100
5000	Operating costs (notes 6(d) and 12)	<u>3,695,334</u>	81	<u>4,094,906</u>	82
5900	Gross profit from operations	<u>872,984</u>	19	<u>883,375</u>	18
6000	Operating expenses (notes 6(b), (n), (t), 7 and 12):				
6100	Selling expenses	274,604	6	242,163	5
6200	Administrative expenses	144,516	3	156,608	3
6300	Research and development expenses	177,758	4	204,347	4
6450	Expected credit loss (gain)	<u>426</u>	-	<u>(2,555)</u>	-
		<u>597,304</u>	13	<u>600,563</u>	12
6900	Net operating income	<u>275,680</u>	6	<u>282,812</u>	6
7000	Non-operating income and expenses (notes 6(j), (k), (u) and 12):				
7100	Interest income	6,057	-	5,180	-
7010	Other income	19,158	-	19,776	-
7020	Other gains and losses, net	74,039	2	(40,348)	(1)
7050	Finance costs, net	<u>(8,879)</u>	-	<u>(11,585)</u>	-
		<u>90,375</u>	2	<u>(26,977)</u>	(1)
7900	Profit from continuing operations before tax	366,055	8	255,835	5
7950	Less: Income tax expenses (note 6(o))	<u>98,578</u>	2	<u>68,386</u>	1
	Profit	<u>267,477</u>	6	<u>187,449</u>	4
8300	Other comprehensive income:				
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	23,179	-	(11,740)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>-</u>	-	<u>-</u>	-
8300	Other comprehensive income	<u>23,179</u>	-	<u>(11,740)</u>	-
8500	Total comprehensive income	<u>\$ 290,656</u>	6	<u>175,709</u>	4
	Profit, attributable to:				
8610	Owners of parent	<u>\$ 267,477</u>	6	<u>187,449</u>	4
	Comprehensive income attributable to:				
8710	Owners of parent	<u>\$ 290,656</u>	6	<u>175,709</u>	4
	Earnings per share (note 6(r))				
9750	Basic earnings per share	<u>\$ 3.05</u>		<u>2.13</u>	
9850	Diluted earnings per share	<u>\$ 3.00</u>		<u>2.10</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
TAISOL ELECTRONICS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent										
	Share capital			Retained earnings					Exchange differences on translation of foreign financial statements	Treasury shares	Total equity
	Ordinary shares	Advance receipts for share capital	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings			
Balance at January 1, 2021	\$ 878,012	271	878,283	345,042	129,160	74,065	334,491	537,716	(73,874)	-	1,687,167
Profit	-	-	-	-	-	-	187,449	187,449	-	-	187,449
Other comprehensive income	-	-	-	-	-	-	-	-	(11,740)	-	(11,740)
Total comprehensive income	-	-	-	-	-	-	187,449	187,449	(11,740)	-	175,709
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	-	-	22,376	-	(22,376)	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	-	(158,100)	(158,100)	-	-	(158,100)
Reversal of special reserve	-	-	-	-	-	(191)	191	-	-	-	-
Issuance of shares for exercise of employee stock options	1,069	(271)	798	129	-	-	-	-	-	-	927
Others	-	-	-	3,594	-	-	-	-	-	-	3,594
Balance at December 31, 2021	879,081	-	879,081	348,765	151,536	73,874	341,655	567,065	(85,614)	-	1,709,297
Profit	-	-	-	-	-	-	267,477	267,477	-	-	267,477
Other comprehensive income	-	-	-	-	-	-	-	-	23,179	-	23,179
Total comprehensive income	-	-	-	-	-	-	267,477	267,477	23,179	-	290,656
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	-	-	18,745	-	(18,745)	-	-	-	-
Special reserve appropriated	-	-	-	-	-	11,740	(11,740)	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	-	(131,862)	(131,862)	-	-	(131,862)
Purchase of treasury share	-	-	-	-	-	-	-	-	-	(17,253)	(17,253)
Disposal of subsidiaries	-	-	-	-	-	-	-	-	1,255	-	1,255
Others	-	-	-	134	-	-	-	-	-	-	134
Balance at December 31, 2022	\$ 879,081	-	879,081	348,899	170,281	85,614	446,785	702,680	(61,180)	(17,253)	1,852,227

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
TAISOL ELECTRONICS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax	\$ 366,055	255,835
Adjustments:		
Adjustments to reconcile profit or loss:		
Depreciation expense	166,755	187,852
Amortization expense	829	1,611
Expected credit loss (gain)	426	(2,555)
Net loss on financial assets at fair value through profit or loss	-	105
Interest expense	8,879	11,585
Interest income	(6,055)	(5,171)
Loss on disposal of property, plan and equipment	562	3,789
Loss on disposal of investments	1,255	-
Unrealized foreign exchange loss (gain)	14,250	(2,552)
Gains on modification of leases	(13)	(9)
Total adjustments to reconcile profit (loss)	186,888	194,655
Changes in operating assets and liabilities:		
Changes in operating assets:		
(Increase) decrease in notes receivable	(41,384)	183,337
Decrease (increase) in accounts receivable	514,515	(209,510)
Decrease in accounts receivable due from related parties	-	5,702
Decrease in other receivables	9,172	36,396
Decrease (increase) in inventories	250,012	(18,377)
Decrease (increase) in prepayments	16,397	(51,475)
Decrease in other current assets	1,116	56,671
Increase in other non-current assets	(617)	(360)
Total changes in operating assets	749,211	2,384
Changes in operating liabilities:		
Decrease in accounts payable	(358,772)	(308)
Decrease in other payable	(56,502)	(76,390)
Increase (decrease) in other current liabilities	19,114	(7,065)
(Decrease) increase in other operating liabilities	(221)	614
Total changes in operating liabilities	(396,381)	(83,149)
Total changes in operating assets and liabilities	352,830	(80,765)
Total adjustments	539,718	113,890
Cash inflow generated from operations	905,773	369,725
Interest received	6,213	4,914
Interest paid	(6,276)	(7,539)
Income taxes paid	(94,612)	(67,998)
Net cash flows from operating activities	811,098	299,102
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(33,429)	(71,599)
Proceeds from disposal of property, plant and equipment	31	-
Acquisition of intangible assets	(176)	(312)
Acquisition of right-of-use assets	-	(3,231)
Increase in other non-current assets	(19,192)	(35,283)
Net cash flows used in investing activities	(52,766)	(110,425)
Cash flows from (used in) financing activities:		
Decrease in short-term borrowings	(20,000)	(192,000)
Repayments of bonds	(213,009)	-
Repayments of long-term debt	-	(41,667)
Payment of lease liabilities	(43,922)	(44,662)
Cash dividends paid	(131,862)	(158,100)
Exercise of employee share options	-	927
Payments to acquire treasury shares	(17,253)	-
Other financing activities	134	3,594
Net cash flows used in financing activities	(425,912)	(431,908)
Effect of exchange rate changes on cash and cash equivalents	14,032	(5,633)
Net increase (decrease) in cash and cash equivalents	346,452	(248,864)
Cash and cash equivalents at beginning of period	418,151	667,015
Cash and cash equivalents at end of period	\$ 764,603	418,151

See accompanying notes to consolidated financial statements.

TaiSol Electronics Co., Ltd.

Amendments to the Company's "Rules and Procedures of Shareholders' Meeting"
Comparison Table

Amended provision	Current provision	Description
<p>3 Convening of shareholders' meetings, meeting notice, and shareholders' proposals:</p> <p>3.1 Except for otherwise stated in laws and regulations, shareholders' meetings of the Company shall be convened by the Board.</p> <p><u>3.2 Any changes in the convening method of the shareholders' meeting of the Company shall be resolved by the Board, and be made no later than the dispatch of the notice of the shareholders' meeting.</u></p> <p><u>3.3 The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, proposals for discussion, or the election or dismissal of Directors, and upload them to the Market Observation Post System (MOPS) 30 days or 15 days before the annual shareholders' meeting or extraordinary shareholders' meeting, respectively.</u></p> <p>3.4 The Company shall prepare electronic versions of the shareholders' meeting handbook and supplemental meeting materials and upload them to the MOPS 21 days before the date of the regular</p>	<p>3 Convening of shareholders' meetings, meeting notice, and shareholders' proposals:</p> <p>3.1 Except for otherwise stated in laws and regulations, shareholders' meetings of the Company shall be convened by the Board.</p> <p>3.2 For convening an annual shareholders' meeting, the Company shall provide the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, proposals for discussion, or the election or dismissal of Directors to shareholders 30 days before the meeting, and may prepare and upload the electronic versions of such materials to MOPS as an announcement to notify shareholders holding less than 1,000 registered shares; for convening an extraordinary shareholders' meeting, the Company shall notify shareholders 15 days before the meeting, and may prepare and upload the electronic versions of such materials to MOPS as an announcement to notify shareholders holding less than 1,000 registered shares.</p> <p>3.3 (Deleted)</p> <p>3.5 The Company shall prepare electronic versions of the shareholders' meeting handbook and supplemental meeting materials and upload them to the MOPS 21 days before the date of the regular shareholders meeting or 15 days before the date of an extraordinary shareholders'</p>	<p>Amended according to laws and regulations</p>

Amended provision	Current provision	Description
<p>shareholders meeting or 15 days before the date of an extraordinary shareholders' meeting. <u>If, however, the Company has a paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the shareholder register of the annual shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made 30 days before the annual shareholders meeting.</u></p> <p>3.5 In addition, 15 days before the date of the shareholders' meeting, the Corporation shall also have prepared the shareholders' meeting handbook and supplemental meeting materials and made them available for review by shareholders at any time. The meeting handbook and supplemental materials shall also be displayed at the Company and the professional stock agent designated by the Company, and distributed at the site of the shareholders' meeting.</p> <p>3.6 The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic forms.</p> <p>3.7 Election or dismissal of Directors, amendments to the Articles of Incorporation, capital reduction, application for the approval of ceasing its status as a public company, approval for the release of non-competition restriction of Directors, capital increase from earnings, capital increase from reserves, the dissolution, merger, or demerger of the Company, or any matter under paragraph 1, Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by</p>	<p>meeting.</p> <p>3.4 In addition, 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting handbook and supplemental meeting materials and have made them available for review by shareholders at any time. The meeting handbook and supplemental materials shall also be displayed at the Company and the professional stock agent designated by the Company, and distributed at the site of the shareholders' meeting.</p> <p>3.6 The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic forms.</p> <p>3.7 Election or dismissal of Directors, amendments to the Articles of Incorporation, capital reduction, application for the approval of ceasing its status as a public company, approval for the release of non-competition restriction of Directors, capital increase from earnings, capital increase from reserves, the dissolution, merger, or demerger of the Company, or any matter under paragraph 1, Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering</p>	

Amended provision	Current provision	Description
<p>Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extempore motion.</p> <p>Omitted below</p>	<p>and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extempore motion; the major content may be uploaded to the website designated by the competent authority for securities or the Company, and the website shall be set out in the notice.</p> <p>Omitted below</p>	
<p>6 Preparation of documents such as the attendance book:</p> <p><u>6.1 The Company shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.</u></p> <p><u>6.2 The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences.</u></p> <p><u>6.3 Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend to be presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</u></p> <p>6.4 The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>6.5 The Company shall furnish attending shareholders with the meeting handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting</p>	<p>6 Preparation of documents such as the attendance book:</p> <p>6.1 The Company shall furnish the attending shareholders or proxies appointed by shareholders (collectively, the "shareholders") with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>6.2 The Company shall furnish attending</p>	<p>Amended according to laws and regulations</p>

Amended provision	Current provision	Description
<p>materials. Where there is an election of Directors, pre-printed ballots shall also be furnished.</p> <p>6.6 When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a corporation is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.</p>	<p>shareholders with the meeting handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of Directors, pre-printed ballots shall also be furnished.</p> <p>6.3 Shareholders shall attend shareholders' meetings based on attendance cards, sign in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>6.4 When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a corporation is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.</p>	
<p>7 Chairperson and presenting person at shareholders' meetings:</p> <p>7.1 If a shareholders' meeting is convened by the Board, the Chairman shall be the chairperson; if the Chairman is on leave or is unable to exercise its functions due to other causes, the Chairman shall appoint one Director to act on its behalf; if the Chairman has not appointed any proxy, Directors shall elect one person by and among themselves to act on behalf of the Chairman.</p> <p><u>7.2 The Director acting on behalf of the chairperson in the preceding paragraph shall be a Director who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall apply to a representative of a corporate Director that serves as the chairperson.</u></p> <p>7.3 Shareholders meetings convened by the Board shall be <u>chaired by the Chairman in person</u> and attended by a majority of the Directors and at least one member of <u>each functional committee on behalf of</u></p>	<p>7 Chairperson and presenting person at shareholders' meetings:</p> <p>7.1 If a shareholders' meeting is convened by the Board, the Chairman shall be the chairperson; if the Chairman is on leave or is unable to exercise its functions due to other causes, the Chairman shall appoint one Director to act on its behalf; if the Chairman has not appointed any proxy, Directors shall elect one person by and among themselves to act on behalf of the Chairman.</p> <p>7.2 Shareholders meetings convened by the Board shall be attended by a majority of the Directors.</p>	

Amended provision	Current provision	Description
<p><u>the committee. The attendance shall be recorded in the meeting minutes.</u></p> <p>7.4 If a shareholders' meeting is convened by a party with the power to convene but other than the Board, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chairperson from among themselves.</p> <p>7.5 The Company may appoint its attorneys, CPAs, or related persons retained by it to present at shareholders' meetings.</p>	<p>7.3 If a shareholders' meeting is convened by a party with the power to convene but other than the Board, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chairperson from among themselves.</p> <p>7.4 The Company may appoint its attorneys, CPAs, or related persons retained by it to present at shareholders' meetings.</p>	
<p>9 Shares represented by shareholders attended in person or by proxy of shareholders' meeting and calling meetings to order:</p> <p>9.1 Omitted</p> <p>9.2 The chairperson shall call the meeting to order at the appointed meeting time <u>and disclose information concerning the number of non-voting shares and the number of shares represented by shareholders attending the meeting.</u> However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairperson may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chairperson shall declare the meeting adjourned.</p> <p>Omitted below</p>	<p>9 Shares represented by shareholders attended in person or by proxy of shareholders' meeting and calling meetings to order:</p> <p>9.1 Omitted</p> <p>9.2 The chairperson shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairperson may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chairperson shall declare the meeting adjourned.</p> <p>Omitted below</p>	<p>Amended according to laws and regulations</p>
<p>14 Election:</p> <p>14.1 The election of Directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the</p>	<p>14 Election:</p> <p>14.1 The election of Directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the</p>	<p>Amended according to laws and regulations</p>

Amended provision	Current provision	Description
<p>Company, and the voting results shall be announced on-site immediately, including the names of those elected as Directors and the numbers of votes with which they were elected, <u>and the names of Directors not elected and the number of votes they received.</u></p> <p>Omitted below</p>	<p>Company, and the voting results shall be announced on-site immediately, including the names of those elected as Directors and the numbers of votes with which they were elected.</p> <p>Omitted below</p>	
<p>15 Meeting minutes and matters of execution:</p> <p>15.1 Omitted</p> <p>15.2 The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairperson’s full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by <u>each candidate</u> in the event of an election of Directors. The minutes shall be retained for the duration of the existence of the Company.</p>	<p>15 Meeting minutes and matters of execution:</p> <p>15.1 Omitted</p> <p>15.2 The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairperson’s full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by <u>the elected Directors</u> in the event of an election of Directors. The minutes shall be retained for the duration of the existence of the Company.</p>	<p>Amended according to laws and regulations</p>
<p>16 Public disclosure:</p> <p>16.1 On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies <u>and the number of shares represented by shareholders attending the meeting by correspondence or electronic means</u>, and shall make an express disclosure of the same at the place of the shareholders’ meeting.</p>	<p>16 Public disclosure:</p> <p>16.1 On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation <u>and</u> the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders’ meeting.</p>	<p>Amended according to laws and regulations</p>
<p>20 History:</p> <p>20.1 The Rules were established on June 15, 2002.</p> <p>20.2 The 1st amendment was made on June 20, 2006.</p> <p>20.3 The 2nd amendment was made on June 25, 2010.</p> <p>20.4 The 3rd amendment was made on June 8, 2012.</p>	<p>20 History:</p> <p>20.1 The Rules were established on June 15, 2002.</p> <p>20.2 The 1st amendment was made on June 20, 2006.</p> <p>20.3 The 2nd amendment was made on June 25, 2010.</p> <p>20.4 The 3rd amendment was made on June 8, 2012.</p>	<p>Added the version of the current amendment</p>

Amended provision	Current provision	Description
20.5 The 4 th amendment was made on June 5, 2020.	20.5 The 4 th amendment was made on June 5, 2020.	
20.6 The 5 th amendment was made on May 25, 2021.	20.6 The 5 th amendment was made on May 25, 2021.	
<u>20.7 The 6th amendment was made on May 30, 2023.</u>		

TaiSol Electronics Co., Ltd.

Articles of Incorporation

Chapter 1 General

Article 1: The Company is formed according to the requirements of limited companies under the Company Act. The Company is named TaiSol Electronics Co., Ltd..

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

1. CC01020 Electric Wires and Cables Manufacturing
2. CC01080 Electronic Components Manufacturing
3. CC01110 Computer and Peripheral Equipment Manufacturing
4. F113070 Wholesale of Telecommunication Apparatus
5. F113990 Wholesale of Other Machinery and Tools
6. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories
7. F119010 Wholesale of Electronic Materials
8. F401010 International Trade
9. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The headquarters of the Company is located in Taipei City, and the Company may establish domestic or foreign branches or offices with a resolution made by the Board.

Article 4: The Company may provide guarantees to external parties.

Chapter 2 Shares

Article 5: The total capital of the Company is NT\$1 billion, divided into 100,000,000 shares with a par value of NT\$10, issued shares in batches.

Within the total capital above, NT\$30 million was preserved for the issuance of employee stock options in the amount of 3,000,000 shares in aggregate.

Total shares held by the Company due to investments in other limited companies are not restricted by the investment limit stated under Article 13 of the Company Act.

Article 5-1: The Company intends to issue employee stock options at a subscription price lower than the market price, it shall make arrangements according to relevant requirements of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, and the issuance shall be subject to the special resolution made by the shareholders' meeting.

Article 5-2: If the Company intends to transfer the shares of the Company repurchased to employees at a price lower than the average price of share repurchases, the Company shall comply with relevant requirements, and the transfer shall be subject to the special resolution made by the shareholders' meeting.

Article 5-3: The distribution targets of employee stock options, distribution targets of restrictive stock awards, targets for employee subscription of shares preserved from new shares issued due to capital increases, and targets for the transfer of treasury shares repurchased may include employees, who fulfill certain conditions, of controlling or subordinate companies; the Board is authorized to determine the conditions, distribution methods, and subscription methods.

Article 6: Stock affairs of the Company are processed according to the requirements under the

“Regulations Governing the Administration of Shareholder Services of Public Companies” promulgated by the competent authority.

Article 6-1: If the Company intends to cancel the public offering of its stocks, it shall submit a proposal to the shareholders’ meeting for resolution; this provision shall remain unchanged during the period in which the Company is listed on the emerging stock market and TWSE/TPEX.

Article 7: Shares of the Company are registered, with the signature or seal of Directors, who represents the Company, affixed, and issued after being certified by the competent authority or an issuance registration institution it approved. The Company is exempted from printing share certificates for the shares it issues. However, shares issued according to the abovementioned requirements shall be registered with a centralized securities depository enterprise.

Article 8: The change in name and transfer of shares shall be suspended 60 days before an annual shareholders’ meeting, 30 days before an extraordinary shareholders’ meeting, or five days before the base day on which the Company decides to distribute dividends, bonuses, or other benefits.

Chapter III Shareholders’ Meetings

Article 9: There are annual shareholders’ meetings and extraordinary shareholders’ meetings; annual shareholders’ meetings shall be convened at least once a year by the Board within six months after the end of each fiscal year according to the law; extraordinary shareholders’ meetings are convened according to the law when necessary.

With the consent of the shareholders, the meeting notice may be provided by electronic means. For shareholders with less than 1,000 registered shares, the meeting notice in the preceding paragraph may be made by way of announcements.

Article 10: If a shareholder is unable to attend a shareholders’ meeting due to other causes, it may issue a proxy form, which is printed and distributed by the Company, and set out the scope of authorization to engage a proxy to attend the shareholders’ meeting on its behalf.

Apart from requirements under Article 177 of the Company Act, methods for attendance of shareholders by proxy shall be subject to the requirements of the “Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies” promulgated by the competent authority.

Article 11: Shareholders of the Company are entitled to one vote for each share held; no vote is granted for those restricted or falling under the circumstances stated in paragraph 2, Article 179 of the Company Act.

Article 12: Resolutions at a shareholders’ meeting shall, unless otherwise stated in the Company Act, be adopted by receiving more than half of the votes for consent from attending shareholders.

Article 12-1: For shareholders’ meetings convened by the Board, the Chairman shall be the chairperson; if the Chairman is absent, the Chairman shall appoint one person as its proxy; if there is no appointment made, Directors shall elect one person to act on behalf of the Chairman. For shareholders’ meetings convened by a party with the power to convene but other than the Board, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chairperson from among themselves.

Article 12-2: Meeting minutes shall be prepared for resolutions made at a shareholder’s meeting with the signature or seal of the chairperson of the meeting affixed, and arrangements shall be

made according to the requirements of Article 183 of the Company Act.

Chapter 4 Directors and the Audit Committee

- Article 13: The Company has five to nine Directors with a term of office of three years; the Company adopts the candidate nomination system for the election of Directors for the shareholders' meeting to elect Directors from the list of Director candidates; Directors may be re-elected and re-appointed. The Company adopts the cumulative voting method for the elections of its directors. In the above number of Directors, the number of Independent Directors shall be no less than three persons, and they shall be elected by the shareholders from the list of Independent Director candidates. The acceptance method for nomination shall be subject to the requirements of the Company Act and relevant regulations.
The total shareholding of all Directors of the Company shall be subject to the requirements of the securities administration agency.
- Article 13-1: If the vacancy of Directors reaches one-third or if all Independent Directors are released of their duties, the Board shall convene an extraordinary shareholders' meeting for by-election according to the requirements under Article 201 of the Company Act and Article 14-2 of the Securities and Exchange Act; the tenure of Directors so elected shall be up to the expiry of the initial Directors.
- Article 13-2: The Company may purchase liability insurance for Directors for the compensation liabilities they assume for the scope of business execution during their tenure to minimize the spread the risks of Directors and the Company; the same may apply to material officers of the Company.
- Article 14: The Board composes Directors, and a Chairman shall be elected by receiving the consent of more than half of the attending Directors on a meeting attended by over two-third of the Directors; the Chairman represent the Company to external parties.
Board meetings shall be convened at least once a quarter, and the meeting notice with reasons specified shall be provided to Directors seven days in advance; however, for any emergencies, Board meetings may be convened at any time. The meeting notice may be made by way of fax, e-mail and other methods.
- Article 15: If the Chairman is on leave or is unable to exercise its functions due to other causes, its proxy shall make arrangements according to requirements under Article 208 of the Company Act.
If a Director is unable to attend in person, it may issue a proxy form with the reason for the meeting and the scope of authorization stated to engage another Director to attend the Board meeting on its behalf; however, only one Director may be engaged as a proxy of another Director.
- Article 15-1: Except for otherwise stated in the Company Act, the resolutions of the Board shall receive the consent of more than half of the attending Directors at a meeting attended by more than half of the Directors.
- Article 15-2: The Company has established its Audit Committee according to the requirements under Article 14-4 of the Securities and Exchange Act; the Committee composes all Independent Directors. The Audit Committee or its members are responsible for executing duties that shall be exercised by supervisors under the requirements of the Company Act, Securities and Exchange Act, and other laws and regulations.

Article 16: The Board is authorized to determine the remuneration of the Chairman and Directors, regardless of operating gains or losses of the Company, according to the level of participation in the Company's operations and the value of contributions with reference to the domestic and foreign standards within the industry.

Article 16-1: The Board may establish functional committees; the charters of functional committees shall be approved by the Board as a resolution. Functional committees are held responsible to the Board, and they shall submit all proposals to the Board for resolution.

Chapter 5 Managers

Article 17: The Company may have one President and one Executive Vice President, whose appointment, dismissal, and remuneration shall be subject to the requirements under Article 29 of the Company.

Article 18: (Deleted).

Article 6 Accounting

Article 19: The Board shall prepare the following statements and books at the end of each fiscal year and submit them to the annual shareholders' meeting for ratification according to the law.

(I) Business report

(II) Financial statements

(III) Proposal for earning distribution or loss compensation

Article 20: If the Company records any profit for the year, it shall make appropriations according to the following principles; however, if the Company has accumulated losses, it shall preserve the amount for compensation.

(I) No more than 5% as the remuneration of Directors

(II) No more than 15% but not less than 3% as the remuneration of employees

The remuneration of employees in the preceding paragraph may be distributed in shares or cash, and the payment targets may include employees who fulfill certain conditions set by the Board of controlling or subordinate companies.

Article 20-1: If the Company records profits after the close of accounts for the fiscal year, it shall compensate prior losses and pay taxes, and then appropriate 10% of the remaining balance as the statutory surplus reserve; however, if the amount of statutory surplus reserve has reached the total capital of the Company, the appropriation shall be exempted. In addition, a special surplus reserve shall be appropriated based on the business requirements of the Company and legal requirements. If there are remaining earnings, combine them with undistributed earnings at the beginning of the period, and the Board shall prepare the proposal for earning distribution and submit it to the shareholders' meeting for the resolution of distribution.

Regarding the distribution in the preceding paragraph, the shareholders' meeting may resolve to retain the entire or partial earnings as undistributed earnings for distribution in subsequent years.

The distribution of shareholders' bonuses may be made by way of cash dividend or stock dividend, and the distribution ratio of the cash dividend shall be no less than 20%, in principle; however, the ratio of cash dividend or stock dividend for the earning distribution may be adjusted through the resolution by shareholders' meeting based on the actual profits

and capital status of the year.

Appendices

Article 21: Unaddressed matters in the Articles shall be subject to the requirements under the Company Act.

Article 22: The Articles were established on September 12, 1994.

The 1st amendment was made on June 24, 1995.

The 2nd amendment was made on August 3, 1998.

The 3rd amendment was made on March 6, 1999.

The 4th amendment was made on July 5, 1999.

The 5th amendment was made on February 3, 2000.

The 6th amendment was made on June 10, 2000.

The 7th amendment was made on June 9, 2001.

The 8th amendment was made on June 15, 2002.

The 9th amendment was made on June 7, 2003.

The 10th amendment was made on June 5, 2004.

The 11th amendment was made on June 20, 2006.

The 12th amendment was made on June 20, 2007.

The 13th amendment was made on October 18, 2007.

The 14th amendment was made on June 18, 2009.

The 15th amendment was made on June 25, 2010.

The 16th amendment was made on June 8, 2012.

The 17th amendment was made on July 5, 2013.

The 18th amendment was made on May 15, 2015.

The 19th amendment was made on May 31, 2016.

The 20th amendment was made on June 5, 2020.

The 21st amendment was made on July 5, 2021.

TaiSol Electronics Co., Ltd.
Rules and Procedures of Shareholders' Meeting
(Before the Amendment)

- 1 Establishment basis:
 - 1.1 To establish strong governance system and sound supervisory capabilities for the shareholders' meetings of the Company and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
- 2 Regulatory basis:
 - 2.1 Except otherwise provided by laws, regulations, or the Articles, the rules of procedures for the shareholders' meetings of the Company shall be subject to the Rules.
- 3 Convening of shareholders' meetings, meeting notice, and shareholders' proposals:
 - 3.1 Except for where otherwise stated in laws and regulations, shareholders' meetings of the Company shall be convened by the Board.
 - 3.2 For convening an annual shareholders' meeting, the Company shall provide the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, proposals for discussion, or the election or dismissal of Directors to shareholders 30 days before the meeting, and may prepare and upload the electronic versions of such materials to MOPS as an announcement to notify shareholders holding less than 1,000 registered shares; for convening an extraordinary shareholders' meeting, the Company shall notify shareholders 15 days before the meeting, and may prepare and upload the electronic versions of such materials to MOPS as an announcement to notify shareholders holding less than 1,000 registered shares.
 - 3.3 (Deleted)
 - 3.4 In addition, 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting handbook and supplemental meeting materials and have made them available for review by shareholders at any time. The meeting handbook and supplemental materials shall also be displayed at the Company and the professional stock agent designated by the Company, and distributed at the site of the shareholders' meeting.
 - 3.5 The Company shall prepare electronic versions of the shareholders' meeting handbook and supplemental meeting materials and upload them to the MOPS 21 days before the date of the regular shareholders meeting or 15 days before the date of an extraordinary shareholders' meeting.
 - 3.6 The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic forms.
 - 3.7 Election or dismissal of Directors, amendments to the Articles of Incorporation, capital reduction, application for the approval of ceasing its status as a public company, approval for the release of non-competition restriction of Directors, capital increase from earnings, capital increase from reserves, the dissolution, merger, or demerger of the Company, or any matter under paragraph 1, Article 185 of the Company Act, Articles 26-1 and 43-6 of the

Securities and Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extempore motion; the major content may be uploaded to the website designated by the competent authority for securities or the Company, and the website shall be set out in the notice.

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

- 3.8 A shareholder holding 1% or more of the total number of issued shares may submit a proposal to the Company for discussions at an annual shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda.

A shareholder's proposal in alignment with any circumstance under any subparagraph of paragraph 4 of Article 172-1 of the Company Act may not be included in the meeting agenda by the Board. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

- 3.9 Prior to the book closure date before the convening of an annual shareholders meeting, the Company shall publicly announce its acceptance of shareholder's proposals, acceptance method in writing or through electronic means, and the location and the period for their submission; the period for submission of shareholder's proposals may not be less than ten days.

- 3.10 A proposal submitted by a shareholder is limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall attend the annual shareholders' meeting in person or by proxy and take part in discussions of the proposal.

- 3.11 Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the Board at the shareholders' meeting to be convened.

- 4 Engage proxies to attend shareholders' meetings and authorization:

- 4.1 For each shareholders' meeting, a shareholder may issue a proxy form, which is printed and distributed by the Company, and set out the scope of authorization to engage a proxy to attend the shareholders' meeting on its behalf.

- 4.2 Each shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting and shall deliver the proxy form to the Company at least five days before the date of the shareholders' meeting. When a duplicate proxy form is served, the one received earliest shall prevail, unless a declaration is made to cancel the previous proxy form.

- 4.3 Once a proxy form is received by the Company, if a shareholder wishes to attend the shareholders' meeting in person or to exercise their voting rights in writing or by electronic means, a written proxy rescission notice shall be filed with the Company at least two days prior to the date of the shareholders' meeting; otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.
- 5 Principles for the venue and time of shareholders' meetings:
 - 5.1 The venue for a shareholders' meeting shall be the premises of the Company or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.; full consideration shall be given to Independent Directors' opinions with respect to the place and time of the meeting.
- 6 Preparation of documents such as the attendance book:
 - 6.1 The Company shall furnish the attending shareholders or proxies appointed by shareholders (collectively, the "shareholders") with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.
 - 6.2 The Company shall furnish attending shareholders with the meeting handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of Directors, pre-printed ballots shall also be furnished.
 - 6.3 Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.
 - 6.4 When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a corporation is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.
- 7 Chairperson and presenting person at shareholders' meetings:
 - 7.1 If a shareholders' meeting is convened by the Board, the Chairman shall be the chairperson; if the Chairman is on leave or is unable to exercise its functions due to other causes, the Chairman shall appoint one Director to act on its behalf; if the Chairman has not appointed any proxy, Directors shall elect one person by and from among themselves to act on behalf of the Chairman.
 - 7.2 Shareholders' meetings convened by the Board shall be attended by a majority of the Directors.
 - 7.3 If a shareholders' meeting is convened by a party with the power to convene but other than the Board, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chairperson from among themselves.
 - 7.4 The Company may appoint its attorneys, CPAs, or related persons retained by it to present at shareholders' meetings.
- 8 Preservation of uninterrupted audio and video recording of shareholders' meetings as evidence:
 - 8.1 The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures.
 - 8.2 The recorded materials of the preceding paragraph shall be retained for at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with the

provisions of Article 189 of the Company Act, the materials of the meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.

9 Shares represented by shareholders attended in person or by proxy at shareholders' meetings and calling meetings to order:

9.1 Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of shares represented by shareholders attending the meeting shall be calculated in accordance with the attendance book or attendance cards handed in, plus the number of shares exercising voting rights by correspondence or electronic means.

9.2 The chairperson shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairperson may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chairperson shall declare the meeting adjourned.

9.3 If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to paragraph 1, Article 175 of the Company Act; all shareholders shall be notified of the tentative resolution, and another shareholders' meeting shall be convened within one month.

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

10 Discussion of proposals:

10.1 If a shareholders' meeting is convened by the Board, the meeting agenda shall be set by the Board. Votes shall be cast on each separate proposal in the agenda (including extempore motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

10.2 If a shareholders' meeting is convened by a party with the power to convene but other than the Board, requirements in the preceding paragraph may apply.

10.3 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), except by a resolution by the shareholders' meeting. If the chairperson declares the meeting adjourned in violation of the rules of procedure, the other members of the Board shall promptly assist the attending shareholders in electing a new chairperson in accordance with statutory procedures by agreement of a majority of the votes represented by the attending shareholders to continue the meeting.

10.4 The chairperson shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extempore motions put forward by the shareholders; when the chairperson considers that a proposal has been discussed sufficiently to put it to a vote, the chairperson may announce the discussion closed, call for a vote, and

schedule sufficient time for voting.

11 Shareholder speech:

- 11.1 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, its shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairperson.
- 11.2 A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.
- 11.3 Except with the consent of the chairperson, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed five minutes; if the shareholder's speech violates the rules or exceeds the scope of the motion, the chairperson may have the shareholder stop the speech.
- 11.4 Attending shareholders may not interfere with the speaking shareholders without the consent of the Chairman and the speaking shareholder. The Chairman will have shareholders violating this policy stopped.
- 11.5 When an institutional shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.
- 11.6 After an attending shareholder has spoken, the chairperson may respond or direct relevant personnel to respond.

12 Calculation of voting shares and recusal system:

- 12.1 Votes cast at shareholders' meetings shall be calculated based on the number of shares.
- 12.2 The shares held by shareholders having no voting rights shall not be counted in the total number of issued shares while adopting a resolution at a meeting of shareholders.
- 12.3 When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item and may not exercise voting rights as a proxy for any other shareholder.
- 12.4 The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be counted toward the number of voting rights represented by attending shareholders.
- 12.5 Except for trust enterprises or stock agencies approved by the competent authority of securities, when a person acts as the proxy for two or more shareholders, the number of voting rights represented by it shall not exceed 3% of the total number of voting shares of the company; otherwise, the portion of excessive voting power shall not be counted.

13 Voting, monitoring, and vote calculation methods:

- 13.1 Shareholders of the Company are entitled to one vote for each share held; however, this shall not apply to those restricted or with no voting rights as stated in paragraph 2, Article 179 of the Company Act. When the Company holds a shareholders' meeting, it may adopt the exercise of voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting convening notice. A shareholder's exercising voting rights by

correspondence or electronic means will be deemed to have attended the meeting in person. However, it shall be deemed as a waiver of rights with respect to the extraordinary motions and amendments to the original proposals of the shareholders' meeting. Therefore the Company shall attempt to avoid the submission of extempore motions and amendments to original proposals.

- 13.2 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. However, this shall not apply to a declaration made to cancel the earlier declaration of intent. In the case a shareholder who has exercised its voting power by correspondence or electronic means intends to attend the shareholders' meeting in person, it shall serve a separate declaration of intention to rescind its previous declaration of intention made by exercising its voting rights under the preceding paragraph before two days prior to the meeting date of the scheduled shareholders' meeting and in the same manner previously used to exercise its voting rights. In the absence of a timely rescission of the previous declaration of intention, the voting rights exercised by correspondence or electronic means shall prevail. If the shareholder exercises voting rights by correspondence or 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.
- 13.3 Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of the majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chairperson or a person designated by the chairperson shall first announce the total number of voting rights represented by the attending shareholders, followed by a vote by the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the number of votes for or against and the number of abstentions, shall be entered on the MOPS.
- 13.4 When there is an amendment or an alternative to a proposal, the chairperson shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to the vote. When a proposal among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- 13.5 Scrutineers and vote counting personnel for the voting on proposals shall be appointed by the chairperson, provided all scrutineers shall be shareholders of the Company.
- 13.6 Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the venue of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

14 Election:

- 14.1 The election of Directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as Directors and the number of votes with which they were elected.

- 14.2 The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the scrutineers and kept in proper custody for at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the materials of the meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.
- 15 Meeting minutes and matters of execution:
- 15.1 Meeting minutes shall be prepared for resolutions made at shareholder's meetings. The minutes shall be signed and affixed with a seal by the chairperson and distributed to the shareholders within 20 days after the meeting. The meeting minutes may be produced and distributed in electronic form.
- 15.2 The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairperson's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by the elected Directors in the event of an election of Directors. The minutes shall be retained for the duration of the existence of the Company.
- 16 Public disclosure:
- 16.1 On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders' meeting.
- 16.2 If any resolutions by the shareholders' meeting are material information as stipulated by laws and regulations or Taiwan Stock Exchange Corporation, the Company shall upload the content to the MOPS within the prescribed period.
- 17 Maintenance of order at the meeting venue:
- 17.1 Staff handling administrative affairs of a shareholders' meeting shall wear an identification badge or an armband.
- 17.2 The chairperson may direct the proctors or security personnel to help maintain order at the meeting venue. When proctors or security personnel help maintain order at the meeting venue, they shall wear an identification badge or an armband, reading "Proctor."
- 17.3 At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chairperson may prevent the shareholder from so doing.
- 17.4 When a shareholder violates the rules of procedure and defies the chairperson's correction, obstructing the proceedings and refusing to heed calls to stop, the chairperson may direct the proctors or security personnel to escort the shareholder from the meeting.
- 18 Break, resumption of meetings, and adjournment:
- 18.1 When a meeting is in progress, the chairperson may announce a break based on time considerations. If a force majeure event occurs, the chairperson may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.
- 18.2 If the meeting venue is no longer available for continued use and not all 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.

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

18.4 When the chairperson calls for an adjournment based on the meeting agenda, the shareholders' meeting is deemed ended. After the adjournment, shareholders may not otherwise elect a chairperson or seek another venue to resume the meeting.

19 Appendices:

19.1 The Rules were implemented on the publishing date after being approved by the shareholders' meeting.

20 History:

20.1 The Rules were established on June 15, 2002.

20.2 The 1st amendment was made on June 20, 2006.

20.3 The 2nd amendment was made on June 25, 2010.

20.4 The 3rd amendment was made on June 8, 2012.

20.5 The 4th amendment was made on June 5, 2020.

20.6 The 5th amendment was made on July 5, 2021.

TaiSol Electronics Co., Ltd.
Current Shareholding of Directors

- I. The paid-in capital of the Company is NT\$879,081,410, with a total of 87,908,141 Outstanding shares.
- II. According to Article 26 of the Securities and Exchange Act, the minimum number of shares to be held by the entire directors is 7,032,651 shares.
- III. As of the date for suspending the share transfer (April 1, 2023) for this shareholders' meeting, the shareholding of each individual and entire directors stipulated in the shareholders roster is as follows:

Title	Name	Current shareholding	
		Number of shares	Shareholding (%)
Chairman	Yu, Ching-Sung	14,463,046	16.45
Director	Liang, Chun-Hsin	27,813	0.03
Director	Lin, Chan-Lieh	32,000	0.04
Director	Hsieh, Chun-Shan	1,000,276	1.14
Director	Long-Thin Enterprise Co., Ltd. Representative: Yu, Po-Hsin	2,044,000	2.32
Independent Director	Chang, Wen-Tien	-	-
Independent Director	Tseng, Tien-Yun	-	-
Independent Director	Chen, Chih-Hung	-	-
Independent Director	Fang, Yen-Ling	-	-
Total		17,567,135	19.98

Note: As of the date for suspending the share transfer for this shareholders' meeting, the shareholding of entire directors stipulated in the shareholders roster is 17,567,135 shares, complying with the requirements related to the minimum number of shares to be held by the entire directors.