

RichWave Technology Corporation
2023 Annual Shareholders' Meeting Minutes
(English Translation for Reference Only)

Time: 10:00 a.m., Thursday, May 25, 2023

Venue: 1F., No. 399, Ruiguang Road, Neihu District, Taipei City (International Multi-Functional Conference Room, Liberty Square)

Held by means of: Physical shareholders' meeting

The Number of Shares of Attendance:

Attending shareholders and proxy represented 47,656,455 shares (Including 18,566,006 shares which attended through electronic voting) accounting for 52.85% of 90,168,906 shares, the Company's total outstanding shares.

Directors Present:

Chairman Dye-Jyun Ma, Director Shih-Chi Wang, Director Ching-Hua Wang, Director Wei-Kang Teng, Director Tzu-Hsiang Liu, Independent Director Wen-Hsiang Lu

Other Present: Su-Li Fang, CPA of Deloitte & Touche

Chairman: Dye-Jyun Ma, the Chairman of the Board of Directors

Recorder: Wei-Che Hsu

1.Call the Meeting to Order: The aggregate shareholding of the shareholders present constituted a quorum. The Chairman called the meeting to order.

2.Chairman's Remarks: Omitted.

3.Report Items:

Report I: To report the business of 2022. Please refer to attachment 1.

Report II: Audit committee's review report. Please refer to attachment 2.

Report III: To report 2022 employees' profit sharing and directors' compensation.

Explanation: According to Article 24 of the Articles of Incorporation, the Company's profit before tax in this year before deducting the remuneration for employees and Directors

totaled NT\$67,348,304. According to regulations, the Company shall appropriate no less than 8% as remuneration to employees and no more than 1% as remuneration for Directors, which totaled NT\$8,081,796 and NT\$673,483, respectively. All remuneration will be distributed by way of cash. The difference between the proposed distribution amount described in the preceding paragraph and the amount on the ledger is NT\$2,693,931 and is conducted per the Board's resolution. The difference will be recognized as an accounting estimation change in the following year.

Report IV: The company issued the first domestic unsecured convertible corporate bond report.

Explanation: 1. The Company shall report the reasons and relevant matters for inviting corporate bond subscriptions per Article 246 of the Company Act.

2. Through a resolution of the Board of Directors on April 28, 2022 for the Company to issue the first domestic unsecured corporate bonds to increase working capital, the Company raised NT\$314,951,450. The issuance became effective by the Financial Supervisory Commission's Ching-Kuan-Cheng-Fa-Tze No. 11103476261 letters. Trading of the first domestic unsecured convertible corporate bonds began on TPEX on July 29, 2022.

3. The report on issuing the first domestic unsecured convertible corporate bonds of 2022, please refer to handbook for the 2023 annual meeting of shareholders.

4. Acknowledgements

Acknowledgement I

Proposed by the Board of Directors

Case: Adoption of the 2022 Business Report and Financial Statements.

Explanation: 1. The 2022 balance sheet, comprehensive Income statement, statement of changes in equity, and cash flow statement were passed in the 6th meeting of the 7th-term Board of Directors on Feb. 23, 2023 and audited by the CPAs, Jian-Ming Zeng, and Su-Li Fang of Deloitte, Taiwan. The aforementioned statements and the Business Report were submitted to the Audit Committee for review and a review report was issued.

2. The Business Report, Independent Auditor's Report, and the aforementioned financial statements are provided (please refer to page 7 to 10 in Attachment 1 and page 14 to 32 of Attachment 4 of the Handbook).

Resolution: The result is as follows:

Shares represented at the time of voting: 43,644,379

| Voting Results | % of the total represented share present |
|--|--|
| Votes in favor: 38,493,956 votes (including electronic voting 13,415,583 votes) | 88.19% |
| Votes against: 27,253 votes (including electronic voting 27,253 votes) | 0.06% |
| Votes invalid: 0 votes | 0.00% |
| Votes abstained: 5,123,170 votes (including electronic voting 5,123,170 votes) | 11.73% |

It was resolved that the above proposal be approved as proposed.

Acknowledgement II

Proposed by the Board of Directors

Case: The 2022 earnings distribution proposal is submitted for ratification.

Explanation: 1. The undistributed earnings at the beginning of the period in 2022 was NT\$580,062,878 and the after-tax profits of 2022 was NT\$55,059,717. After adding the re-measurement of defined benefit plan converted into retained earnings of NT\$739,346, the Company appropriated 10% as statutory surplus reserve NT\$(5,579,906), and reversed a statutory special surplus reserve of NT\$1,373,110 per the regulations. The undistributed earnings at the end of the period is NT\$631,655,145.

2. The 2022 earnings distribution table is as follows:

RichWave Technology Corporation

Earnings Distribution Table

2022

Unit: NT\$

| Item | Amount | |
|---|--------------|---------------|
| Undistributed earnings at the beginning of the period | | \$580,062,878 |
| Net income of the current period | \$55,059,717 | |
| Re-measurement of defined benefit plan converted into retained earnings | 739,346 | |
| The net profit after tax of this period plus items other than the net profit after tax of this period | | 55,799,063 |

| Item | Amount | |
|---|--------|---------------|
| Appropriation of 10% as statutory surplus reserve | | (5,579,906) |
| Reversed a statutory special surplus reserve | | 1,373,110 |
| Undistributed retained earnings from previous years | | \$631,655,145 |

Chairman of the Board: Dye-Jyun Ma

Managerial Officer: Shih-Chi Wang

Chief Accounting Officer: Wei-Che Hsu

3. Retain the 2022 earnings and do not distribute dividends to shareholders.

Resolution: The result is as follows:

Shares represented at the time of voting: 43,644,379

| Voting Results | % of the total represented share present |
|--|---|
| Votes in favor: 38,469,725 votes (including electronic voting 13,391,352 votes) | 88.14% |
| Votes against: 51,805 votes (including electronic voting 51,805 votes) | 0.11% |
| Votes invalid: 0 votes | 0.00% |
| Votes abstained: 5,122,849 votes (including electronic voting 5,122,849 votes) | 11.73% |

It was resolved that the above proposal be approved as proposed.

5. Proposed Resolutions

Proposal I

Proposed by the Board of Directors

Case: The amendment of the "Rules of Procedure for Shareholders' Meetings" is submitted for approval.

Explanation: 1. Certain articles of the "Rules of Procedure for Shareholders' Meetings" were amended in accordance with regulations to meet regulatory requirements.

2. The comparison table of amended articles of the "Rules of Procedure for

Shareholders' Meetings" is provided. Please refer to attachment 4.

Resolution: The result is as follows:

Shares represented at the time of voting: 43,644,379

| Voting Results | | % of the total represented share present |
|------------------------------|-------------------|---|
| Votes in favor: | 38,336,173 votes | 87.83% |
| (including electronic voting | 13,257,800 votes) | |
| Votes against: | 188,109 votes | 0.43% |
| (including electronic voting | 188,109 votes) | |
| Votes invalid: | 0 votes | 0.00% |
| Votes abstained: | 5,120,097 votes | 11.73% |
| (including electronic voting | 5,120,097 votes) | |

It was resolved that the above proposal be approved as proposed.

6. Extemporaneous Motions: None.

7. Meeting Adjourned: 10:15AM

(No inquiries were raised by shareholders at the Shareholders' Meeting)

Letter to Shareholders

I wish to thank the shareholders for your support in the past year. For years, RichWave has continuously launched new WiFi wireless communication IC products and focused on using its innovation, technologies, and unique market positioning to create products with market differentiation. We believe that RichWave will uphold its unique position in the market with a diverse range of wireless application. We remain confident for the future to come.

I. 2022 Business Report

(I) Consolidated Business Results

Unit: NT\$ thousands

| Item | Year | 2022 | 2021 | Amount of increase (decrease) | % |
|------------------------|------|-----------|-----------|-------------------------------|----------|
| Operating revenue | | 3,429,371 | 5,316,267 | (1,886,896) | (35.5%) |
| Gross operating profit | | 1,058,590 | 1,546,032 | (487,442) | (31.5%) |
| Net operating revenue | | (17,205) | 533,608 | (550,813) | (103.2%) |
| Net profit before tax | | 61,289 | 526,906 | (465,617) | (88.4%) |
| Net profit after tax | | 55,059 | 465,517 | (410,458) | (88.2%) |
| Comprehensive income | | 57,484 | 464,172 | (406,688) | (87.6%) |

(II) Budget Implementation

The Company did not prepare a financial forecast for 2020 and therefore does not have budget achievement status for reporting.

(III) Analysis of Consolidated Financial Structure, Solvency, and Profitability

| | | 2022 | 2021 |
|-------------------------|--|----------|----------|
| Financial structure (%) | Liabilities to assets ratio | 31.19 | 27.41 |
| | Long-term working capital to real estate, plants and equipment ratio | 1,414.60 | 1,261.63 |
| Solvency (%) | Current ratio | 400.68 | 322.27 |
| | Quick ratio | 271.82 | 160.90 |
| Profitability (%) | Return on assets | 17.75 | 13.40 |
| | Return on equity | 2.31 | 20.31 |
| | Ratio of net profit before tax to paid-in capital | 6.80 | 59.56 |
| | Profit margin | 1.61 | 8.76 |
| | Earnings per share | 0.62 | 5.26 |

(IV) Research and Development

Unit: NT\$ thousands

| | 2022 | 2021 |
|--|-----------|-----------|
| R&D expenses | 602,470 | 539,010 |
| Operating revenue | 3,429,371 | 5,316,267 |
| Proportion of R&D expenses in business revenue | 17.6% | 10.1% |

II. Summary of 2023 Business Plan

(I) 2023 Business Strategy

RichWave will uphold sustainability in its business strategy and focus on core business operations. We shall abide by regulatory requirements and change our business targets with flexibility in accordance with changes in the environment. With an experienced management team, we shall continue to maintain profitability and growth of the Company in a business environment with rapid changes.

(II) Expected Sales Volume and Its Basis

In 2023, RichWave shall continue to expand channels and expand the market scale and market share. Based on the current information we have obtained regarding the conditions and production capacity of customers, we plan to sell 1,100 to 1,400 million units. Due to the rapid changes in the market and trade environment, we shall closely monitor the market conditions to determine subsequent sales strategies.

(III) Major Production & Sales Policies

The Company's production and sales strategy in 2023 will continue to focus on aggressive market development and expansion of customer base and application areas. With our core product design capabilities, we will continue to compete head-on with foreign companies with long-held market shares to create profits for both the Company and shareholders.

(IV) Future Development Strategy

In 2022, RichWave has successfully mass-produced WiFi 6E products. Looking forward to 2023, the mobile communication and wireless communication industries will continue to flourish. In addition to continuing to improve and improve WiFi 6E products, RichWave will also mass-produce WiFi 7 products. It is expected that with the increasingly complete Wifi 6 and 6E product lines and the support of the launch of

WiFi 7 products, we can expect to continue to grow in the global WiFi RF IC market revenue.

(V) Impact of the External Competitive Environment, Regulatory Environment, and Overall Business Environment

(1) Impact from Exchange Rate Changes:

RichWave's sales revenue and procurement expenditures are mostly denominated in USD and we use foreign-currency assets to offset foreign-currency liabilities to achieve natural hedging. RichWave also closely monitors information on exchange rate changes and exchange rate developments in order to adjust foreign-currency assets and liabilities in accordance with developments in the global macroeconomic environment, exchange rates, and future capital demand. These measures are taken to evade exchange rate risks and reduce the impact of exchange rate changes on the Company's profit and loss.

(2) Risks Associated with Over-Concentration in Purchase or Sale and Response Measures:

RichWave's procurement is concentrated due to concerns in product quality and preferred purchasing price, though RichWave maintains at least two suppliers for its main materials avoid risks resulting from over-concentration in purchasing. In addition, the concentration of RichWave's sales is mainly due to the distributors' sales to customers in Taiwan and China. To mitigate the risks of over-concentration of sales, RichWave also actively develops customers with long-term cooperation and carefully selects customers of excellent financial background to lower the risks of over-concentration of sales.

(3) The Impacts of Changes of Important Domestic and Foreign Policies and Laws on the Company's Finances and Business, and the Countermeasures:

RichWave complies with all related domestic and foreign laws and regulations in day-to-day operations and continuously pays close attention to domestic and foreign policy development trends and changes in legislation to fully understand changes in the market environment. Therefore, the Company's finance and business have not been affected by major changes in government policies and laws at home and abroad in the most recent year.

(4) Overall Business Environment

RichWave continuously monitors technological changes and developments in the industry and quickly gains information on industry developments.

RichWave continuously enhances its R&D capabilities, applies for patent protection for various innovative concepts and design developments, and actively expands future market applications to counter the impact of technological changes and industry changes on the Company.

Finally, RichWave's management team would like to thank the shareholders once again for the long-term support and we hope that they can continue to provide encouragement and information in the new year. RichWave will also continue to uphold our mission for maximizing profits for shareholders.

I would like to wish all our shareholders good fortune and health.

Chairman of the Board: Dye-Jyun Ma

President: Shih-Chi Wang

Chief Accounting Officer: Wei-Che Hsu

Audit Committee's Review Report

The Company's Board of Directors prepared the 2022 Business Report, financial statements, and earnings distribution table. The financial statements were audited by Jian-Ming Zeng, CPA, and Su-Li Fang, CPA, of Deloitte, Taiwan and they have prepared an Audit Report. The Audit Report was reviewed by the Audit Committee who found them to be compliant with regulations. The Audit Report is therefore provided in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act and filed for your review.

To

RichWave Technology Corporation 2023 Annual General Shareholders' Meeting

RichWave Technology Corporation

Chairman of the Audit Committee:

Chia-Ying Ma

February 23, 2023

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Richwave Technology Corp.

Opinion

We have audited the accompanying consolidated financial statements of Richwave Technology Corp. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the 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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. 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.

Revenue Recognition

According to auditing standards in the Republic of China, there is an inherent risk of fraud in revenue recognition. Management may be under pressure to achieve their targets and attempt to inflate sales figures. The main source of revenue for Richwave Technology Corp. is sales of WIFI products. The net revenue for the year ended December 31, 2022 was \$3,429,371 thousand. For the accounting policies on revenue recognition, please refer to Notes 4 (I), 22 and 34 of the consolidated financial statements.

Affected by the decline in market demand for the year ended December 31, 2022, Richwave Technology Corp.'s overall net revenue decreased by 35% compared with the year ended December 31, 2021. Therefore, the sales revenue generated by specific sales clients who had not experienced a significant decline in sales or whose sales growth this year are considered potential fraud. Therefore, revenue recognition has been identified as a key audit matter for the year ended December 31, 2022.

In response to the aforementioned key audit matter, we understood the Group's internal controls on the approval of sales orders and its delivery procedures, tested the operating effectiveness of these controls, selected samples and tested the validity of occurrence of the sales transactions, checked for discrepancies between the counterparties of the sales transactions and the parties paying off the receivables, as well as for abnormalities in the payments received after the reporting period.

Other Matter

We have also audited the parent company only financial statement of Richwave Technology Corp. 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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Jian-Ming Zeng and Su-Li Fang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 23, 2023

Notice to Readers

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

and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

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

RICHWAVE TECHNOLOGY CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS **DECEMBER 31, 2022 AND 2021** **(In Thousands of New Taiwan Dollars)**

| | 2022 | | 2021 | |
|---|---------------------|------------|---------------------|------------|
| | Amount | % | Amount | % |
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents (Notes 6 and 28) | \$ 1,015,303 | 30 | \$ 641,340 | 19 |
| Accounts receivable, net (Notes 9, 22 and 28) | 1,046,374 | 30 | 752,673 | 23 |
| Other receivables (Notes 9 and 28) | 36,337 | 1 | 9,511 | - |
| Inventories (Note 10) | 927,493 | 27 | 1,373,460 | 42 |
| Prepayments (Note 15) | 56,718 | 2 | 27,586 | 1 |
| Other current assets (Note 15) | 10,314 | - | 6,527 | - |
| Total current assets | <u>3,092,539</u> | <u>90</u> | <u>2,811,097</u> | <u>85</u> |
| NON-CURRENT ASSETS | | | | |
| Financial assets at amortized cost - non-current (Notes 8, 28 and 30) | 12,900 | - | 110,000 | 3 |
| Property, plant and equipment (Note 12) | 189,182 | 6 | 192,678 | 6 |
| Right-of-use assets (Notes 13) | 28,250 | 1 | 59,461 | 2 |
| Other intangible assets (Note 14) | 14,876 | - | 24,934 | 1 |
| Deferred tax assets (Note 24) | 94,744 | 3 | 83,269 | 3 |
| Prepaid equipment | 6,690 | - | 8,902 | - |
| Refundable deposits (Note 28) | 7,248 | - | 12,786 | - |
| Net defined benefit assets - non-current (Note 20) | 1,565 | - | 38 | - |
| Total non-current assets | <u>355,455</u> | <u>10</u> | <u>492,068</u> | <u>15</u> |
| TOTAL | <u>\$ 3,447,994</u> | <u>100</u> | <u>\$ 3,303,165</u> | <u>100</u> |
| LIABILITIES AND EQUITY | | | | |
| CURRENT LIABILITIES | | | | |
| Short-term borrowings (Notes 16 and 28) | \$ - | - | \$ 200,000 | 6 |
| Accounts payable (Notes 18 and 28) | 388,724 | 11 | 239,208 | 7 |
| Accrued compensation of employees and remuneration of directors (Note 23) | 6,061 | - | 52,111 | 2 |
| Other payables (Notes 19 and 28) | 149,809 | 4 | 155,918 | 5 |
| Current tax liabilities (Note 24) | 11,476 | - | 10,803 | - |
| Lease liabilities - current (Notes 13 and 28) | 22,828 | 1 | 31,932 | 1 |
| Refund liabilities - current (Notes 19 and 22) | 185,465 | 6 | 171,618 | 5 |
| Other current liabilities (Notes 19 and 22) | 7,468 | - | 10,700 | - |
| Total current liabilities | <u>771,831</u> | <u>22</u> | <u>872,290</u> | <u>26</u> |
| NON-CURRENT LIABILITIES | | | | |
| Financial liabilities at fair value through profit or loss - non-current (Notes 7 and 28) | 480 | - | - | - |
| Bonds payable (Notes 17 and 28) | 286,293 | 9 | - | - |
| Deferred tax liabilities (Note 24) | 9,391 | - | - | - |
| Lease liabilities - non-current (Notes 13 and 28) | 5,747 | - | 28,246 | 1 |
| Guarantee deposits (Note 28) | 1,602 | - | 4,765 | - |
| Total non-current liabilities | <u>303,513</u> | <u>9</u> | <u>33,011</u> | <u>1</u> |
| Total liabilities | <u>1,075,344</u> | <u>31</u> | <u>905,301</u> | <u>27</u> |
| EQUITY (Notes 21 and 26) | | | | |
| Share capital | | | | |
| Ordinary shares | 901,689 | 26 | 884,689 | 27 |
| Capital surplus | 626,298 | 18 | 416,354 | 13 |
| Retained earnings | | | | |
| Legal reserve | 207,114 | 6 | 160,670 | 5 |
| Special reserve | 1,373 | - | 1,101 | - |
| Unappropriated earnings | 635,863 | 19 | 936,423 | 28 |
| Total retained earnings | 844,350 | 25 | 1,098,194 | 33 |
| Other equity | 313 | - | (1,373) | - |
| Total equity | <u>2,372,650</u> | <u>69</u> | <u>2,397,864</u> | <u>73</u> |
| TOTAL | <u>\$ 3,447,994</u> | <u>100</u> | <u>\$ 3,303,165</u> | <u>100</u> |

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

RICHWAVE TECHNOLOGY CORP. AND SUBSIDIARIES

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

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

| | 2022 | | 2021 | |
|--|------------------|-----------|------------------|-----------|
| | Amount | % | Amount | % |
| NET REVENUE (Note 22) | \$ 3,429,371 | 100 | \$ 5,316,267 | 100 |
| OPERATING COSTS (Notes 10 and 23) | <u>2,370,781</u> | <u>69</u> | <u>3,770,235</u> | <u>71</u> |
| GROSS PROFIT | <u>1,058,590</u> | <u>31</u> | <u>1,546,032</u> | <u>29</u> |
| OPERATING EXPENSES (Notes 20 and 23) | | | | |
| Selling and marketing expenses | 217,837 | 6 | 233,442 | 4 |
| General and administrative expenses | 243,362 | 7 | 240,954 | 5 |
| Research and development expenses | 602,470 | 18 | 539,010 | 10 |
| Expected credit loss (gain) (Note 9) | <u>12,126</u> | <u>-</u> | <u>(982)</u> | <u>-</u> |
| Total operating expenses | <u>1,075,795</u> | <u>31</u> | <u>1,012,424</u> | <u>19</u> |
| PROFIT (LOSS) FROM OPERATIONS | <u>(17,205)</u> | <u>-</u> | <u>533,608</u> | <u>10</u> |
| NON-OPERATING INCOME AND EXPENSES (Note 23) | | | | |
| Interest income | 10,627 | - | 1,940 | - |
| Other income | 1,013 | - | 2,317 | - |
| Other gains and losses | 71,741 | 2 | (9,754) | - |
| Finance costs | <u>(4,887)</u> | <u>-</u> | <u>(1,205)</u> | <u>-</u> |
| Total non-operating income and expenses | <u>78,494</u> | <u>2</u> | <u>(6,702)</u> | <u>-</u> |
| PROFIT BEFORE INCOME TAX | 61,289 | 2 | 526,906 | 10 |
| INCOME TAX EXPENSE (Note 24) | <u>6,230</u> | <u>-</u> | <u>61,389</u> | <u>1</u> |
| NET PROFIT FOR THE YEAR | <u>55,059</u> | <u>2</u> | <u>465,517</u> | <u>9</u> |
| OTHER COMPREHENSIVE INCOME (LOSS) | | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | | |
| Remeasurement of defined benefit plans (Note 20) | 924 | - | (1,340) | - |
| Income tax related to items that will not be reclassified subsequently to profit or loss (Note 24) | <u>(185)</u> | <u>-</u> | <u>268</u> | <u>-</u> |

(Continued)

RICHWAVE TECHNOLOGY CORP. AND SUBSIDIARIES

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

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

| | <u>2022</u> | | <u>2021</u> | |
|---|------------------|----------|-------------------|----------|
| | <u>Amount</u> | <u>%</u> | <u>Amount</u> | <u>%</u> |
| Items that may be reclassified subsequently to profit or loss: | | | | |
| Exchange differences on translation of the financial statements of foreign operations (Note 21) | \$ <u>1,686</u> | <u>-</u> | \$ <u>(273)</u> | <u>-</u> |
| Other comprehensive income (loss) for the year, net of income tax | <u>2,425</u> | <u>-</u> | <u>(1,345)</u> | <u>-</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | <u>\$ 57,484</u> | <u>2</u> | <u>\$ 464,172</u> | <u>9</u> |
| EARNINGS PER SHARE (Note 25) | | | | |
| Basic | <u>\$ 0.62</u> | | <u>\$ 5.26</u> | |
| Diluted | <u>\$ 0.62</u> | | <u>\$ 5.25</u> | |

(Concluded)

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

RICHWAVE TECHNOLOGY CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY **FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021** (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

| | | | | | | | Other Equity | | | |
|---|---------------------------------------|--------------------|--------------------|-------------------|-----------------|----------------------------|---|---|------------|--------------|
| | Share Capital | | | Retained Earnings | | | Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income | Exchange Differences on Translation of the Financial Statements of Foreign Operations | Total | Total Equity |
| | Number of Shares (In Thousands) | Ordinary Shares | Capital Surplus | Legal Reserve | Special Reserve | Unappropriated Earnings | | | | |
| BALANCE AT JANUARY 1, 2021 | 63,192 | \$ 631,921 | \$ 415,180 | \$ 74,098 | \$ 402 | \$ 1,064,785 | \$ (14) | \$ (1,086) | \$ (1,100) | \$ 2,185,286 |
| Appropriation of 2020 earnings | | | | | | | | | | |
| Legal reserve | - | - | - | 86,572 | - | (86,572) | - | - | - | - |
| Special reserve | - | - | - | - | 699 | (699) | - | - | - | - |
| Cash dividends distributed by the Company | - | - | - | - | - | (252,768) | - | - | - | (252,768) |
| Share dividends distributed by the Company | 25,277 | 252,768 | - | - | - | (252,768) | - | - | - | - |
| Net profit for the year ended December 31, 2021 | - | - | - | - | - | 465,517 | - | - | - | 465,517 |
| Other comprehensive loss for the year ended December 31, 2021 , net of income tax | - | - | - | - | - | (1,072) | - | (273) | (273) | (1,345) |
| Share-based payment expenses recognized | - | - | 1,174 | - | - | - | - | - | - | 1,174 |
| BALANCE AT DECEMBER 31, 2021 | 88,469 | 884,689 | 416,354 | 160,670 | 1,101 | 936,423 | (14) | (1,359) | (1,373) | 2,397,864 |
| Appropriation of 2021 earnings | | | | | | | | | | |
| Legal reserve | - | - | - | 46,444 | - | (46,444) | - | - | - | - |
| Special reserve | - | - | - | - | 272 | (272) | - | - | - | - |
| Cash dividends distributed by the Company | - | - | - | - | - | (309,642) | - | - | - | (309,642) |
| Due to recognition of equity component of convertible bonds issued | - | - | 28,500 | - | - | - | - | - | - | 28,500 |
| Net profit for the year ended December 31, 2022 | - | - | - | - | - | 55,059 | - | - | - | 55,059 |
| Other comprehensive gain for the year ended December 31, 2022 , net of income tax | - | - | - | - | - | 739 | - | 1,686 | 1,686 | 2,425 |
| Share-based payment expenses recognized | - | - | 22,569 | - | - | - | - | - | - | 22,569 |
| Issue of shares | 1,700 | 17,000 | 158,875 | - | - | - | - | - | - | 175,875 |
| BALANCE AT DECEMBER 31, 2022 | 90,169 | \$ 901,689 | \$ 626,298 | \$ 207,114 | \$ 1,373 | \$ 635,863 | \$ (14) | \$ 327 | \$ 313 | \$ 2,372,650 |

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

RICHWAVE TECHNOLOGY CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

| | 2022 | 2021 |
|--|----------------|----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before income tax for the year | \$ 61,289 | \$ 526,906 |
| Adjustments for: | | |
| Depreciation expense | 104,331 | 88,414 |
| Amortization expense | 30,458 | 27,059 |
| Expected credit loss (reversed) | 12,126 | (982) |
| Net loss on fair value changes of financial liabilities at fair value through profit or loss | 780 | - |
| Finance costs | 4,887 | 1,205 |
| Interest income | (10,627) | (1,940) |
| Share-based payment expenses recognized | 22,569 | 1,174 |
| Loss on disposal of property, plant and equipment | 218 | - |
| Profit from lease modification | (627) | (4) |
| Write-down of inventories | 50,144 | 136,140 |
| Net loss (gain) on foreign currency exchange | (50,719) | 4,488 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | (308,157) | 507,680 |
| Other receivables | (25,393) | 19,785 |
| Inventories | 395,823 | (229,180) |
| Net defined benefit assets | (603) | (604) |
| Prepayments | (29,132) | (14,672) |
| Other current assets | (3,787) | (1,347) |
| Refund liabilities | 13,847 | 86,229 |
| Accounts payable | 152,819 | (735,763) |
| Other payables | 2,764 | 34,101 |
| Accrued compensation of employees and remuneration of directors | (46,050) | (48,482) |
| Contract liabilities | (4,011) | (4,025) |
| Other current liabilities | 779 | 2,509 |
| Cash generated from operations | 373,728 | 398,691 |
| Interest received | 9,194 | 2,062 |
| Interest paid | (2,912) | (1,028) |
| Income tax paid | (7,826) | (238,370) |
| Net cash generated from operating activities | <u>372,184</u> | <u>161,355</u> |

(Continued)

RICHWAVE TECHNOLOGY CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

| | 2022 | 2021 |
|---|---------------------|-------------------|
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Acquisition of financial assets at amortized cost | \$ (9,900) | \$ (107,000) |
| Proceeds from disposal of financial assets at amortized cost | 107,000 | - |
| Purchase of property, plant and equipment | (65,956) | (126,097) |
| Proceeds from disposal of property, plant and equipment | 14 | - |
| Increase in refundable deposits | - | (2,692) |
| Decrease in refundable deposits | 5,538 | - |
| Purchase of other intangible assets | <u>(30,963)</u> | <u>(38,669)</u> |
| Net cash from (used) in investing activities | <u>5,733</u> | <u>(274,458)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Increase in short-term borrowings | 1,060,000 | 400,000 |
| Decrease in short-term borrowings | (1,260,000) | (200,000) |
| Proceeds from issuing convertible bonds | 312,341 | - |
| Decrease in guarantee deposits | (3,647) | - |
| Repayment of the principal portion of lease liabilities | (30,657) | (32,003) |
| Cash dividends paid | (309,642) | (252,768) |
| Proceeds from issuing shares | <u>175,875</u> | <u>-</u> |
| Net cash used in financing activities | <u>(55,730)</u> | <u>(84,771)</u> |
| EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS | <u>51,776</u> | <u>(5,051)</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 373,963 | (202,925) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | <u>641,340</u> | <u>844,265</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | <u>\$ 1,015,303</u> | <u>\$ 641,340</u> |

(Concluded)

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

NDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Richwave Technology Corp.

Opinion

We have audited the accompanying parent company only financial statements of Richwave Technology Corp. (the "Company"), which comprise the parent company only balance sheets as of December 31, 2022 and 2021, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the 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 accompanying 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 auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the parent company only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2022. 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. The key audit matter of the Company's parent company only financial statements is described as follows:

Revenue Recognition

According to auditing standards in the Republic of China, there is an inherent risk of fraud in revenue recognition. Management may be under pressure to achieve their targets and attempt to inflate sales figures. The main source of revenue for Richwave Technology Corp. is sales of WIFI products. The net revenue for the year ended December 31, 2022 was \$3,429,200 thousand. For the accounting policies on revenue recognition, please refer to Notes 4 (1) and 22 of the parent company only financial statements.

Affected by the decline in market demand for the year ended December 31, 2022, Richwave Technology Corp.'s overall net revenue decreased by 35% compared with the year ended December 31, 2021. Therefore, the sales revenue generated by specific sales clients who have not experienced a significant decline in sales or whose sales growth this year are considered potential fraud. Therefore, revenue recognition has been identified as a key audit matter for the year ended December 31, 2022.

In response to the aforementioned key audit matter, we understood the Company's internal controls on the approval of sales orders and its delivery procedures, tested the operating effectiveness of these controls, selected samples and tested the validity of occurrence of the sales transactions, checked for discrepancies between the counterparties of the sales transactions and the parties paying off the receivables, as well as for abnormalities in the payments received after the reporting period.

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, are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in 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 auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the 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 auditors' 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 parent company only financial information of entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the 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 parent company only financial statements for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Jian-Ming Zeng and Su-Li Fang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 23, 2023

Notice to Readers

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

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

RICHWAVE TECHNOLOGY CORP.

PARENT COMPANY ONLY BALANCE SHEETS DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

| | 2022 | | 2021 | |
|---|---------------------|------------|---------------------|------------|
| ASSETS | Amount | % | Amount | % |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents (Notes 6 and 28) | \$ 964,150 | 28 | \$ 618,543 | 19 |
| Accounts receivable, net (Notes 9, 22 and 28) | 1,045,751 | 30 | 752,673 | 23 |
| Other receivables (Notes 9 and 28) | 26,301 | 1 | 7,877 | - |
| Inventories (Note 10) | 927,462 | 27 | 1,373,460 | 41 |
| Prepayments (Note 15) | 53,340 | 2 | 24,351 | 1 |
| Other current assets (Note 15) | <u>10,314</u> | <u>-</u> | <u>6,527</u> | <u>-</u> |
| Total current assets | <u>3,027,318</u> | <u>88</u> | <u>2,783,431</u> | <u>84</u> |
| NON-CURRENT ASSETS | | | | |
| Financial assets at amortized cost - non-current (Notes 8, 28 and 30) | 12,900 | - | 110,000 | 3 |
| Investments accounted for using the equity method (Note 11) | 70,729 | 2 | 36,508 | 1 |
| Property, plant and equipment (Note 12) | 184,910 | 5 | 190,251 | 6 |
| Right-of-use assets (Notes 13) | 22,150 | 1 | 51,381 | 2 |
| Other intangible assets (Note 14) | 14,876 | 1 | 24,934 | 1 |
| Deferred tax assets (Note 24) | 94,744 | 3 | 83,269 | 3 |
| Prepaid equipment | 6,690 | - | 8,620 | - |
| Refundable deposits (Note 28) | 7,248 | - | 12,786 | - |
| Net defined benefit assets - non-current (Note 20) | <u>1,565</u> | <u>-</u> | <u>38</u> | <u>-</u> |
| Total non-current assets | <u>415,812</u> | <u>12</u> | <u>517,787</u> | <u>16</u> |
| TOTAL | <u>\$ 3,443,130</u> | <u>100</u> | <u>\$ 3,301,218</u> | <u>100</u> |
| LIABILITIES AND EQUITY | | | | |
| CURRENT LIABILITIES | | | | |
| Short-term borrowings (Notes 16 and 28) | \$ - | - | \$ 200,000 | 6 |
| Accounts payable (Notes 18 and 28) | 388,724 | 11 | 239,208 | 7 |
| Accrued compensation of employees and remuneration of directors (Note 23) | 6,061 | - | 52,111 | 2 |
| Other payables (Notes 19 and 28) | 138,522 | 4 | 153,760 | 5 |
| Other payables from related parties (Notes 28 and 29) | 12,563 | - | 8,300 | - |
| Current tax liabilities (Note 24) | 11,476 | - | 10,803 | - |
| Lease liabilities - current (Notes 13 and 28) | 17,420 | 1 | 26,460 | 1 |
| Refund liabilities - current (Notes 19 and 22) | 185,465 | 6 | 171,618 | 5 |
| Other current liabilities (Notes 19 and 22) | <u>7,468</u> | <u>-</u> | <u>10,700</u> | <u>-</u> |
| Total current liabilities | <u>767,699</u> | <u>22</u> | <u>872,960</u> | <u>26</u> |
| NON-CURRENT LIABILITIES | | | | |
| Financial liabilities at fair value through profit or loss - non-current (Notes 7 and 28) | 480 | - | - | - |
| Bonds payable (Notes 17 and 28) | 286,293 | 9 | - | - |
| Deferred tax liabilities (Note 24) | 9,391 | - | - | - |
| Lease liabilities - non-current (Notes 13 and 28) | 5,015 | - | 25,629 | 1 |
| Guarantee deposits (Note 28) | <u>1,602</u> | <u>-</u> | <u>4,765</u> | <u>-</u> |
| Total non-current liabilities | <u>302,781</u> | <u>9</u> | <u>30,394</u> | <u>1</u> |
| Total liabilities | <u>1,070,480</u> | <u>31</u> | <u>903,354</u> | <u>27</u> |
| EQUITY (Notes 21 and 26) | | | | |
| Share capital | | | | |
| Ordinary shares | <u>901,689</u> | <u>26</u> | <u>884,689</u> | <u>27</u> |
| Capital surplus | <u>626,298</u> | <u>18</u> | <u>416,354</u> | <u>13</u> |
| Retained earnings | | | | |
| Legal reserve | 207,114 | 6 | 160,670 | 5 |
| Special reserve | 1,373 | - | 1,101 | - |
| Unappropriated earnings | <u>635,863</u> | <u>19</u> | <u>936,423</u> | <u>28</u> |
| Total retained earnings | <u>844,350</u> | <u>25</u> | <u>1,098,194</u> | <u>33</u> |
| Other equity | <u>313</u> | <u>-</u> | <u>(1,373)</u> | <u>-</u> |
| Total equity | <u>2,372,650</u> | <u>69</u> | <u>2,397,864</u> | <u>73</u> |
| TOTAL | <u>\$ 3,443,130</u> | <u>100</u> | <u>\$ 3,301,218</u> | <u>100</u> |

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

RICHWAVE TECHNOLOGY CORP.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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

| | 2022 | | 2021 | |
|---|------------------|-----------|------------------|-----------|
| | Amount | % | Amount | % |
| NET REVENUE (Notes 22 and 29) | \$ 3,429,200 | 100 | \$ 5,316,267 | 100 |
| OPERATING COSTS (Notes 10 and 23) | <u>2,370,665</u> | <u>69</u> | <u>3,770,235</u> | <u>71</u> |
| GROSS PROFIT | <u>1,058,535</u> | <u>31</u> | <u>1,546,032</u> | <u>29</u> |
| OPERATING EXPENSES (Notes 20, 23 and 29) | | | | |
| Selling and marketing expenses | 170,053 | 5 | 237,106 | 5 |
| General and administrative expenses | 292,579 | 8 | 232,964 | 4 |
| Research and development expenses | 602,470 | 18 | 539,010 | 10 |
| Expected credit loss (gain) (Note 9) | <u>12,126</u> | <u>-</u> | <u>(982)</u> | <u>-</u> |
| Total operating expenses | <u>1,077,228</u> | <u>31</u> | <u>1,008,098</u> | <u>19</u> |
| PROFIT (LOSS) FROM OPERATIONS | <u>(18,693)</u> | <u>-</u> | <u>537,934</u> | <u>10</u> |
| NON-OPERATING INCOME AND EXPENSES (Note 23) | | | | |
| Interest income | 10,599 | - | 1,939 | - |
| Other income | 938 | - | 2,317 | - |
| Other gains and losses | 70,235 | 2 | (9,569) | - |
| Finance costs | (4,758) | - | (1,162) | - |
| Share of profit or loss of subsidiaries | <u>2,965</u> | <u>-</u> | <u>(4,553)</u> | <u>-</u> |
| Total non-operating income and expenses | <u>79,979</u> | <u>2</u> | <u>(11,028)</u> | <u>-</u> |
| PROFIT BEFORE INCOME TAX | 61,286 | 2 | 526,906 | 10 |
| INCOME TAX EXPENSE (Note 24) | <u>6,227</u> | <u>-</u> | <u>61,389</u> | <u>1</u> |
| NET PROFIT FOR THE YEAR | <u>55,059</u> | <u>2</u> | <u>465,517</u> | <u>9</u> |

(Continued)

RICHWAVE TECHNOLOGY CORP.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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

| | <u>2022</u> | | <u>2021</u> | |
|--|------------------|----------|-------------------|----------|
| | <u>Amount</u> | <u>%</u> | <u>Amount</u> | <u>%</u> |
| OTHER COMPREHENSIVE INCOME (LOSS) | | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | | |
| Remeasurement of defined benefit plans (Note 20) | \$ 924 | - | \$ (1,340) | - |
| Income tax related to items that will not be reclassified subsequently to profit or loss (Note 24) | (185) | - | 268 | - |
| Items that may be reclassified subsequently to profit or loss: | | | | |
| Exchange differences on translation of the financial statements of foreign operations (Note 21) | <u>1,686</u> | <u>-</u> | <u>(273)</u> | <u>-</u> |
| Other comprehensive income (loss) for the year, net of income tax | <u>2,425</u> | <u>-</u> | <u>(1,345)</u> | <u>-</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | <u>\$ 57,484</u> | <u>2</u> | <u>\$ 464,172</u> | <u>9</u> |
| EARNINGS PER SHARE (Note 25) | | | | |
| Basic | <u>\$ 0.62</u> | | <u>\$ 5.26</u> | |
| Diluted | <u>\$ 0.62</u> | | <u>\$ 5.25</u> | |

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

(Concluded)

RICHWAVE TECHNOLOGY CORP.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

| | Share Capital | | Capital Surplus | Retained Earnings | | | Other Equity | | Total | Total Equity |
|---|------------------------------------|-----------------|-----------------|-------------------|-----------------|-------------------------|---|---|------------|--------------|
| | Number of Shares (In Thousands) | Ordinary Shares | | Legal Reserve | Special Reserve | Unappropriated Earnings | Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income | Exchange Differences on Translation of the Financial Statements of Foreign Operations | | |
| BALANCE AT JANUARY 1, 2021 | 63,192 | \$ 631,921 | \$ 415,180 | \$ 74,098 | \$ 402 | \$ 1,064,785 | \$ (14) | \$ (1,086) | \$ (1,100) | \$ 2,185,286 |
| Appropriation of 2020 earnings | | | | | | | | | | |
| Legal reserve | - | - | - | 86,572 | - | (86,572) | - | - | - | - |
| Special reserve | - | - | - | - | 699 | (699) | - | - | - | - |
| Cash dividends distributed by the Company | - | - | - | - | - | (252,768) | - | - | - | (252,768) |
| Share dividends distributed by the Company | 25,277 | 252,768 | - | - | - | (252,768) | - | - | - | - |
| Net profit for the year ended December 31, 2021 | - | - | - | - | - | 465,517 | - | - | - | 465,517 |
| Other comprehensive loss for the year ended December 31, 2021 , net of income tax | - | - | - | - | - | (1,072) | - | (273) | (273) | (1,345) |
| Share-based payment expenses recognized | - | - | 1,174 | - | - | - | - | - | - | 1,174 |
| BALANCE AT DECEMBER 31, 2021 | 88,469 | 884,689 | 416,354 | 160,670 | 1,101 | 936,423 | (14) | (1,359) | (1,373) | 2,397,864 |
| Appropriation of 2021 earnings | | | | | | | | | | |
| Legal reserve | - | - | - | 46,444 | - | (46,444) | - | - | - | - |
| Special reserve | - | - | - | - | 272 | (272) | - | - | - | - |
| Cash dividends distributed by the Company | - | - | - | - | - | (309,642) | - | - | - | (309,642) |
| Due to recognition of equity component of convertible bonds issued | - | - | 28,500 | - | - | - | - | - | - | 28,500 |
| Net profit for the year ended December 31, 2022 | - | - | - | - | - | 55,059 | - | - | - | 55,059 |
| Other comprehensive gain for the year ended December 31, 2022 , net of income tax | - | - | - | - | - | 739 | - | 1,686 | 1,686 | 2,425 |
| Share-based payment expenses recognized | - | - | 22,569 | - | - | - | - | - | - | 22,569 |
| Issue of shares | 1,700 | 17,000 | 158,875 | - | - | - | - | - | - | 175,875 |
| BALANCE AT DECEMBER 31, 2022 | 90,169 | \$ 901,689 | \$ 626,298 | \$ 207,114 | \$ 1,373 | \$ 635,863 | \$ (14) | \$ 327 | \$ 313 | \$ 2,372,650 |

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

RICHWAVE TECHNOLOGY CORP.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

| | 2022 | 2021 |
|--|-------------|-------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before income tax for the year | \$ 61,286 | \$ 526,906 |
| Adjustments for: | | |
| Depreciation expense | 96,236 | 84,337 |
| Amortization expense | 30,458 | 27,059 |
| Expected credit loss (reversed) | 12,126 | (982) |
| Net loss on fair value changes of financial liabilities at fair value through profit or loss | 780 | - |
| Finance costs | 4,758 | 1,162 |
| Interest income | (10,599) | (1,939) |
| Share-based payment expenses recognized | 22,569 | 1,174 |
| Loss on disposal of property, plant and equipment | 218 | - |
| Profit from lease modification | (627) | (4) |
| Share of (gain) loss of subsidiaries | (2,965) | 4,553 |
| Write-down of inventories | 50,144 | 136,140 |
| Net loss (gain) on foreign currency exchange | (52,225) | 5,186 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | (307,534) | 507,680 |
| Other receivables | (16,991) | 21,419 |
| Inventories | 395,854 | (229,180) |
| Net defined benefit assets | (603) | (604) |
| Prepayments | (28,989) | (11,437) |
| Other current assets | (3,787) | (1,347) |
| Accounts payable | 152,819 | (735,763) |
| Other payables | (2,058) | 40,243 |
| Accrued compensation of employees and remuneration of directors | (46,050) | (48,482) |
| Refund liabilities | 13,847 | 86,229 |
| Contract liabilities | (4,011) | (4,025) |
| Other current liabilities | 779 | 2,509 |
| Cash generated from operations | 365,435 | 410,834 |
| Interest received | 9,166 | 2,061 |
| Interest paid | (2,783) | (985) |
| Income tax paid | (7,823) | (238,370) |
| Net cash generated from operating activities | 363,995 | 173,540 |

(Continued)

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

| | 2022 | 2021 |
|--|-------------------|-------------------|
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Acquisition of financial assets at amortized cost | \$ (9,900) | \$ (107,000) |
| Proceeds from disposal of financial assets at amortized cost | 107,000 | - |
| Acquisition of investments accounted for using equity method | (29,570) | (27,840) |
| Purchase of property, plant and equipment | (63,777) | (123,777) |
| Proceeds from disposal of property, plant and equipment | 14 | - |
| Increase in refundable deposits | - | (2,692) |
| Decrease in refundable deposits | 5,538 | - |
| Purchase of other intangible assets | <u>(30,963)</u> | <u>(38,669)</u> |
| Net cash used in investing activities | <u>(21,658)</u> | <u>(299,978)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Increase in short-term borrowings | 1,060,000 | 400,000 |
| Decrease in short-term borrowings | (1,260,000) | (200,000) |
| Proceeds from issuing convertible bonds | 312,341 | - |
| Decrease in guarantee deposits | (3,647) | - |
| Repayment of the principal portion of lease liabilities | (23,242) | (27,972) |
| Cash dividends paid | (309,642) | (252,768) |
| Proceeds from issuing shares | <u>175,875</u> | <u>-</u> |
| Net cash used in financing activities | <u>(48,315)</u> | <u>(80,740)</u> |
| EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS | <u>51,585</u> | <u>(5,050)</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 345,607 | (212,228) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | <u>618,543</u> | <u>830,771</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | <u>\$ 964,150</u> | <u>\$ 618,543</u> |

(Concluded)

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

RichWave Technology Corporation
Rules of Procedure for Shareholders' Meetings
Comparison Table of Amended Articles

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
|----------------|--|---|--|
| Article 3 | <p>Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.</p> <p>This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting.</p> <p>In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services</p> | <p>Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.</p> <p><u>Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.</u></p> <p>This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. <u>If, however, this Corporation has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders</u></p> | Revised in accordance with the amendment of the regulations. |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
|----------------|--|---|--|
| | <p>agent designated thereby as well as being distributed on-site at the meeting place.</p> <p>The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</p> <p>Election or dismissal of directors, amendments to the articles of incorporation, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.</p> <p>A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a written proposal for discussion at a regular shareholders meeting. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda, provided a shareholder proposal for urging the corporation to promote public interests or fulfill its social responsibilities may still be included in the agenda by the board of directors. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p> <p>Prior to the book closure date</p> | <p><u>reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting.</u> In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby.</p> <p><u>This Corporate shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:</u></p> <ol style="list-style-type: none"> <u>1. For physical shareholders meetings, to be distributed on-site at the meeting.</u> <u>2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.</u> <u>3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.</u> <p>The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</p> <p>Election or dismissal of directors, amendments to the articles of incorporation, the dissolution, merger, or demerger of the</p> | |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
|----------------|--|--|--|
| | <p>before a regular shareholders meeting is held, this Corporation shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.</p> <p>Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.</p> | <p>corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.</p> <p>A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a written proposal for discussion at a regular shareholders meeting. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda, provided a shareholder proposal for urging the corporation to promote public interests or fulfill its social responsibilities may still be included in the agenda by the board of directors.. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p> <p>Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder</p> | |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
|----------------|---|---|--|
| | | <p>making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.</p> <p>Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.</p> | |
| Article 4 | <p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p> | <p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p> | Revised in accordance with the amendment of the regulations. |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
|----------------|--|---|--|
| | | <u>After a proxy form is delivered to this Corporation, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u> | |
| Article 5 | The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting. | The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting. <u>The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.</u> | Revised in accordance with the amendment of the regulations. |
| Article 6 | This Corporation shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention. The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. This Corporation shall furnish the attending shareholders and their proxies (collectively, "shareholders") with an attendance book to sign, or attending | This Corporation shall specify in its shareholders meeting notices the time during which <u>attendance registrations for shareholders, solicitors and proxies (collectively "shareholders")</u> will be accepted, the place to register for attendance, and other matters for attention. The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. <u>For virtual shareholder's meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts.</u> | Revised in accordance with the amendment of the regulations. |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
|----------------|--|--|--|
| | <p>shareholders may hand in a sign-in card in lieu of signing in.</p> <p>This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.</p> <p>Shareholders and their proxies (collectively, "shareholders") shall attend shareholder's meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> | <p><u>Shareholders completing registration will be deemed as attend the shareholders meeting in person.</u></p> <p><u>Shareholders</u> shall attend shareholder's meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>This Corporation 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>This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.</p> <p>When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</p> <p><u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days before the meeting date.</u></p> <p><u>In the event of a virtual shareholders meeting, this Corporation shall upload the meeting agenda book, annual report and other meeting materials to the</u></p> | |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
|----------------|--------------------|--|--|
| | | <u>virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u> | |
| Article 6-1 | | <p><u>To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the shareholders meeting notice:</u></p> <p><u>How shareholders attend the virtual meeting and exercise their rights.</u></p> <p><u>Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</u></p> <p><u>To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</u></p> <p><u>Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.</u></p> <p><u>In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of</u></p> | Added Article with the amendment of the regulations. |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
|----------------|---|---|--|
| | | <p><u>that shareholders meeting.</u></p> <p><u>Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.</u></p> <p><u>To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.</u></p> | |
| Article 8 | <p>This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.</p> <p>The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p> | <p>This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.</p> <p>The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p> <p><u>Where a shareholders meeting is held online, this Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.</u></p> <p><u>The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.</u></p> | Revised in accordance with the amendment of the regulations. |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
|----------------|---|---|---|
| | | <u>In case of a virtual shareholders meeting, this Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.</u> | |
| Article 9 | <p>Attendance at shareholder's meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p>The chair shall call the meeting to order at the appointed meeting time.</p> <p>At the time of the session, the Chairman shall declare the meeting and at the same time announce the number of non-voting rights and the number of shares present and other relevant information.</p> <p>However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.</p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative</p> | <p>Attendance at shareholder's meetings shall be calculated based on numbers of shares.</p> <p>The number of shares in attendance shall be calculated according to the shares indicated by the attendance book or sign-in cards handed in, <u>and the shares checked in on the virtual meeting platform</u>, plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p>The chair shall call the meeting to order at the appointed meeting time.</p> <p>At the time of the session, the Chairman shall declare the meeting and at the same time announce the number of non-voting rights and the number of shares present and other relevant information.</p> <p>However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.</p> <p><u>In the event of a virtual shareholders' meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.</u></p> <p>If the quorum is not met after two postponements as referred to in the</p> | Revised in accordance with the amendment of the regulations |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
|----------------|--|---|---|
| | <p>resolution and another shareholders meeting shall be convened within 1 month.</p> <p>When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p> | <p>preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month.</p> <p><u>In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register with the Company in accordance with Article 6.</u></p> <p>When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p> | |
| Article 11 | <p>Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.</p> <p>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.</p> <p>Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may</p> | <p>Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.</p> <p>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.</p> <p>Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may</p> | Revised in accordance with the amendment of the regulations |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
|----------------|---|---|--|
| | <p>terminate the speech.</p> <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.</p> <p>When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p> | <p>terminate the speech.</p> <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.</p> <p>When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p> <p><u>Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.</u></p> <p><u>As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.</u></p> | |
| Article 13 | <p>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.</p> <p>When this Corporation holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or</p> | <p>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.</p> <p>When this Corporation holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or</p> | Revised in accordance with the amendment of the regulations. |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
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| | <p>electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.</p> <p>A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</p> <p>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the</p> | <p>electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.</p> <p>A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</p> <p>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, <u>or online</u>, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the</p> | |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
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| | <p>meeting shall prevail.</p> <p>Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p> | <p>meeting shall prevail.</p> <p>Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p> | |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
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| | | <p><u>When this Corporation convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.</u></p> <p><u>In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.</u></p> <p><u>When this Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.</u></p> <p><u>When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p> | |
| Article 15 | Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days | Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days | Revised in accordance with the amendment of the regulations. |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
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| | <p>after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.</p> <p>This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.</p> | <p>after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.</p> <p>This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.</p> <p><u>Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.</u></p> <p><u>When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online</u></p> | |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
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| Article 16 | <p>On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and 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>If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.</p> | <p>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>the number of shares represented by proxies, 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. <u>In the event of a virtual shareholders' meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p> <p><u>During this Corporation's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.</u></p> <p>If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.</p> | Revised in accordance with the amendment of the regulations. |
| Article 19 | | <p><u>In the event of a virtual shareholders meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure</u></p> | Added Article with the amendment of the regulations. |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
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| | | <u>shall continue at least 15 minutes after the chair has announced the meeting adjourned.</u> | |
| Article 20 | | <u>When this Corporation convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.</u> | Added Article with the amendment of the regulations. |
| Article 21 | | <p><u>In the event of a virtual shareholders meeting, this Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.</u></p> <p><u>In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.</u></p> <p><u>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or</u></p> | Added Article with the amendment of the regulations. |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
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| | | <p><u>resumed session.</u></p> <p><u>For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.</u></p> <p><u>During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.</u></p> <p><u>When this Corporation convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.</u></p> <p><u>Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by</u></p> | |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
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| | | <p><u>shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p> <p><u>For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporations hall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.</u></p> | |
| Article 22 | | <u>When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</u> | Added Article with the amendment of the regulations. |
| Article 23 | | These Rules, and any amendments hereto, shall be implemented after adoption by shareholder's meetings | Articles 19 was renumbered to Article 23 to include the amendments. |
| Article 24 | <p>These Regulations were resolved on June 30, 2009.</p> <p>These Regulations were first resolved on June 06, 2012.</p> | <p>These Regulations were resolved on June 30, 2009.</p> <p>These Regulations were first resolved on June 06, 2012.</p> | <p>1.Change of article number</p> <p>2.Add revision</p> |

| Article number | Current provisions | Amended provisions | Reference and reason for the amendment |
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| | <p>These Regulations were second resolved on June 13, 2014.</p> <p>These Regulations were third resolved on May 08, 2015.</p> <p>These Regulations were fourth resolved on May 24, 2019.</p> <p>These Regulations were fifth resolved on May 20, 2020.</p> <p>These Regulations were sixth resolved on May 27, 2021</p> | <p>These Regulations were second resolved on June 13, 2014.</p> <p>These Regulations were third resolved on May 08, 2015.</p> <p>These Regulations were fourth resolved on May 24, 2019.</p> <p>These Regulations were fifth resolved on May 20, 2020.</p> <p>These Regulations were sixth resolved on May 27, 2021</p> <p><u>These Regulations were seventh resolved on May 25, 2023</u></p> | <p>dates and frequency</p> |