

Stock Code: 6462



Egis Technology Inc.

2023 Annual General Meeting Meeting Handbook

Time: June 21, 2023 (Wednesday) at 9 a.m.

Venue: 2F, No. 327, Section 1, Tiding Boulevard, Neihu District, Taipei City (Lily Conference)

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I. Meeting Procedures

1. Announce Start of Meeting
2. Speech by Chairman
3. Reporting Items
4. Matters for Ratification
5. Matters for Discussion
6. Election Matters
7. Other Proposals
8. Extemporaneous Motions
9. Adjournment of Meeting

II. Meeting Agenda

Shareholders meeting will be held by means of :physical shareholders meeting

Time: June 21, 2023 (Wednesday) at 9 a.m.

Venue: 2F, No. 327, Section 1, Tiding Boulevard, Neihu District, Taipei City (Lily Conference)

1. Announce Start of Meeting

2. Speech by Chairman

3. Reporting Items

1. 2022 Annual Business Report.

2. Review of the Company's 2022 Annual Financial Statements and Reports by the Audit Committee.

3. 2022 Earnings Distribution Cash Dividend Report.

4. Private Placement of Marketable Securities Status Report upon the Approval of 2022 Annual Shareholders' Meeting Resolution.

5. Private Placement of Remaining Common Shares Termination of Execution Report upon the Approval of 2022 Annual Shareholders' Meeting Resolution.

4. Matters for Ratification

1. Ratify the 2022 Annual Financial Statements.

2. Ratify the 2022 Earnings Distribution Plan.

5. Matters for Discussion

1. The Company proposes to issue common shares by private placement for cash capital injection.

2. Amendment to some clauses in “Operating Procedures for Acquisition or Disposal of Assets” of the Company.
6. Election Matters: Election of directors of the Company.
7. Other Proposals: The lifting of non-compete restrictions for directors of the Company and their representatives.
8. Extempore Motion
9. Adjournment of Meeting

III. Reporting Items

Proposal 1

Subject matter: 2022 Annual Business Report.

Explanation: Please refer to Exhibit 1 of this Handbook for the 2022 Annual Business Report.

Proposal 2

Subject matter: Review of the Company's 2022 Annual Financial Statements and Reports by the Audit Committee.

Explanation: Please refer to Exhibit 2 of this Handbook for the Audit Committee's 2022 Annual Audit Report.

Proposal 3

Subject matter: 2022 Earnings Distribution Cash Dividend Report.

Explanation: The annual profit of this Company in 2022 shall be distributed in accordance with the provisions in the Articles of Incorporation of this Company and the Company Act, and it is proposed to distribute shareholders the cash dividends of NTD 3,000 per 1,000 shares (that is NTD 3 per share), totaling NTD 207,815,262.

Proposal 4

Subject matter: Private Placement of Marketable Securities Status Report upon the Approval of 2022 Annual Shareholders' Meeting Resolution.

Explanation: (1) Upon the approval by the shareholder's meeting resolution on June 22, 2022, the Board of Directors was authorized to issue common shares by private placement for cash capital injection to be divided into two tranches within one year from the date of the resolution of the shareholders' meeting, within the limit of 10,000,000 shares, as needed by the Company's operational requirements.

(2) The fund raising for this case has been completed on May 16,

2023. The total number of common shares in the private placement is 5,000,000, the price per share in the private placement is NTD 70 , and the total amount of the private placement is NTD 350,000,000, which is used to replenish the working capital. Please refer to Exhibit 3 for 2022 private placement of securities status.

Proposal 5

Subject matter: Private Placement of Remaining Common Shares Termination of Execution Report upon the Approval of 2022 Annual Shareholders' Meeting Resolution.

Explanation: (1) On June 22, 2022, the Company authorized the Board of Directors to issue common shares by private placement for cash capital injection to be divided into two tranches within one year from the date of the resolution of the shareholders' meeting, within the limit of 10,000,000 shares, depending on market conditions and the Company's requirements.

(2) On May 10, 2023, the Company held a board of directors' meeting to issue the first private placement of 5,000,000 common shares with a par value of NTD 10 per share at an issue price of NTD 70 , raising NTD 350,000,000 in total.

(3) In accordance with Article 43-6 of the Securities and Exchange Act, the private placement of securities should be completed within one year from the date of the resolution of the shareholders' meeting. Since the due date was approaching, the Board of Directors approved to cease the execution of the remaining 5,000,000 shares of private placement before the due date.

IV. Matters for Ratification

Proposal 1

Proposed by the Board of Directors

Subject matter: Ratify the 2022 Annual Financial Statements.

- Explanation: (1) The 2022 Annual Individual Financial Statements and Consolidated Financial Statements of the Company have been duly audited by the Certified Public Accountants of PWC Taiwan, Pei-chuan Huang and Chin-Chang Chen, and an unqualified opinion report has been issued for filing. The said Financial Statements and unqualified opinion report have been submitted together with the 2022 Annual Business Report to the Audit Committee for review.
- (2) The Auditors' Report, Individual and Consolidated Financial Statements (please refer to Exhibit 4 of this Handbook), and Business Report (please refer to Exhibit 1 of this Handbook) are enclosed herewith.
- (3) The above is submitted for ratification.

Resolution:

Proposal 2

Proposed by the Board of Directors

Subject matter: Ratify the 2022 Earnings Distribution Plan.

- Explanation: (1) The annual profit of this Company in 2022 shall be distributed in accordance with the provisions in the Articles of Incorporation of this Company and the Company Act, and it is proposed to distribute shareholders the cash dividends of NTD 3,000 per 1,000 shares (that is NTD 3 per share), totaling NTD 207,815,262.
- (2) Before the ex-dividend date, if the proportion of profit paid to shareholders is accordingly affected due to alterations in law, review of the competent authority and total amount of common shares of this Company (for example, the Company repurchased its shares to transfer to employees or cancel them, increased its domestic capital in cash, and exercised the

subscription right of employees, etc.), it is proposed to authorize the Chairman to adjust each condition in accordance with actual outstanding shares.

- (3) Authorize the Chairman of the Board of Directors to fix the ex-dividend base date and other related matters.
- (4) Please refer to Exhibit 5 of this Handbook for the Earnings Distribution Table, and it is submitted for ratification.

Resolution:

V. Matters for Discussion

Proposal 1

Proposed by the Board of Directors

Subject matter: The Company proposes to issue common shares by private placement for cash capital injection.

Explanation:

- I. In order to cooperate with the development of the company, strengthen the long-term cooperative relationship with strategic partners and the competitiveness of the company, In accordance with Article 43-6 of the Securities and Exchange Act and relevant laws and regulations, it is proposed to issue common shares by a private placement for capital injection, with the total number of issued shares limited to no more than 10,000,000 shares, to be divided into four tranches within one year from the date of the resolution of the shareholders' meeting.
- II. In accordance with Article 43-6 of the Securities and Exchange Act and the "Directions for Public Companies Conducting Private Placements of Securities", the following shall be explained:
 - (1). The basis and rationale of the private placement pricing:**
 - A. For the basis of private placement price of common shares, it shall be the higher of the following two calculations, and the price should be set at no less than 80% of the reference price.
 - a. The simple average closing price of the common shares of the TWSE listed or TPEX listed company for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction.
 - b. The simple average closing price of the common shares of the TWSE listed or TPEX listed company for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.
 - B. It is proposed that the actual price determination date and actual issuance price of privately placed common shares be submitted to the shareholders' meeting for approval, and the board of directors be

authorized to fix it within the range of not less than the percentage approved by resolution at the shareholders' meeting and not less than NTD 10 per share, depending on future market conditions and the selection of strategic investors.

- C. The above-mentioned basis for private placement pricing is in line with the "Directions for Public Companies Conducting Private Placements of Securities", and considering the future outlook of the Company and the fact that there are strict restrictions on the timing, target and quantity of the transfer of the private placement of securities, and that the Company is not allowed to file to the competent authorities for supplemental public offering and listing within the three years after delivery, in addition to factors such as lower liquidity, the private placement pricing in this case should be reasonable and will not have a significant impact on shareholders' equity.

(2). The method for selecting the specific persons:

- A. The private placement of common shares are limited to specific persons who comply with Article 43-6 of the Securities and Exchange Act and the provisions of the Financial Supervisory Commission's letter No. 0910003455 of June 13, 2002.
- B. At present, the Company has not determined a placee, but the selection method of the placee, as well as the purpose, necessity and expected benefits are described as follows:
- a. Selection method and purpose:
The selection of applicants is based on the principle of adding value to the company, and priority is given to those who can directly or indirectly improve the business performance of the company's future operations.
- b. Necessity & Expected benefits:
Applicants use their own experience, technology, knowledge, brand or reputation to assist the company in improving technology, reducing costs, expanding market development or strengthening the relationship between suppliers and customers.

(3). Necessity for conducting private placement:

- A. Reasons for not using a public offering: Since private placement is a quick and easy way to raise capital in a timely manner and has restrictions on transfer, it is more likely to ensure long-term business development. Therefore, the Company will not adopt public offering and proposes to conduct private placement for capital injection.
- B. Private placement quota: Limited to a maximum of 10,000,000 shares, to be divided into four tranches within one year from the date of the resolution of the shareholders' meeting.
- C. Estimated number of private placements, funds utilization and expected benefits:

Estimated No. of Times	Estimated No. of Private Placement Shares	Funds Utilization	Projected Benefits
First Time	2,500,000 shares	For purposes such as strategic alliance development or replenishment of working capital.	It is expected to meet the Company's operational needs and enhance the potential for future business growth, strengthen the Company's competitiveness, improve operational efficiency and increase shareholders' equity.
Second Time	2,500,000 shares		
Third Time	2,500,000 shares		
Fourth Time	2,500,000 shares		

For the above-mentioned private placement, the number of unissued shares may be combined with the next issuance, and the total number of shares to be issued shall not exceed 10,000,000.

- (4). Whether a significant change in managerial control within one year prior to the board of directors' resolution to enter into a private placement or the introduction of a strategic investor in a private placement will result in a significant change in managerial control: The Company will evaluate the selection of the placee based on the principle that there will be no significant change in managerial control.

- III. The rights and obligations of this private placement of common shares are the same as those of the Company's issued common shares, except that, pursuant to Article 43-8 of the Securities and Exchange Act, the securities issued in this private placement shall not be freely transferable within three years after delivery, except under certain circumstances as provided by law. The Company intends to make a supplemental public offering and apply for the listing (OTC) trading of the private placement of securities to the competent authorities in accordance with the relevant laws and regulations three years after the delivery of the private placement of negotiable securities.
- IV. The main contents of the private placement plan, in addition to the private placement pricing, include but are not limited to the actual number of shares to be issued, the issuance price, the conditions for issuance, the amount raised, the project(s) under the plan, the projected progress of funds utilization, the expected benefits to be generated, and other related matters that are not yet completed. If changes or amendments are required due to alterations in laws, or due to the regulations of competent authorities or the impact of operational assessments or objective circumstances, it is proposed that the Board of Directors be authorized to exercise its full discretion in accordance with the prevailing market conditions.
- V. In connection with the private placement of common shares, it is proposed at the Shareholders' Meeting that authorization be granted to the board chairman or his/her designee to sign, negotiate and amend all deeds and documents relating to the private placement of common shares on behalf of the Company, and to handle all necessary matters in connection with the private placement issuance of common shares for the Company.
- VI. In accordance with Article 43-6 of the Securities and Exchange Act, please refer to the Market Observation Post System website (URL: <http://mops.twse.com.tw/>) and the Company's website (URL: <http://www.egistec.com.>) for details of the matters to be specified in the Company's private placement of securities.
- VII. The proposal will be submitted to the 2022 Annual Shareholders' Meeting for discussion after approval is granted by the Board of Directors.
- VIII. Submit for resolution.

Resolution:

Proposal 2

Proposed by the Board of Directors

Subject matter: Amendment to some clauses in “Operating Procedures for Acquisition or Disposal of Assets” of the Company.

Explanation:

- I. The Company Cooperate with the law intends to amend the “Operating Procedures for Acquisition or Disposal of Assets”. Please refer to Exhibit 6 of this Handbook for the comparison table of clauses before and after the amendments.
- II. Submit for resolution.

Resolution:

VI. Election Matters

Proposed by the Board of Directors

Subject matter: Election of directors of the Company.

Explanation:

- I. The term of office of the seventh session of directors of the Company will expire on June 17st, 2023. According to the provisions of Article 17 of the Articles of Incorporation of the Company, the eighth session of directors (including independent directors) will be elected during this Annual General Meeting. Nine director positions (including four independent director positions) will be open for election this time. Newly-elected directors (including independent directors) shall take office for a term of three years immediately after the election, starting from June 21, 2023 to June 20, 2026.
- II. The Company adopts the system of nomination of candidates for election of directors (including independent director). The shareholders shall select them from the list of candidates for directors. The list of candidates and relevant data are as follows:

Director Candidate Lists

Candidate Names	Educational Experiences	Main Experiences	Concurrent Positions Currently Assumed in the Company and Other Companies	Number of Shares Currently Held (Unit : Shares)
LO, SEN CHOU	Bachelor of Computer Science, Soochow University California State University Chico MSCS, USA National University MBA, San Jose, USA	Chairman of Egis Technology Inc.	Chairman and President of Egis Technology Inc. Chairman of IvyRock Asset Management Consulting Co., Ltd. Director of HEADWAY CAPITAL LIMITED Director of ORIENTAL GOLD HOLDINGS LIMITED Director of Kiwi Technology Inc. Juristic Person Director of iCatch Technology, Inc. Chairman of Alcor Micro Corporation Chairman of Alcorlink Corp. Director of Augentix Inc. Chairman of Egis Innovation Fund G.P., Ltd. Director of Teletrx Co.	9,006,262
SHIH, CHEN- JUNG	Honorary Doctor of International Law, Thunderbird International Management Institute Honorary Fellowship of the University of Wales Honorary Doctor of Science and Technology,	Founder and Honorary Chairman of Acer Group	Director of Acer Inc., Limited Director of Nan Shan Life Insurance Co., Ltd. Juristic Person Director of Hung Jung Investment Co., Ltd. Director of Egis Technology Inc. Director of Taiwan Public Television Service Foundation	0

	Hong Kong Polytechnic University Honorary Doctor of Engineering, National Chiao Tung University Master of Electronic Engineering, National Chiao Tung University		Director of Chinese Television System Corporation President of Cloud Gate Culture and Arts Foundation Chairman of Stans Foundation Chairman of CT Ambi Inc. Director of AiSails Power Inc. Director of One Song Inc. Chairman of Himalaya Venture Capital Inc. Director of Himalaya Venture Capital Management Consulting Inc. Director of Transformative Cell Processing Co., Ltd. Chairman of Chew's Culture Foundation Director of the NSFG Foundation Director of SanCode Foundation Director of Jung Hsin Management Consulting Corporation	
RO,SHIH-HAO	University of California, Riverside	General Manager of Egis Technology Inc.	Sr.Vice President of Egis Technology Inc.	132,000
Chen, Chau Chen	Ph. D of Material Science, Stanford University, California, USA	Vice President of FTS, TSMC Japan, Japan Sr. Director of Business Development, TSMC, Taiwan President, Global Unit Chip, Taiwan	Chief Business Officer, Brillnics Inc, Zhubei, Taiwan	0
CHIH-CHUN TSAI	Utah State University, Master of Computer Science National Chiao Tung University, Bachelor of Computer Science	Senior Director of Taiwan Semiconductor Manufacturing Co., Ltd. (TSMC) Asia-Pacific Business	Chairman of Hua-Jie (Taiwan) Corp. Director of Coretech Optical Co., Ltd. Independent Director of Leadtrend Technology Corp.	0

Independent Director Candidate Lists

Candidate Names	Educational Experiences	Main Experiences	Concurrent Positions Currently Assumed in the Company and Other Companies	Number of Shares Currently Held (Unit : Shares)
LAI JUH CHEN	Thunderbird School of Global Management, Arizona State University, EMBA	General Manager and CEO of AUO General Manager of Solar Business Group of AUO	Chung Hua University, Lecturer National Chiao Tung University, Adjunct Professor Independent Director of Egis Technology Inc. Independent Director of Ardentec Technology Inc. Independent Director of Unimicron Technology Corp.	0
STARK LIANG	Master's Degree, Department of Information, Chung Yuan Christian University	Manager of Acer Technology Electronics Institute, Industrial Technology Research Institute	Chairman and CEO of Stark Technology, Inc. Person in Charge of Stark Technology Inc.(U.S.A) Person in Charge of S-Rain Investment Ltd. Independent Director of ITEQ Corporation	18,000

			Director of National Information Infrastructure Enterprise Promotion Association Director of STARK INFORMATION (HONG KONG)LIMITED	
LIAO CHUN-CHIEH	Master's Degree, Business Administration, National Taiwan University	Chairman Special Assistant of HTC Corporation CFO of FocalTech Systems Co., Ltd. Finance Manager of MediaTek Inc.	Independent Director of Alcor Micro Corp.	0
Tseng Yu-I	Department of Industrial Engineering, Chung Yuan Christian University	Marketing Assistant Vice President of Taiwan Branch of Cirrus Logic of America	Chairman of EDOM Technology Co., Ltd. Director of Largan Health Technology Director of AcSiP Technology Corp. Independent Director of TAI-SAW TECHNOLOGY CO.,LTD.	0

Election results:

VII. Other Proposals

Proposal 1

Proposed by the Board of Directors

Subject matter: The lifting of non-compete restrictions for directors of the Company and their representatives.

Explanation:

- I. In accordance with the provisions in Article 209 of the Company Law,
 - 「 A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval. 」 without prejudice to the interests of the company, make a proposal to the Shareholders' Meeting on removing the non-compete restrictions relating to his/her concurrent positions.
- II. Please refer to the table below for the competition content of the newly elected directors.
- III. The above is submitted for resolution.

Resolution:

Candidate Names	Concurrent Positions Currently Assumed in the Company and Other Companies
LO, SEN CHOU	Chairman of IvyRock Asset Management Consulting Co., Ltd. Director of HEADWAY CAPITAL LIMITED Director of ORIENTAL GOLD HOLDINGS LIMITED Director of Kiwi Technology Inc. Juristic Person Director of iCatch Technology, Inc. Chairman of Alcor Micro Corporation Chairman of Alcorlink Corp. Director of Augentix Inc. Chairman of Egis Innovation Fund G.P., Ltd. Director of Teletrx Co.
SHIH, CHEN-JUNG	Director of Acer Inc., Limited Director of Nan Shan Life Insurance Co., Ltd. Juristic Person Director of Hung Jung Investment Co., Ltd. Director of Taiwan Public Television Service Foundation Director of Chinese Television System Corporation President of Cloud Gate Culture and Arts Foundation Chairman of Stans Foundation Chairman of CT Ambi Inc. Director of AiSails Power Inc. Director of One Song Inc. Chairman of Himalaya Venture Capital Inc. Director of Himalaya Venture Capital Management Consulting Inc. Director of Transformative Cell Processing Co., Ltd. Chairman of Chew's Culture Foundation Director of the NSFG Foundation Director of SanCode Foundation Director of Jung Hsin Management Consulting Corporation

RO,SHIH-HAO	No.
Chen, Chau Chen	Chief Business Officer, Brillnics Inc, Zhubei, Taiwan
CHIH-CHUN TSAI	Chairman of Hua-Jie (Taiwan) Corp. Director of Coretech Optical Co., Ltd. Independent Director of Leadtrend Technology Corp.
LAI JUH CHEN	Chung Hua University, Lecturer National Chiao Tung University, Adjunct Professor Independent Director of Ardentec Technology Inc. Independent Director of Unimicron Technology Corp.
STARK LIANG	Chairman and CEO of Stark Technology, Inc. Person in Charge of Stark Technology Inc.(U.S.A) Person in Charge of S-Rain Investment Ltd. Independent Director of ITEQ Corporation Director of National Information Infrastructure Enterprise Promotion Association Director of STARK INFORMATION (HONG KONG)LIMITED
LIAO CHUN-CHIEH	Independent Director of Alcor Micro Corp.
Tseng Yu-I	Chairman of EDOM Technology Co., Ltd. Director of Largan Health Technology Director of AcSiP Technology Corp. Independent Director of TAI-SAW TECHNOLOGY CO.,LTD.

VIII. Extempore Motion

Adjournment of Meeting

[Exhibit 1]

Egis Technology Inc.
2022 Annual Business Report

The 2022 Business Achievements and Business Plan are provided as follows:

1. 2022 Business Achievements

(1) 2022 Business Plan Implementation Outcomes

In 2022, the Company's combined operating revenue amounted to NTD3,289,300,000, reflecting a 4% decrease from the NTD3,442,807,000 reported in 2021. The Company also experienced a net loss before tax of NTD931,067,000, as well as a net loss after tax of NTD902,338,000. The comprehensive net loss for the current period was NTD1,737,344,000.

Unit: NTD '000

Item	2021	2022
Operating revenue	3,442,807	3,289,300
Gross operating profit	1,369,894	1,162,364
Net operating profit (loss)	(300,418)	(961,661)
Non-operating revenue and expenditure	(9,930)	30,594
Net profit (loss) before tax	(310,348)	(931,067)
Net profit (loss) after tax	(231,774)	(902,338)
Total comprehensive income for the current period	2,668,815	(1,737,344)
Basic earnings per share (NTD)	(3.11)	(12.31)

(2) Status of Research and Development

Item	Research and Development Plan	Description of Plan
Software	Enhanced AI Fingerprint Algorithm V2.0	Based on the original algorithm, the optimization of the training of the artificial intelligence model can further improve the efficiency and reliability of the recognition performance for smaller areas of optical and capacitive fingerprint images. This improvement has also resulted in a significant enhancement to the anti-counterfeiting capabilities of 2.5D technology.

Item	Research and Development Plan	Description of Plan
	AI Model Driving Monitor System	The DMS (Driving Monitor System) utilizes AI to detect a range of factors including eye closure, blinking, gaze direction, yawning, and head movements to interpret the driver's state and reduce the occurrence of vehicle accidents.
Hardware	HD Capacitive Fingerprint Sensor Chip	It enhances the sensitivity of the sensor unit design to further improve the signal-noise ratio of the overall fingerprint imaging, which further improve the matching rate and anti-counterfeiting ability.
	Fingerprint Independent Computing Chip	The independent fingerprint recognition module, which is compatible with our Company's small-area fingerprint chips, provides a standalone and secure rapid fingerprint recognition function without a host device. Additionally, the module is developed with capacitive fingerprint technology that is suitable for Notebooks, offering Match on Chip (MOC) independent fingerprint recognition functionality.
	Time-of-flight Sensor Chip	We are developing a multi-point matrix version to provide a more precise 3D Depth Map of the object's surface, which is suitable for multi-lens mobile phones to achieve fast focus.
	Ambient Brightness and Proximity Sensor Chip	It provides ambient light detection and brightness adjustment for mobile phones, TVs, notebooks, and screens. The chip also offers proximity detection for mobile phones. Based on this, we have developed a function to detect flicker in the ambient light source, which can effectively enhance the quality of photography and videography under different lighting conditions.
	AI SoC Multi-Configuration Inference Accelerator	It is a collaborative project with ITRI. Based on the widespread application of AI technology in various industries, especially in edge devices where AI models can be directly applied, a series of AI accelerators are developed to optimize AI inference platforms for different computing capabilities required by Edge AI

Item	Research and Development Plan	Description of Plan
		chips, ranging from MAC64 to MAC2048 and supporting formats such as INT8/BF16.
	Dynamic Vision Sensor(DVS)	It is more suitable as an image sensor for deep learning inference, reducing the data bandwidth of the sensing element and decreasing the computational load on the processor, to improve overall performance and reduce power consumption.

2. Overview of 2022 Annual Business Plan

The year 2022 was marked by the continued impact of the COVID-19 pandemic on the global market, as well as inflation stemming from loose monetary policies in multiple countries and geopolitical risks. These factors combined to weaken end-user demand and reduce corporate demand due to an overall weakness in demand. In addition, adjustments in supply chain inventory have led to a decline in revenue and profitability. Currently, the smartphone market is saturated, and fingerprint recognition technology is mature. In the face of intense market competition, Egis not only optimizes existing products, but also actively transforms and strives to develop new products and applications, expanding into non-fingerprint recognition chip businesses and non-smartphone markets.

The Company actively expands the use of fingerprint recognition chips in the mobile phone, notebook brand customers and automotive markets, expanding the market share of fingerprint recognition chip products and optimizing our product portfolio. At the same time, the Company is also entering the non-fingerprint product field, expanding its product line of non-fingerprint recognition chips, including dToF (Time of Flight). The development of 3D DepthMap sensing technology has been completed, and the dToF (Time of Flight) sensing chip has also been developed. In addition to being applied to the fast-focusing function of smartphones, it also focuses on the trend of energy-saving and carbon reduction, introducing it to notebooks and televisions. When the screen is not being watched, the display is adjusted to save energy. In the future, it will also be introduced to other applications such as IoT.

In response to the diverse needs of different market customers, the Company continues to maintain close cooperation with suppliers and has expanded its wafer sources in 2022. The work of introducing non-Taiwanese wafer foundries has also been gradually completed through investment and division of labor. This is to ensure the quality of supply and stability of wafer

sources, while optimizing the cost structure and conducting effective cost control.

3. Business Strategy and Plans for the Year 2023

With many years of experience in the field of fingerprint recognition, Egis has established a strong presence and reputation in this area. Leveraging its technical expertise in biometric recognition, it has integrated artificial intelligence deep learning into its algorithm development, and has continued to explore emerging applications for biometric recognition across various industries. It has optimized its product portfolio, strengthened market competitiveness, and developed new customers to expand its market in addition to managing existing customer orders.

The Company has completed the development of the high-performance standalone fingerprint calculation chip, which, combined with the existing micro-capacitive fingerprint chip, will be integrated into the new generation of Notebook fingerprint applications to enhance security. It will begin shipping to our notebook brand customers in 2023, expanding our market share in the fingerprint recognition chip market and optimizing our existing product portfolio. The Company will continue to optimize our product portfolio and cost control. With the introduction of new products, strengthening inventory management will be a key focus for 2023.

The Company and ITRI's collaborative project, the AI SoC multi-configuration inference accelerator, will be completed and accepted in the first half of 2023. Drawing on the design experience accumulated in this project, and our professional expertise in the field of biometric recognition for many years, Egis has recently invested in the research and development of an AI-based Driving Monitor System (DMS) to provide driver behavior awareness to mitigate potential safety hazards and create a smoother, more enjoyable driving experience. By providing a machine vision DVS sensor, Egis can offer better automotive security solutions with higher accuracy, lower power consumption, and reduced computing power requirements. This AI application can also enhance the recognition and anti-counterfeiting capabilities of fingerprint recognition software.

The Company will continue to work in line with the government's AI development policies and strive to collaborate with industry experts and exchange ideas. This will help us better understand the needs and future development of industries, customers, and technologies, and determine the Company's short, medium, and long-term development

direction in the AI field. With the R&D achievements mentioned above, Egis aims to further integrate and leverage our investment products to improve product development speed and application, customer loyalty, and create a more diversified product strategy, accelerating the company's revenue growth and profitability in 2023.

4. Impact of External Competitive Environment, Legal Environment and Overall Business Environment

As we look towards 2023, the overall economy will continue to grapple with a number of challenges, including sluggish demand for smartphones and heightened competition on a global scale. With inflationary pressures mounting, the recent interest rate hikes have had a notable impact on both consumer confidence and the wider economy, while supply chain inventory correction problems persist. Egis will continue to provide fingerprint recognition chips with better accuracy and speed than the market, strengthen AI fingerprint algorithms, further optimize optical and capacitive fingerprint images on a smaller area, and enhance 2.5D anti-counterfeiting capabilities, making integration more efficient, secure, and complete. At the same time, we will cooperate with our investment partners to provide customers with diverse solutions, become a reliable and trustworthy partner, and create synergies and deep product collaborations with investment companies. The Company remains committed to promoting ESG, and will continue to focus on integrating our core business with sustainable development. Our efforts will include the development of high-performance and low-power products to contribute to energy conservation and carbon reduction. We will also strive to improve our corporate governance, fulfill our corporate responsibilities, and create long-term stable value, ultimately increasing shareholder returns. Lastly, we would like to express our sincere gratitude to our shareholders for their ongoing support and dedication.

Chairman: LO, SEN CHOU

General Manager: RO, SHIH-HAO

Accountant-in-charge: Kathy Huang

[Exhibit 2]

Auditors' Report of Audit Committee

It is hereby approved that

The Board of Directors delivered the Company's parent-company-only financial statements and consolidated financial statements, business report and earnings distribution table for the year of 2022, among which the parent-company-only financial statements and consolidated financial statements for the year of 2022 had been audited by CPAs Pei-chuan Huang and Chin-Chang Chen from PWC Taiwan, and an audit report had been accordingly issued.

All the tables prepared by the above-mentioned Board of Directors are considered no discrepancy after being reviewed by the Audit Committee. In accordance with the provisions of Articles 14(4) of the Security Exchange Act and Article 219 of the Company Law, the Report is subject to inspection.

2023 Annual General Meeting of Egis Technology Inc.

Audit committee convener: WENG, MING-JENG

March 29, 2023

[Exhibit 3]

Private Placement of Marketable Securities Status Report

Item	2022 first private placement
Date and amount approved at the shareholders' meeting	June 22, 2022 10,000,000 common shares
The basis and rationale of pricing	<p>(1) The reference price for the private placement of common shares is based on the higher of the following two calculations:</p> <p>a. The simple average closing price of the common shares of the TWSE listed or TPEX listed company for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction.</p> <p>b. The simple average closing price of the common shares of the TWSE listed or TPEX listed company for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.</p> <p>(2) The price per share of the private placement shall be set at no less than 80% of the reference price and no less than \$10 per share. It is proposed that the actual issuance price be submitted to the shareholders' meeting, and the board of directors be authorized to fix it in accordance with legal requirements and within the range of not less than the percentage approved by resolution at the shareholders' meeting, depending on the selection of specific persons and future market conditions.</p> <p>(3) The basis for the issuance price of the private placement of common shares is in line with the relevant regulations of the competent authorities, taking into account the Company's operating conditions, the future outlook and the reference price on the pricing date, the pricing method should be reasonable.</p>
The method for selecting the specific persons	The selection is limited to strategic investors who comply with Article 43-6 of the Securities and Exchange Act and the provisions of the Financial Supervisory Commission's letter (91) Tai Cai Zheng Yi Zi No. 0910003455 of June 13, 2002.
Necessity for conducting private placement	In consideration of the timeliness, convenience and issuance cost of raising capital and the three-year non-transferable restriction on the private placement of shares, which can ensure and strengthen the long-term relationship with strategic partners, therefore, the Company will not adopt public offering and proposes to conduct private placement.
Price Payment Completion Date	May 16, 2023

Item	2022 first private placement				
	Private Placement Target	Eligibility Criteria	Number of subscription shares acquired (Shares)	Relationship with the Company	Participation in the Company's operation
Placée information	HSIEH, CHING-CHIANG	In line with Item 2, Paragraph 1, Article 43-6 of the Securities and Exchange Act	3,500,000	Nil	Nil
	HSIEH, HAO-YUN		750,000		
	HSIEH, TING-YUN		750,000		
Actual subscription price	NTD 70				
Discrepancy between actual subscription price and reference price	The actual subscription price is 81.53% of the reference price, which is not less than 80% of the reference price resolved at the shareholders' meeting.				
Effect of private placement on shareholders' equity	The placée's experience, technology, knowledge, brand name or reputation will help the Company to improve its technology, reduce costs, expand market development or strengthen supplier and customer relationships, which is expected to meet the Company's operational needs and enhance the potential for future business growth, strengthen the Company's competitiveness, improve operational efficiency and increase shareholders' equity.				
Use of private funds and progress of plan execution	It is expected to be completed on May 16, 2023. The total number of common shares in the private placement is 5,000,000, the price per share in the private placement is NTD 70, and the total amount of the private placement is NTD350,000,000, which is used to replenish the working capital.				
Private placement benefit yields	<ol style="list-style-type: none"> (1) Replenishing working capital, raising the level of available capital and increasing flexibility in its use. (2) Improving the financial structure, enhancing the current ratio and net worth of the company. (3) With the participation of the placée, the Company will be able to accelerate its product and market development opportunities and enhance its operational effectiveness and overall competitiveness through industry integration or joint market research and development. 				

[Exhibit 4]

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of EGIS TECHNOLOGY INC.

Opinion

We have audited the accompanying parent company only balance sheet of EGIS TECHNOLOGY INC. (the "Company") as at December 31, 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

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

Basis for opinion

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

Key audit matters

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

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

Key audit matter – Assessment of allowance for inventory valuation losses

Description

The company is engaged in the design, manufacture and sales of integrated circuit related products. As the electronic products' life cycles are relatively short and the market is highly competitive, there is a higher risk of incurring inventory valuation losses or having obsolete inventory. Refer to Note 4(12) for accounting policies on inventory, Note 5(2) for the uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Note 6(6) for details of the allowance for inventory valuation losses.

As the company operates in an environment characterised by rapidly changing technology, the determination of net realisable values of obsolete and slow-moving inventories involves subjective judgement and high degree of estimation uncertainty, and considering that the inventory and allowance for inventory valuation losses are material to the financial statements, we considered the assessment of allowance for inventory valuation losses a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

- A. Obtained an understanding of the Group's operations and industry to assess the reasonableness of provision policies on inventory valuation loss and allowance for inventory valuation losses.
- B. Tested the basis of the net realisable value of individual inventory item numbers and selected samples to confirm the accuracy of the calculation of net realisable value.
- C. Verified the accuracy of inventory aging report.

Key audit matter – Assessment of reasonableness of the allocation of acquisition price relative to the merger transaction

Description

On July 11, 2022, the company obtained control over Alcor Micro, Corp. and was therefore included as a consolidated entity. The related subsequent allocation of acquisition price was completed in the fourth quarter of 2022.

As the assessment of goodwill impairment required the estimation and discounts of future cash flows to estimate the recoverable amount of a cash-generating unit, and the predictions of future cash flows involves management's subjective judgment and a high degree of estimation uncertainty, we considered the impairment assessment of goodwill as a key audit matter.

How our audit addressed the matter

We obtained an understanding of the basis and process of purchase price allocation which was estimated by management. We reviewed the estimation method used for fair value of assets acquired and liabilities assumed in the price allocation report prepared by external experts, the reasonableness of key assumptions and the calculation of fair value used in the prediction of future cash flows of identifiable intangible assets to calculate goodwill. Our procedures also included the following:

- A. Evaluated the competency and objectivity of the external appraiser engaged by the management.
- B. Reviewed the valuation models used by external appraisers, assessed the reasonableness of the primary parameters, such as the expected growth rates and operating profit margin, by comparing with historical data, economic and industry forecasts documents.
- C. Reviewed the reasonableness of weighted average cost of capital (WACC), the fair value of identifiable intangible assets, the determination of economic life of identifiable intangible assets, and the calculation of goodwill used in the price allocation report prepared by external experts.

Key audit matter – Goodwill impairment assessment of intangible assets and investments accounted for using equity method

Description

Refer to Note 4(17) for accounting policies on goodwill impairment, Note 5(2) for the uncertainty of accounting estimates and assumptions in relation to goodwill impairment, and Note 6(10) for details of goodwill impairment.

As the assessment of goodwill impairment required the estimation and discounts of future cash flows to estimate the recoverable amount of a cash-generating unit, and the predictions of future cash flows involves management's subjective judgment and a high degree of estimation uncertainty, we consider the impairment assessment of goodwill as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

- A. Assessed whether the valuation model used by the Group was reasonable for its industry, environment and assets to be valued.
- B. Confirmed whether the future cash flows used in the valuation model was consistent with future annual budget of business segment, and obtained an understanding on the material assumptions used in the budget preparation.
- C. Assessed the reasonableness of operating revenue growth rate, discounts rates and other significant parameters used in the valuation models, including the following procedures:
 - (a) Verified the setting of parameters of valuation models and calculation formulas.
 - (b) Compared the operating revenue growth rate with historical data, economic and industry forecasts documents.
 - (c) Compared the discount rate with the cost of capital assumptions of cash generating units and rate of returns of similar assets.
 - (d) Performed a sensitivity analysis on critical assumptions in order to assess the risk of goodwill impairment if the critical assumptions would change.

Other matter – Reference to the audits of other auditors

We did not audit the financial statements of certain investments accounted for under the equity method which were audited by other auditors. Therefore, our report expressed herein, insofar as it relates to the amounts included in respect of these companies, is based solely on the reports of the other auditors. The balance of these investments accounted for under the equity method amounted to NT\$1,396,881 thousand as at December 31, 2022, and the share of profit recognized from investees accounted for under the equity method amounted to NT\$55,342 thousand for the year ended December 31, 2022.

Other matter –Prior period financial statements audited by other auditors

The financial statements of the Company as at, and for the year ended December 31, 2021 were audited by other auditors, whose report dated March 22, 2022 expressed an unmodified opinion on those statements.

Responsibilities of management and those charged with governance for the 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, 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 financial statements

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 appropriate audit evidence regarding the financial information of the investments accounted for using equity method to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Huang, Pei-Chuan

Chen, Ching Chang

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 29, 2023

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

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

EGIS TECHNOLOGY INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 506,092	7	\$ 2,121,126	24
1110	Current financial assets at fair value through profit or loss	6(2)	104,171	2	798,248	9
1136	Current financial assets at amortised cost	6(4)	-	-	676,800	8
1170	Accounts receivable, net	6(5)	324,474	4	608,227	7
1180	Accounts receivable due from related parties, net	6(5) and 7	-	-	756	-
1200	Other receivables		17,147	-	76,664	1
1210	Other receivables due from related parties	7	97,780	1	19,532	-
130X	Inventory	6(6)	938,762	13	606,684	7
1410	Prepayments		101,969	1	111,848	1
1470	Other current assets		1,633	-	875	-
11XX	Total current assets		<u>2,092,028</u>	<u>28</u>	<u>5,020,760</u>	<u>57</u>
Non-current assets						
1510	Non-current financial assets at fair value through profit or loss	6(2)	908,782	12	583,356	6
1517	Non-current financial assets at fair value through other comprehensive income	6(3) and 8	1,471,932	20	409,070	5
1550	Investments accounted for using equity method	6(7)	2,418,742	32	1,609,754	18
1600	Property, plant and equipment	6(8) and 7	66,749	1	89,360	1
1755	Right-of-use assets	6(9)	106,173	1	97,147	1
1780	Intangible assets	6(10) and 7	229,235	3	182,358	2
1840	Deferred income tax assets	6(26)	255,444	3	146,110	2
1960	Non-current prepayments for investments	6(11)	-	-	672,000	8
1990	Other non-current assets		11,519	-	11,994	-
15XX	Total non-current assets		<u>5,468,576</u>	<u>72</u>	<u>3,801,149</u>	<u>43</u>
1XXX	Total assets		<u>\$ 7,560,604</u>	<u>100</u>	<u>\$ 8,821,909</u>	<u>100</u>

(Continued)

EGIS TECHNOLOGY INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
Current liabilities						
2100	Short-term borrowings	6(12)	\$ 1,042,584	14	\$ 100,000	1
2170	Accounts payable		71,123	1	331,422	4
2200	Other payables	6(13)	434,814	6	418,357	5
2220	Other payables to related parties	7	11,632	-	4,364	-
2230	Current income tax liabilities		95,206	1	603,284	7
2280	Current lease liabilities	6(9)	36,054	-	30,365	-
2320	Long-term liabilities, current portion	6(14)	420,000	6	37,500	-
2365	Current refund liabilities		89,376	1	75,139	1
2399	Other current liabilities	6(20)	5,519	-	11,408	-
21XX	Total current liabilities		<u>2,206,308</u>	<u>29</u>	<u>1,611,839</u>	<u>18</u>
Non-current liabilities						
2540	Long-term borrowings	6(14)	1,273,700	17	812,500	9
2570	Deferred income tax liabilities	6(26)	1,139	-	1,980	-
2580	Non-current lease liabilities	6(9)	78,989	1	75,175	1
2600	Other non-current liabilities		718	-	-	-
25XX	Total non-current liabilities		<u>1,354,546</u>	<u>18</u>	<u>889,655</u>	<u>10</u>
2XXX	Total liabilities		<u>3,560,854</u>	<u>47</u>	<u>2,501,494</u>	<u>28</u>
Equity						
Share capital						
3110	Common stock	6(16)	692,718	9	692,718	8
Capital surplus						
3200	Capital surplus	6(17)	1,005,857	13	968,659	11
Retained earnings						
3310	Legal reserve	6(18)	725,338	10	284,300	3
3320	Special reserve		75,368	1	-	-
3350	Unappropriated retained earnings		2,358,198	31	4,450,106	51
Other equity interest						
3400	Other equity interest	6(19)	(857,729)	(11)	(75,368)	(1)
3XXX	Total equity		<u>3,999,750</u>	<u>53</u>	<u>6,320,415</u>	<u>72</u>
Significant contingent liabilities and unrecorded contract commitments						
Significant subsequent events						
3X2X	Total liabilities and equity		<u>\$ 7,560,604</u>	<u>100</u>	<u>\$ 8,821,909</u>	<u>100</u>

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

EGIS TECHNOLOGY INC.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except for loss per share amount.)

Items	Notes	Year ended December 31				
		2022		2021		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(20) and 7	\$ 2,506,569	100	\$ 3,438,319	100
5000	Operating costs	6(6)(25)	(1,685,104)	(67)	(2,072,960)	(60)
5900	Gross profit		821,465	33	1,365,359	40
	Total operating expenses	6(25) and 7				
6100	Selling expenses		(105,950)	(4)	(121,923)	(4)
6200	General and administrative expenses		(231,432)	(9)	(319,839)	(9)
6300	Research and development expenses		(1,223,644)	(49)	(1,142,825)	(33)
6000	Total operating expenses		(1,561,026)	(62)	(1,584,587)	(46)
6900	Operating loss		(739,561)	(29)	(219,228)	(6)
	Total non-operating income and expenses					
7100	Interest income	6(21)	24,286	1	19,410	1
7010	Other income	6(22) and 7	57,254	2	9,552	-
7020	Other gains and losses	6(23)	(2,359)	(-)	(18,577)	(1)
7050	Finance costs	6(24)	(31,125)	(1)	(14,090)	(-)
7070	Share of loss of associates and joint ventures accounted for using equity method	6(7)	(167,729)	(7)	(73,974)	(2)
7000	Total non-operating income and expenses		(119,673)	(5)	(77,679)	(2)
7900	Loss before income tax		(859,234)	(34)	(296,907)	(8)
7950	Income tax benefit	6(26)	6,397	-	81,302	2
8200	Loss for the year		(\$ 852,837)	(34)	(\$ 215,605)	(6)
	Other comprehensive income (loss)					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(19)	(\$ 776,764)	(31)	\$ 3,505,529	102
8330	Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(19)	(38,522)	(2)	4,161	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(26)	-	-	(602,262)	(18)
8310	Other comprehensive (loss) income that will not be reclassified to profit or loss		(815,286)	(33)	2,907,428	84
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(19)	3,515	-	(3,267)	-
8367	Unrealized losses from investments in debt instruments measured at fair value through other comprehensive income	6(19)	(9,053)	(-)	(3,371)	-
8380	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	6(19)	3,902	-	(201)	-
8360	Other comprehensive loss that will be reclassified to profit or loss		(1,636)	(-)	6,839	-
8300	Other comprehensive (loss) income for the year		(\$ 816,922)	(33)	\$ 2,900,589	84
8500	Total comprehensive (loss) income for the year		(\$ 1,669,759)	(67)	\$ 2,684,984	78
	Loss per share (in dollars)	6(27)				
9750	Basic loss per share		(\$ 12.31)	(\$ 3.11)		
9850	Diluted loss per share		(\$ 12.31)	(\$ 3.11)		

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

EGIS TECHNOLOGY INC.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Retained Earnings				Other Equity Interest			Treasury shares	Total equity
		Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income		
2021										
Balance at January 1, 2021		\$ 713,758	\$ 1,057,960	\$ 224,069	\$ 81,463	\$ 1,057,629	\$ 2,112	\$ 1,775,108	(\$ 228,775)	\$ 4,683,324
Loss for the year		-	-	-	-	(215,605)	-	-	-	(215,605)
Other comprehensive income (loss) for the year		-	-	-	-	-	(3,468)	2,904,057	-	2,900,589
Total comprehensive income (loss)		-	-	-	-	(215,605)	(3,468)	2,904,057	-	2,684,984
Distribution of 2020 earnings	6(18)	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	60,231	-	(60,231)	-	-	-	-
Reversal of special reserve		-	-	-	(81,463)	-	-	-	-	-
Cash dividends		-	-	-	-	(1,039,136)	-	-	-	(1,039,136)
Compensation costs of employee restricted stock		-	74	-	-	-	-	-	-	74
Retirement of treasury shares	6(16)	(21,000)	(89,415)	-	-	(118,360)	-	-	228,775	-
Disposal of investments accounted for using equity method	6(19)	-	-	-	-	-	762	-	-	762
Disposal of financial assets at fair value through other comprehensive income	6(3)	-	-	-	-	4,748,962	-	(4,748,962)	-	-
Disposal of financial assets at fair value through other comprehensive income by subsidiaries	6(19)	-	-	-	-	-	-	(4,977)	-	-
Changes in equity of associates accounted for using equity method		-	-	-	-	(4,977)	-	-	-	(4,977)
Changes in ownership interests in subsidiaries		-	-	-	-	(5,210)	-	-	-	(5,210)
Retirement of employee restricted stock		(40)	40	-	-	-	-	-	-	-
Balance at December 31, 2021		\$ 692,718	\$ 968,659	\$ 284,300	\$ -	\$ 4,450,106	(\$ 594)	(\$ 74,774)	\$ -	\$ 6,320,415
2022										
Balance at January 1, 2022		\$ 692,718	\$ 968,659	\$ 284,300	\$ -	\$ 4,450,106	(\$ 594)	(\$ 74,774)	\$ -	\$ 6,320,415
Loss for the year		-	-	-	-	(852,837)	-	-	-	(852,837)
Other comprehensive income (loss) for the year		-	-	-	-	1,177	8,167	(826,266)	-	(816,922)
Total comprehensive income (loss)		-	-	-	-	(851,660)	8,167	(826,266)	-	(1,669,759)
Distribution of 2021 earnings	6(18)	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	441,038	-	(441,038)	-	-	-	-
Special reserve		-	-	-	75,368	(75,368)	-	-	-	-
Cash dividends		-	-	-	-	(692,718)	-	-	-	(692,718)
Changes in ownership interests in subsidiaries		-	495	-	-	-	-	-	-	495
Disposal of investments in debt instruments at fair value through other comprehensive income	6(19)	-	-	-	-	-	-	11,978	-	11,978
Disposal of investments accounted for using equity method	6(19)	-	-	-	-	(30,975)	(7,530)	31,290	-	(7,215)
Changes in equity of associates accounted for using equity method		-	36,703	-	-	(149)	-	-	-	36,554
Balance at December 31, 2022		\$ 692,718	\$ 1,005,857	\$ 725,338	\$ 75,368	\$ 2,358,198	\$ 43	(\$ 857,772)	\$ -	\$ 3,999,750

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

EGIS TECHNOLOGY INC.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Years ended December 31	
		2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(\$ 859,234)	(\$ 296,907)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(8)(9)(25)	87,795	91,764
Amortisation	6(10)(25)	48,195	27,989
Loss (gain) on financial assets at fair value through profit or loss, net	6(2)(23)	52,089	(4,651)
Loss on investments in debt instruments at fair value through other comprehensive income, net	6(23)	11,978	385
Interest expense	6(24)	31,125	14,090
Interest income	6(21)	(24,286)	(19,410)
Dividend income	6(22)	(46,543)	-
Share-based payments		-	74
Share of loss of associates and joint ventures accounted for using equity method	6(7)	167,729	73,974
(Gain) loss on disposal of property, plant and equipment	6(23)	(1,816)	959
Loss (gain) on disposal of investments accounted for using equity method	6(23)	41,066	(97,365)
Gain from lease modification	6(9)	-	(496)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable, net		283,753	(308,384)
Accounts receivable due from related parties, net		756	(756)
Other receivables		53,492	(28,799)
Other receivables due from related parties		(73,822)	(19,474)
Inventory		(332,078)	(223,158)
Prepayments		11,119	24,614
Other current assets		(758)	10,321
Changes in operating liabilities			
Accounts payable		(260,299)	76,990
Other payables		12,619	12,393
Other payables to related parties		7,268	(1,710)
Current refund liabilities		14,237	(23,927)
Other current liabilities		(5,889)	7,306
Cash outflow generated from operations		(781,504)	(684,178)
Income taxes paid		(604,378)	(11,831)
Interest received		23,155	18,243
Interest paid		(28,527)	(13,019)
Cash dividends received		79,543	-
Net cash flows used in operating activities		(1,311,711)	(690,785)

(Continued)

EGIS TECHNOLOGY INC.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Years ended December 31	
		2022	2021
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit or loss		(\$ 642,329)	(\$ 1,522,978)
Proceeds from disposal of financial assets at fair value through profit or loss		660,811	201,672
Acquisition of financial assets at fair value through other comprehensive income		(1,982,412)	(156,149)
Proceeds from disposal of financial assets at fair value through other comprehensive income		133,411	6,806,674
Acquisition of financial assets at amortised cost		-	(579,381)
Proceeds from disposal of financial assets at amortised cost		676,800	-
Acquisition of investments accounted for using equity method	6(28)	(220,800)	(1,597,600)
Disposal of investments accounted for using equity method		-	97,825
Acquisition of property, plant and equipment	6(8)	(31,472)	(42,666)
Disposal of property, plant and equipment		5,562	2,903
Acquisition of intangible assets	6(10)	(95,072)	(42,426)
Increase in prepayments for investments		-	(672,000)
Collection of prepayments for investments	6(11)	134,400	-
Decrease (increase) in other non-current assets		475	(1,106)
Net cash flows (used in) from investing activities		(1,360,626)	2,494,768
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings		1,042,584	100,000
Decrease in short-term borrowings		(100,000)	-
Proceeds from long-term debt		993,700	850,000
Repayments of long-term debt		(150,000)	(990,000)
Cash dividends paid	6(18)	(692,718)	(1,039,136)
Payments of lease liabilities		(36,981)	(39,619)
Increase in other non-current liabilities		718	-
Net cash flows from (used in) financing activities		1,057,303	(1,118,755)
Net (decrease) increase in cash and cash equivalents		(1,615,034)	685,228
Cash and cash equivalents at beginning of year		2,121,126	1,435,898
Cash and cash equivalents at end of year		<u>\$ 506,092</u>	<u>\$ 2,121,126</u>

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Egis Technology Inc.

Opinion

We have audited the accompanying consolidated balance sheets of Egis Technology Inc. and subsidiaries (the "Group") as at December 31, 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for opinion

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

Key audit matters

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

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

Key audit matter - Assessment of allowance for inventory valuation losses

Descriptions

The Group is engaged in the design, manufacture and sales of integrated circuit related products. As the electronic products' life cycles are relatively short and the market is highly competitive, there is a higher risk of incurring inventory valuation losses or having obsolete inventory. Refer to Note 4(13) for accounting policies on inventory, Note 5(2) for the uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Note 6(6) for details of the allowance for inventory valuation losses.

As the Group operates in an environment characterised by rapidly changing technology, the determination of net realisable values of obsolete and slow-moving inventories involves subjective judgement and high degree of estimation uncertainty, and considering that the inventory and allowance for inventory valuation losses are material to the financial statements, we considered the assessment of allowance for inventory valuation losses a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

- A. Obtained an understanding of the Group's operations and industry to assess the reasonableness of provision policies on inventory valuation loss and allowance for inventory valuation losses.
- B. Tested the basis of the net realisable value of individual inventory item numbers and selected samples to confirm the accuracy of the calculation of net realisable value.
- C. Verified the accuracy of inventory aging report.

Key audit matter - Assessment of reasonableness of the allocation of acquisition price relative to the merger transaction

Description

On July 11, 2022, the Group obtained control over Alcor Micro, Corp. and was therefore included as a consolidated entity. The related subsequent allocation of the acquisition price was completed in the fourth quarter of 2022. The merger transaction was accounted for in accordance with IFRS 3. Refer to Note 6(32) for the details of the allocation of acquisition price.

As the assessment of goodwill impairment requires the estimation and discounting of future cash flows to estimate the recoverable amount of a cash-generating unit, and the predictions of future cash

flows involves management's subjective judgment and a high degree of estimation uncertainty, we considered the impairment assessment of goodwill as a key audit matter.

How our audit addressed the matter

We obtained an understanding of the basis and process of purchase price allocation which was estimated by management. We reviewed the estimation method used for fair value of assets acquired and liabilities assumed in the price allocation report prepared by external experts, the reasonableness of key assumptions and the calculation of fair value used in the prediction of future cash flows of identifiable intangible assets to calculate goodwill. Our procedures also included the following:

- A. Evaluated the competency and objectivity of the external appraiser engaged by the management.
- B. Reviewed the valuation models used by external appraisers, assessed the reasonableness of the primary parameters, such as the expected growth rates and operating profit margin, by comparing with historical data, economic and industry forecasts documents.
- C. Reviewed the reasonableness of weighted average cost of capital (WACC), the fair value of identifiable intangible assets, the determination of economic life of identifiable intangible assets, and the calculation of goodwill used in the price allocation report prepared by external experts.

Key audit matter - Impairment assessment of goodwill

Description

Refer to Note 4(18) for accounting policies on goodwill impairment, Note 5(2) for the uncertainty of accounting estimates and assumptions in relation to goodwill impairment, and Note 6(10) for details of goodwill impairment.

As the assessment of goodwill impairment requires the estimation and discounting of future cash flows to estimate the recoverable amount of a cash-generating unit, and the predictions of future cash flows involves management's subjective judgment and a high degree of estimation uncertainty, we considered the impairment assessment of goodwill as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

- A. Assessed whether the valuation model used by the Group was reasonable for its industry, environment and assets to be valued.

- B. Confirmed whether the future cash flows used in the valuation model was consistent with future annual budget of business segment, and obtained an understanding on the material assumptions used in the budget preparation.
- C. Assessed the reasonableness of operating revenue growth rate, discounts rates and other significant parameters used in the valuation models, including the following procedures:
 - (a) Verified the setting of parameters of valuation models and calculation formulas.
 - (b) Compared the operating revenue growth rate with historical data, economic and industry forecasts documents.
 - (c) Compared the discount rate with the cost of capital assumptions of cash generating units and rate of returns of similar assets.
 - (d) Performed a sensitivity analysis on critical assumptions in order to assess the risk of goodwill impairment if the critical assumptions would change.

Other matter – Reference to the audits of other auditors

We did not audit the financial statements of certain investments accounted for under the equity method and information on investees disclosed in Note 13 which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these associates, is based solely on the reports of the other auditors. The balance of these investments accounted for under the equity method amounted to NT\$1,396,881 thousand as at December 31, 2022, and the share of loss recognised from associates accounted for under the equity method amounted to NT\$61,629 thousand for the year then ended.

Other matter – Prior period financial statements audited by other auditors

The consolidated financial statements of the Group as at and for the year ended December 31, 2021 were audited by other auditors, whose report dated March 22, 2022 expressed an unmodified opinion on those statements.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of Egis Technology Inc. as at and for the year ended December 31, 2022.

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

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

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

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

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

Huang, Pei-Chuan Chen, Chin-Chang

for and on behalf of PricewaterhouseCoopers, Taiwan

March 29, 2023

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the review of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and review report of independent auditors are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

EGIS TECHNOLOGY INC. AND SUBSIDIARIES AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Assets	Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,544,842	13	\$ 2,325,144	26
1110	Financial assets at fair value through profit or loss - current	6(2)	978,914	8	798,248	9
1120	Current financial assets at fair value through other comprehensive income	6(3)	26,223	-	-	-
1136	Current financial assets at amortised cost	6(4) and 8	698,116	6	677,300	8
1170	Accounts receivable, net	6(5)	600,870	5	608,734	7
1180	Accounts receivable due from related parties, net	6(5) and 7	4,098	-	-	-
1200	Other receivables		24,068	-	76,894	1
1210	Other receivables due from related parties	7	82,360	1	-	-
1220	Current tax assets		3,173	-	-	-
130X	Inventory	6(6)	1,633,962	14	606,684	7
1410	Prepayments		133,136	1	114,343	1
1470	Other current assets	6(6) and 8	33,344	-	876	-
11XX	Total current assets		<u>5,763,106</u>	<u>48</u>	<u>5,208,223</u>	<u>59</u>
Non-current assets						
1510	Non-current financial assets at fair value through profit or loss	6(2)	921,242	8	583,356	6
1517	Non-current financial assets at fair value through other comprehensive income	6(3) and 8	1,934,377	16	409,070	5
1535	Non-current financial assets at amortised cost	6(4) and 8	35,486	-	400	-
1550	Investments accounted for using equity method	6(7)	1,771,707	15	1,444,578	16
1600	Property, plant and equipment	6(8)	129,750	1	94,724	1
1755	Right-of-use assets	6(9)	180,606	2	110,902	1
1780	Intangible assets	6(10)	882,999	7	194,247	2
1840	Deferred income tax assets	6(27)	287,056	2	146,444	2
1960	Non-current prepayments for investments	6(11)	-	-	672,000	8
1990	Other non-current assets	6(15)	119,661	1	15,650	-
15XX	Total non-current assets		<u>6,262,884</u>	<u>52</u>	<u>3,671,371</u>	<u>41</u>
1XXX	Total assets		<u>\$ 12,025,990</u>	<u>100</u>	<u>\$ 8,879,594</u>	<u>100</u>

(Continued)

EGIS TECHNOLOGY INC. AND SUBSIDIARIES AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Liabilities and Equity	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
Liabilities						
Current liabilities						
2100	Short-term borrowings	6(12)	\$ 1,238,584	10	\$ 100,000	1
2170	Accounts payable		243,915	2	331,422	4
2200	Other payables	6(13)	690,293	6	451,602	5
2220	Other payables to related parties	7	7,364	-	-	-
2230	Current income tax liabilities		100,695	1	603,949	7
2280	Current lease liabilities	6(9)	66,552	1	33,951	-
2320	Long-term liabilities, current portion	6(14)	423,636	3	37,500	1
2365	Current refund liabilities		89,376	1	75,139	1
2399	Other current liabilities	6(21)	17,890	-	13,248	-
21XX	Total current liabilities		<u>2,878,305</u>	<u>24</u>	<u>1,646,811</u>	<u>19</u>
Non-current liabilities						
2540	Long-term borrowings	6(14)	1,273,700	11	812,500	9
2570	Deferred income tax liabilities	6(27)	102,971	1	1,995	-
2580	Non-current lease liabilities	6(9)	124,043	1	85,738	1
2600	Other non-current liabilities		15,451	-	-	-
25XX	Total non-current liabilities		<u>1,516,165</u>	<u>13</u>	<u>900,233</u>	<u>10</u>
2XXX	Total liabilities		<u>4,394,470</u>	<u>37</u>	<u>2,547,044</u>	<u>29</u>
Equity						
Share capital						
3110	Common stock	6(17)	692,718	6	692,718	8
Capital surplus						
3200	Capital surplus	6(18)	1,005,857	8	968,659	11
Retained earnings						
3310	Legal reserve	6(19)	725,338	6	284,300	3
3320	Special reserve		75,368	1	-	-
3350	Unappropriated retained earnings		2,358,198	19	4,450,106	50
Other equity interest						
3400	Other equity interest	6(20)	(857,729)	(7)	(75,368)	(1)
31XX	Equity attributable to owners of parent		<u>3,999,750</u>	<u>33</u>	<u>6,320,415</u>	<u>71</u>
36XX	Non-controlling interests	6(29)	<u>3,631,770</u>	<u>30</u>	<u>12,135</u>	<u>-</u>
3XXX	Total equity		<u>7,631,520</u>	<u>63</u>	<u>6,332,550</u>	<u>71</u>
Significant contingent liabilities						
	Significant events after the balance sheet date	9				
		11				
3X2X	Total liabilities and equity		<u>\$ 12,025,990</u>	<u>100</u>	<u>\$ 8,879,594</u>	<u>100</u>

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

EGIS TECHNOLOGY INC. AND SUBSIDIARIES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Items	Notes	Year ended December 31				
		2022		2021		
		AMOUNT	%	AMOUNT	%	
4000	Sales revenue	6(21) and 7	\$ 3,289,300	100	\$ 3,442,807	100
5000	Operating costs	6(6)(26)	(2,126,936)	(65)	(2,072,913)	(60)
5900	Net operating margin		1,162,364	35	1,369,894	40
	Operating expenses	6(26) and 7				
6100	Selling expenses		(236,418)	(7)	(132,298)	(4)
6200	General and administrative expenses		(345,388)	(11)	(342,910)	(10)
6300	Research and development expenses		(1,542,376)	(47)	(1,195,104)	(35)
6450	Impairment gain and reversal of impairment loss determined in accordance with IFRS 9	6(5)	157	-	-	-
6000	Total operating expenses		(2,124,025)	(65)	(1,670,312)	(49)
6900	Operating loss		(961,661)	(30)	(300,418)	(9)
	Non-operating income and expenses					
7100	Interest income	6(22)	34,508	1	19,449	1
7010	Other income	6(23)	54,760	2	5,513	-
7020	Other gains and losses	6(24)	25,400	1	(19,263)	(1)
7050	Finance costs	6(25)	(33,303)	(1)	(14,287)	-
7060	Share of loss of associates and joint ventures accounted for using equity method	6(7)	(50,771)	(2)	(1,342)	-
7000	Total non-operating income and expenses		30,594	1	(9,930)	-
7900	Loss before income tax		(931,067)	(29)	(310,348)	(9)
7950	Income tax benefit	6(27)	28,729	1	78,574	3
8200	Loss for the year		(\$ 902,338)	(28)	(\$ 231,774)	(6)

(Continued)

EGIS TECHNOLOGY INC. AND SUBSIDIARIES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Items	Notes	Year ended December 31			
		2022		2021	
		AMOUNT	%	AMOUNT	%
Components of other comprehensive income that will not be reclassified to profit or loss					
8311		\$ 6,344	-	\$ -	-
8316	6(3)	(811,736)	(24)	3,509,362	102
8320		(31,949)	(1)	997	-
8349	6(27)	-	-	(602,931)	(18)
8310		(837,341)	(25)	2,907,428	84
Components of other comprehensive income that will be reclassified to profit or loss					
8361		8,935	-	(3,267)	-
8367	6(3)	(10,917)	-	(3,371)	-
8370		4,317	-	(201)	-
8360		2,335	-	(6,839)	-
8300		(\$ 835,006)	(25)	\$ 2,900,589	84
8500		(\$ 1,737,344)	(53)	\$ 2,668,815	78
Loss attributable to:					
8610		(\$ 852,837)	(27)	(\$ 215,605)	(5)
8620		(49,501)	(1)	(16,169)	(1)
		(\$ 902,338)	(28)	(\$ 231,774)	(6)
Comprehensive income (loss) attributable to:					
8710		(\$ 1,669,759)	(51)	\$ 2,684,984	78
8720		(67,585)	(2)	(16,169)	-
		(\$ 1,737,344)	(53)	\$ 2,668,815	78
Loss per share (in dollars)					
9750	6(28)		12.31		3.11
9850			12.31		3.11

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

EGIS TECHNOLOGY INC. AND SUBSIDIARIES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Notes	Equity attributable to owners of the parent										
	Retained Earnings					Other Equity Interest					
	Share capital - common stock	Total capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury shares	Total	Non-controlling interests	Total
Year ended December 31, 2021											
	\$ 713,758	\$ 1,057,960	\$ 224,069	\$ 81,463	\$ 1,057,629	\$ 2,112	\$ 1,775,108	(\$ 228,775)	\$ 4,683,324	\$ 23,921	\$ 4,707,245
Balance at January 1, 2021											
Profit (loss)	-	-	-	-	(215,605)	-	-	-	(215,605)	(16,169)	(231,774)
Other comprehensive income (loss)	-	-	-	-	-	(3,468)	2,904,057	-	2,900,589	-	2,900,589
Total comprehensive income (loss)	-	-	-	-	(215,605)	(3,468)	2,904,057	-	2,684,984	(16,169)	2,668,815
Appropriations and distribution of 2020 retained earnings: 6(19)											
Legal reserve	-	-	60,231	-	(60,231)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(81,463)	81,463	-	-	-	-	-	-
Cash dividends	-	-	-	-	(1,039,136)	-	-	-	(1,039,136)	-	(1,039,136)
Retirement of treasury shares	(21,000)	(89,415)	-	-	(118,360)	-	-	228,775	-	-	-
Proceeds from disposal of investments accounted for using equity method	-	-	-	-	-	762	-	-	762	-	762
Proceeds from disposal of financial assets at fair value through other comprehensive income 6(3)	-	-	-	-	4,753,939	-	(4,753,939)	-	-	-	-
Changes in equity of associates accounted for using equity method	-	-	-	-	(5,210)	-	-	-	(5,210)	-	(5,210)
Changes in ownership interests in subsidiaries	-	-	-	-	(4,383)	-	-	-	(4,383)	4,383	-
Compensation costs of employee restricted stock	-	74	-	-	-	-	-	-	74	-	74
Retirement of employee restricted stock	(40)	40	-	-	-	-	-	-	-	-	-
Balance at December 31, 2021	\$ 692,718	\$ 968,659	\$ 284,300	\$ -	\$ 4,450,106	(\$ 594)	(\$ 74,774)	\$ -	\$ 6,320,415	\$ 12,135	\$ 6,332,550
Year ended December 31, 2022											
Balance at January 1, 2022	\$ 692,718	\$ 968,659	\$ 284,300	\$ -	\$ 4,450,106	(\$ 594)	(\$ 74,774)	\$ -	\$ 6,320,415	\$ 12,135	\$ 6,332,550
Profit (loss)	-	-	-	-	(852,837)	-	-	-	(852,837)	(49,501)	(902,338)
Other comprehensive income (loss)	-	-	-	-	1,177	8,167	(826,266)	-	(816,922)	(18,084)	(835,006)
Total comprehensive income (loss)	-	-	-	-	(851,660)	8,167	(826,266)	-	(1,669,759)	(67,585)	(1,737,344)
Appropriations and distribution of 2021 retained earnings: 6(19)											
Legal reserve	-	-	441,038	-	(441,038)	-	-	-	-	-	-
Special reserve	-	-	-	75,368	(75,368)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(692,718)	-	-	-	(692,718)	-	(692,718)
Changes in ownership interests in subsidiaries	-	495	-	-	-	-	-	-	495	-	495
Proceeds from disposal of investments in debt instruments measured at fair value through other comprehensive income 6(3)	-	-	-	-	-	-	11,978	-	11,978	-	11,978
Proceeds from disposal of investments accounted for using equity method	-	-	-	-	(30,975)	(7,530)	31,290	-	(7,215)	(1,651)	(8,866)
Changes in equity of associates accounted for using equity method	-	36,703	-	-	(149)	-	-	-	36,554	-	36,554
Increase in non-controlling interests 6(29)	-	-	-	-	-	-	-	-	-	3,688,871	3,688,871
Balance at December 31, 2022	\$ 692,718	\$ 1,005,857	\$ 725,338	\$ 75,368	\$ 2,358,198	\$ 43	(\$ 857,772)	\$ -	\$ 3,999,750	\$ 3,631,770	\$ 7,631,520

EGIS TECHNOLOGY INC. AND SUBSIDIARIES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31	
		2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(\$ 931,067)	(\$ 310,348)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(8)(9)(26)	136,029	97,488
Amortisation	6(10)(26)	118,519	32,184
Impairment gain	6(5)	(157)	(304,991)
Interest income	6(22)	(34,508)	(19,449)
Interest expense	6(25)	33,303	14,287
Dividend income	6(23)	(46,693)	-
(Gains) losses on disposals of property, plant and equipment	6(24)	(1,674)	1,024
Losses (gains) on disposal of investments accounted for using equity method	6(24)	38,132	(97,365)
Loss on financial assets at fair value through profit or loss, net		11,978	-
Gain from lease modification	6(24)	-	(496)
Losses (gains) on financial assets at fair value through profit or loss, net	6(2)(24)	50,166	(4,651)
Share of loss of associates accounted for using equity method	6(7)	50,771	1,342
Share-based payments	6(16)	25,863	74
Others		-	385
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable (including due from related parties)		330,213	-
Other receivables		(24,900)	(28,742)
Inventories		(392,848)	(223,158)
Prepayments		53,262	33,715
Other current assets		2,171	(876)
Changes in operating liabilities			
Accounts payable		(432,601)	76,990
Other payables		(178,607)	28,538
Current refund liabilities		14,237	(23,927)
Other current liabilities		(8,362)	-
Cash outflow generated from operations		(1,186,773)	(727,976)
Interest received		33,235	18,282
Dividends received		46,693	-
Income taxes paid		(609,384)	(15,385)
Interest paid		(30,705)	(13,216)
Net cash flows used in operating activities		(1,746,934)	(738,295)

(Continued)

EGIS TECHNOLOGY INC. AND SUBSIDIARIES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31	
		2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		(\$ 654,329)	(\$ 1,522,978)
Proceeds from disposal of financial assets at fair value through profit or loss		660,812	201,672
Acquisition of financial assets at fair value through profit or loss		(1,977,688)	(156,149)
Proceeds from disposal of financial assets at fair value through profit or loss		133,411	6,813,779
Acquisition of financial assets at amortised cost		(12,157)	(579,638)
Proceeds from disposal of financial assets at amortised cost		585,639	-
Acquisition of investments accounted for using equity method		(80,800)	(1,446,600)
Proceeds from disposal of investments accounted for using equity method		12,079	97,825
Acquisition of property, plant and equipment	6(30)	(43,292)	(47,446)
Proceeds from disposal of property, plant and equipment		5,665	2,992
Acquisition of intangible assets	6(30)	(150,320)	(33,277)
Increase in prepayments for investments		-	(672,000)
Collection of prepayments for investments	6(11)	134,400	-
Cash flows generated from acquisition of subsidiaries	6(11)	1,261,522	-
Decrease (increase) in other non-current assets		2,447	(2,699)
Net cash flows (used in) from investing activities		(122,611)	2,655,481
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term loans		1,088,584	300,000
Decrease in short-term loans		(100,000)	(200,000)
Proceeds from long-term debt		993,700	850,000
Repayments of long-term debt		(153,637)	(990,000)
Payments of lease liabilities	6(31)	(69,417)	(43,078)
Cash dividends paid	6(19)	(692,718)	(1,039,136)
Increase in other non-current liabilities		15,445	-
Net cash flows from (used in) financing activities		1,081,957	(1,122,214)
Effect of exchange rate changes		7,286	(3,139)
Net (decrease) increase in cash and cash equivalents		(780,302)	791,833
Cash and cash equivalents at beginning of year		2,325,144	1,533,311
Cash and cash equivalents at end of year		<u>\$ 1,544,842</u>	<u>\$ 2,325,144</u>

[Exhibit 5]

Egis Technology Inc.
2022 Earnings Distribution Table

Unit: NTD

Item	Amount in Cash
Undistributed earnings at the beginning of period (Note 1)	3,240,982,776
Changes in other undistributed earnings	0
Remeasurements of the defined benefit plans	1,177,460
Disposal of investments accounted for using equity method	-30,974,724
Changes in related enterprise accounted for using equity method	-150,822
Net loss after tax for current period	-852,835,985
Less: Provision (reversal) of legal reserve	0
Provision (reversal) of special reserve	782,361,910
Earnings available for distribution in current period	1,575,836,795
- Stock dividends (NTD - per share)	0
- Cash dividends (NTD -3 per share)	207,815,262
Undistributed earnings at the end of period	1,368,021,533

Note1: Undistributed earnings at the end of period of 2021 is mistaken for NTD 3,363,959,888, which should be NTD 3,240,982,776. Therefore, the amount was carried forward to undistributed earnings at the beginning of period of 2022

Note2: The cash dividends shall be rounded down to the nearest dollar, and the total sum of fractional amounts less than a dollar shall be returned to the Company and recorded under the item of Other Revenue.

Person-in-charge: LO, SEN CHOU Manager: RO, SHIH-HAO

Chief Accountant: Kathy Huang

[Exhibit 6]

Egis Technology Inc.

Comparison Table for Pre- and Post-Amendments to the “Operating Procedures for Acquisition or Disposal of Assets”

Amended Clause	Existing Clause	Explanation
<p>Article 6: Operating Procedures for Acquisition or Disposal of Real Property, Equipment or Right-of-use Assets (Omitted)</p> <p>3. Obtaining expert opinion (Omitted)</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser’s appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>1. The discrepancy between the appraisal result and the transaction amount is twenty percent or more of the transaction amount.</p> <p>2. The discrepancy between the appraisal results of two or more professional appraisers is ten percent or more of the transaction amount.</p>	<p>Article 6: Operating Procedures for Acquisition or Disposal of Real Property, Equipment or Right-of-use Assets (Omitted)</p> <p>3. Obtaining expert opinion (Omitted)</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser’s appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>1. The discrepancy between the appraisal result and the transaction amount is twenty percent or more of the transaction amount.</p>	<p>A change is made for compliance to the laws and regulations and article</p>

Amended Clause	Existing Clause	Explanation
<p>(4) The period between the date of the appraisal report issued by a professional appraiser and the contract execution date shall be within three months. Provided, where the publicly announced current value for the same period is used and not more than six months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>(5) Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or the CPA opinion.</p> <p>4. The calculation of the transaction amount of this article shall be handled in accordance with the provisions of Paragraph 1 of Article 14.</p>	<p>2. The discrepancy between the appraisal results of two or more professional appraisers is ten percent or more of the transaction amount.</p> <p>(4) The period between the date of the appraisal report issued by a professional appraiser and the contract execution date shall be within three months. Provided, where the publicly announced current value for the same period is used and not more than six months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>(5) Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or the CPA opinion.</p> <p>4. The calculation of the transaction amount of this article shall be handled in accordance with the provisions of Subparagraph 5 of Paragraph 1 of Article 14.</p>	
<p>Article 7: Operating procedures for acquisition or disposal of negotiable securities investments</p> <p>1. Evaluation and operating procedures (Omitted)</p> <p>2. Implementing unit (Omitted)</p> <p>3. Obtaining expert opinion (Omitted)</p> <p>4. The calculation of the transaction amount of this article shall be handled in accordance with the provisions of Paragraph 1 of Article 14.</p>	<p>Article 7: Operating procedures for acquisition or disposal of negotiable securities investments</p> <p>1. Evaluation and operating procedures (Omitted)</p> <p>2. Implementing unit (Omitted)</p> <p>3. Obtaining expert opinion (Omitted)</p> <p>4. The calculation of the transaction amount of this article shall be handled in accordance with the provisions of Subparagraph 5 of Paragraph 1 of Article 14.</p>	<p>Amendment to article number changes</p>

Amended Clause	Existing Clause	Explanation
<p>Article 8: Operating Procedures for Acquisition or Disposal of Intangible Assets, Right-of-use Assets or Memberships</p> <p>(1). Evaluation and operating procedures (Omitted)</p> <p>(2). Implementing unit (Omitted)</p> <p>(3). Obtaining expert opinion (Omitted)</p> <p>(4). The calculation of the transaction amount of this article shall be handled in accordance with the provisions of Paragraph 1 of Article 14.</p>	<p>Article 8: Operating Procedures for Acquisition or Disposal of Intangible Assets, Right-of-use Assets or Memberships</p> <p>1. Evaluation and operating procedures (Omitted)</p> <p>2. Implementing unit (Omitted)</p> <p>3. Obtaining expert opinion (Omitted)</p> <p>4. The calculation of the transaction amount of this article shall be handled in accordance with the provisions of Subparagraph 5 of Paragraph 1 of Article 14.</p>	<p>Amendment to article number changes</p>
<p>Article 9: Operating Procedures for Acquiring Assets from Related Parties (Omitted)</p> <p>If the Company or a subsidiary thereof that is not a domestic public company will have a transaction set out in paragraph 2 and the transaction amount will reach 10 percent or more of the <u>Company's</u> total assets, the Company shall submit the materials in all the subparagraphs of paragraph 2 to the shareholders' meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the Company and its parent company or subsidiaries or between its subsidiaries. (Omitted)</p>	<p>Article 9: Operating Procedures for Acquiring Assets from Related Parties (Omitted)</p> <p>If the Company or a subsidiary thereof that is not a domestic public company will have a transaction set out in paragraph 2 and the transaction amount will reach 10 percent or more of the public company's total assets, the Company shall submit the materials in all the subparagraphs of paragraph 2 to the shareholders' meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the Company and its parent company or subsidiaries or between its subsidiaries. (Omitted)</p>	<p>Amendment to wording</p>
<p>Article 18</p> <p>These Operating Procedures were adopted on May 5, 2008.</p> <p>The first amendment was made on June 19, 2009.</p> <p>The second amendment was made on June 4, 2010.</p> <p>The third amendment was made on June 19, 2013.</p> <p>The fourth amendment was made on May 30, 2014.</p> <p>The fifth amendment was made on October 17, 2014.</p>	<p>Article 18</p> <p>These Operating Procedures were adopted on May 5, 2008.</p> <p>The first amendment was made on June 19, 2009.</p> <p>The second amendment was made on June 4, 2010.</p> <p>The third amendment was made on June 19, 2013.</p> <p>The fourth amendment was made on May 30, 2014.</p> <p>The fifth amendment was made on October 17, 2014.</p>	<p>Added</p>

Amended Clause	Existing Clause	Explanation
The sixth amendment was made on June 28, 2016.	The sixth amendment was made on June 28, 2016.	
The seventh amendment was made on June 22, 2017.	The seventh amendment was made on June 22, 2017.	
The eighth amendment was made on May 30, 2018.	The eighth amendment was made on May 30, 2018.	
The ninth amendment was made on June 18, 2019.	The ninth amendment was made on June 18, 2019.	
The tenth amendment was made on June 18, 2020.	The tenth amendment was made on June 18, 2020.	
The eleventh amendment was made on July 12, 2021.	The eleventh amendment was made on July 12, 2021.	
The twelfth amendment was made on June 22, 2022	The twelfth amendment was made on June 22, 2022.	
The <u>thirteen</u> amendment was made on June <u>21, 2023</u>		

[Appendix 1]

Egis Technology Inc.

Articles of Incorporation of the Company

Chapter 1 General Provisions

Article 1: The Company is organized in accordance with the provisions of the Company Act. It is known as “神盾股份有限公司”, with its English name as “Egis Technology Inc.”.

Article 2: The businesses conducted by the Company are:

1. I301010 Information software services.
2. I301020 Information process services.
3. I301030 Electronic information supply services.
4. I501010 Product designing.
5. F401010 International trade.
6. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company is incorporated in Hsinchu . The Board of Directors may, by resolution, approve the establishment of branches, offices or liaison offices at home and abroad; and the cancellation or modification of such establishment shall also be conducted based on the resolutions of the Board of Directors.

Article 4: The method of public announcements by the Company shall be handled in accordance with the provisions of Article 28 of the Company Act.

Article 5: When the Company invests in another company and becomes a shareholder of limited liability, its total investment amount may exceed 40% of the Company's paid-up capital.
The Company may provide endorsement or guarantee to external parties for business or investment relations needs.

Chapter 2 Share Capital

Article 6: The total capital of the Company shall be NTD 1,000,000,000, divided into 100,000,000 shares of NTD 10 each, to be issued in separate trenches; and the Board of Directors is authorized to issue the un-issued shares based on actual needs.

Out of the total capital amount above, NTD 50,000,000 shall be divided into 5,000,000 shares with a par value of NTD 10 per share, to be issued as stock warrants for employees to subscribe; and such issuance in separate trenches shall be based on the resolutions of the Board of Directors.

The issuance of stock warrants to the Company's employees need not be subject to the exercise price restriction set out in Article 53 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers", provided that the consent of at least two-thirds of the voting rights represented at a shareholders meeting attended by shareholders representing a majority of the total issued shares is obtained.

Article 7: The share certificates of the Company shall be in registered form, and prior to their issuance, they shall be signed by or affixed with the seals of no less than three Directors of the Company, and be certified pursuant to the law.

The Company may be exempted from printing any share certificate for the shares issued, but the Company shall ensure that a recordation of the issuance of such shares is made with a centralized securities custody enterprise/ institution.

Article 8: The entries in the shareholders' roster shall not be altered within 60 days prior to the convening date of an annual general meeting, or within 30 days prior to the convening date of an extraordinary general meeting, or within five days prior to the record date fixed by the Company for distribution of dividends and bonuses or other benefits.

Article 9: The Company shall handle the shareholder services according to the provisions of "Regulations Governing the Administration of Shareholder Services of Public Companies" promulgated by the competent authority, in addition to the relevant laws and regulations.

Chapter 3 Shareholders Meetings

Article 10: Shareholders' meetings are of two types, namely annual general meetings and extraordinary general meetings. Annual general meetings shall be convened at least once a year by the Board of Directors according to the law within six

months after the close of each fiscal year. Extraordinary general meetings shall be convened whenever necessary according to the law.

Article 10-1: The Company's shareholders' meetings may be held via video conference or other means promulgated by the central competent authority.

Article 11: If a shareholders meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman of the Board. When the Chairman of the Board is on leave or is unable to exercise his duties and powers for any reason, its proxy shall act in accordance with the provisions in Article 208 of the Company Act. If a shareholders meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

Article 12: If any shareholder of the Company is unable to attend a shareholders meeting in person, the shareholder may appoint a proxy to attend the meeting by providing the power of attorney issued by the Company, stating therein the scope of power authorized to the proxy. The manner in which the shareholders of the Company authorize proxies for attendance at shareholders meetings shall be handled according to the provisions of "Regulations Governing the Use of Powers of Attorney for Attendance at Shareholders Meetings of Public Companies" promulgated by the competent authority, in addition to Article 177 of the Company Act and other relevant laws and regulations.

Article 13: Unless otherwise provided in the Company Act or other laws, the respective shareholders of the Company shall be entitled to one vote for each share held, except for the shares deemed as non-voting shares under Article 179 of the Company Act.
When the Company holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice.

Article 14: Except when otherwise provided in the relevant laws, resolutions at a shareholders' meeting shall be adopted by a majority vote of the attending shareholders, who represent more than one-half of the total number of issued shares.

Article 15: Matters related to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the Chairman of the meeting and a copy distributed to each shareholder within 20 days after the meeting. The meeting minutes may be produced and distributed in electronic format.

The meeting minutes stated above may be distributed by means of a public announcement.

Article 16: Deleted

Chapter 4 Directors and Audit Committee

Article 17: The Company shall have 5-9 directors to be elected at the shareholders' meeting from among the individuals of legal capacity, with the term of office as three years. All directors shall be eligible for re-election. A candidate nomination system shall be adopted for the directors, and they shall be elected from the list of director candidates by the shareholders.

The Company shall elect independent directors from the aforementioned list, and there shall be at least three independent directors, representing at least one-fifth of the seats of directors.

With regard to the professional qualifications, shareholding and moonlighting restrictions of independent directors, nomination and election method for all directors, and other compliance requirements, they shall be handled according to the relevant regulations of the competent authority.

Article 18: The Directors shall constitute the Board of Directors and shall elect one Chairman and one Vice-chairman of the Board from among themselves by the consent of a majority at a meeting attended by at least two-thirds of the Directors. The Chairman shall internally preside the shareholders meetings and Board meetings, and shall externally represent the Company; and shall execute his duties and powers according to the law.

Article 19: Board meetings shall be convened by the Chairman, unless otherwise provided in the Company Act. Except when otherwise provided in the Company Act, resolutions at a Board meeting shall be adopted by the consent of a majority of the directors present at the meeting.

The Board meetings shall be convened at least once a quarter. The reasons for convening a Board meeting shall be specified in a notice served to every

director seven days in advance. However, a Board meeting may be convened at any time in emergency situations. The notice on the convening of a Board meeting of the Company may be served by correspondence, e-mail or fax. A Board meeting may be convened via video conferencing, and the directors taking part in such video conference shall be deemed to have attended the meeting in person.

Where the Chairman is on leave or is unable to exercise his duties and powers for any reason, his proxy shall act according to the provisions in Article 208 of the Company Act.

If any director is unable to attend a Board meeting in person, the director may appoint another director to attend the meeting as his proxy through a power of attorney, provided that the scope of power authorized to the proxy is clearly stated in the power of attorney each time. Independent directors shall attend the Board meetings in person or appoint other independent directors to attend on their behalf. A proxy under the preceding paragraph may accept authorization from one person only.

Article 20: Remunerations of all directors shall be determined and paid by the Board of Directors as authorized by the Company, according to the degree of participation in the operations of and contribution to the Company, and with reference to the standard as generally adopted by the enterprises of the same industry, regardless of whether the Company is experiencing a loss in

Article 21: business.

The Company shall authorize the Board of Directors to purchase liability insurance covering the liability for compensation to be assumed by all directors for the scope of business conducted within their term of office in accordance with the law.

Article 21-1:

The Company may establish functional committees under the Board of Directors, and the establishment and duties and powers of the relevant committees shall be carried out according to the regulations prescribed by the competent authorities.

Article 21-2:

The Company shall establish an audit committee comprising all independent directors according to Article 14-4 of the Securities and Exchange Act. The audit committee and the exercise of duties and powers by its members, as well as other related matters shall be subject to the provisions of the Securities and

Article 21-3:

Exchange Act and relevant laws.

Matters related to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the Chairman of the meeting and a copy distributed to each shareholder within twenty days after the conclusion of the meeting.

Chapter 5 Managers

Article 22: The Company may establish positions for chief executive officer, general manager and deputy general manager, and their appointment, dismissal and remunerations shall be handled in accordance with the provisions of Article 29 of the Company Act.

Chapter 6 Accounting

Article 23: The Company's fiscal year shall be from January 01 to December 31. The Board of Directors shall prepare the business report, financial statements and proposal for earnings distribution or loss offsetting at the end of each fiscal year, and submit them to the Audit Committee for review thirty days prior to the convening of the annual general meeting, followed by ratification thereof at the annual general meeting.

Article 24: If the Company makes a profit in the year (the so-called profit refer to the pre-tax profit before the deduction of remunerations payable to the employees and directors), it shall set aside no less than 5% of the profits for employee remunerations and no more than 1% for director remunerations. However, if the Company has accumulated losses (including the adjustment of undistributed earnings amount), the amount for offsetting should first be retained. The employee remunerations stated above may be paid in the form of shares or cash, and the object of payment shall include the employees of subsidiaries who meet the conditions set by the Board of Directors. The director remunerations stated above may only be paid in the form of cash. The two items above shall be handled according to the resolutions of the Board of Directors and reported at the shareholders meeting.

Article 24-1: After the closing of accounts for the year, if there is earnings, the Company shall first pay the taxes, make up for accumulated losses, and then set aside 10% of

the said profits as legal reserve; where such legal reserve amounts to the total paid-in capital of the Company, this provision shall not apply. The company shall also set aside or reverse another sum as special reserve in accordance with the law or regulations of competent authorities. The Board of Directors shall draft an earnings distribution proposal for the remaining earnings amount, as well as the undistributed earnings at the beginning of the period. If the distribution proposal will be issuing new shares, the distribution shall be made after a resolution of a shareholders meeting. If the distribution proposal will be issuing cash, in accordance with item 5 of Article 240 of the Company Law, the Board of Directors shall be authorized to issue the cash upon the resolution of a meeting with a quorum of two-thirds of all directors and a simple majority vote of attending directors as well as a report to the shareholders meeting. The Company's dividends policy is in line with the current and future development plans, with the investment environment, capital requirements and domestic and international competition, as well as the interests of shareholders and other such factors taken into account; and with reference to the general standard of dividends issuance in the same industry and capital market as the basis for dividends issuance. Dividends and bonuses may be distributed in the form of cash or shares, of which cash dividends shall be no less than 20% of the total shares.

Chapter 7 Supplementary Provisions

Article 25: In the event of any cancellation of public offering by the Company, this shall be handled in accordance with the provisions of Article 156 of the Company Act.

Article 26: For all matters not addressed in this Articles of Incorporation, they shall be handled according to the Company Act and other relevant laws and regulations.

Article 27: This Articles of Incorporation was concluded on December 11, 2007.

The first amendment was made on December 26, 2007.

The second amendment was made on February 25, 2008.

The third amendment was made on May 05, 2008.

The fourth amendment was made on May 28, 2008.

The fifth amendment was made on June 04, 2010.

The sixth amendment was made on September 24, 2010.

The seventh amendment was made on June 15, 2011.

The eighth amendment was made on June 15, 2012.

The ninth amendment was made on December 10, 2013.

The tenth amendment was made on October 17, 2014.

The eleventh amendment was made on June 28, 2016.

The twelfth amendment was made on May 30, 2018.

The thirteen amendment was on July 12, 2021.

The fourteenth amendment was made on June 22, 2022.

[Appendix 2]

Egis Technology Inc.

Rules of Procedure for Shareholders Meetings

Article 1

The Rules of Procedure for the Company's shareholders meetings, except as otherwise provided by the laws and regulations, or the Articles of Incorporation, shall be exercised as provided in these Rules.

Article 2

Unless otherwise provided by the laws and regulations, the Company's shareholders meetings shall be convened by the Board of Directors. Changes to how the Company 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.

After the public offering of the Company's shares, the Company shall prepare electronic versions of the shareholders meeting notice and power of attorney, and the subject matters of and explanatory materials related to all proposals, including proposals for ratification, matters for discussion, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of an annual general meeting or 15 days before the date of an extraordinary general meeting. The Company shall prepare electronic versions of the meeting handbook and supplemental meeting materials of the shareholders meeting and upload them to the MOPS 21 days before the date of the annual general meeting or 15 days before the date of the extraordinary general meeting. If, however, the Company has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the annual general meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the date of an annual general meeting. In addition, 15 days before the date of the shareholders meeting, the Company shall ensure that the meeting handbook and supplemental meeting materials for the said meeting have been properly prepared and made available for viewing by shareholders at any time. The meeting handbook and supplemental meeting materials shall also be displayed at the Company and its appointed professional shareholder services agencies. The Company shall make the meeting agenda handbook and supplemental meeting materials specified in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders' meeting:

— 、 For physical shareholders' meetings, to be distributed on-site at the meeting.

- 二、 For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
- 三、 For virtual-only shareholders' meetings, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement; with the consent of the addressee, the meeting notice may be served in the electronic format.

Election or dismissal of directors, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the company, or any matter under Article 185, Paragraph 1 of the Company Act, shall be set out in the notice of the reasons for convening the shareholders meeting, with the essential contents explained; none of the above matters may be raised by an extraordinary motion. The essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and such website shall be indicated in the above notice.

Where the notice of the reasons for convening the shareholders meeting specifies an reelection of all directors as well as the date when they will assume office, after the election is completed at such shareholders meeting, the date when they will assume office may not be changed again at such same meeting through an extraordinary motion or any other method.

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at an annual general meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. However, a shareholder proposal for urging the Company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at a regular meeting of shareholders 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 meeting agenda. Prior to the book closure date before an annual general meeting is held, the Company shall publicly announce that it will receive shareholder proposals, in writing or by way of electronic transmission, and the location and time period for their submission; the period for submission of shareholder proposals shall not be less than 10 days. Proposals submitted by shareholders 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 annual general meeting and participate in discussion of the said proposal. Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this Article. At the shareholders meeting, the Board of Directors shall explain the reasons for the exclusion of any shareholder proposals from the meeting agenda.

Article 3

The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for holding a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

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

Article 4

If a shareholders meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman of the Board. When the Chairman of the Board is on leave or is unable to exercise his duties and powers for any reason, the Vice-chairman shall act on behalf of the Chairman. If there is no Vice-chairman or the Vice-chairman is also on leave or is unable to exercise his duties and powers for any reason, the Chairman shall appoint one of the managing directors to act as chair. If there are no managing directors, one of the directors shall be appointed to act as chair. Where the Chairman does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as the chairman, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more, and understands the financial and business situation of the company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders meetings convened by the Board of Directors be chaired by the Chairman of the Board in person and attended by a majority of the directors, and at least one member of each functional committee as representative of the committee.

The attendance shall be recorded in the meeting minutes.

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

Article 5

If any shareholder of the Company is unable to attend a shareholders meeting in person, the shareholder may appoint a proxy to attend the meeting by providing the power of attorney issued by the Company, stating therein the scope of power authorized to the proxy.

Except for trust enterprises or shareholder services agencies approved by the competent securities authority, when a person who acts as the proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of the total number of issued voting shares of the company, otherwise, the portion of excessive voting powers shall not be counted.

A shareholder may only execute one power of attorney and appoint one proxy only, and shall serve such power of attorney to the Company five days prior to the meeting date of the shareholders' meeting. In case two or more powers of attorney are served, the first one delivered to the Company shall prevail, unless an explicit statement to revoke the previous proxy appointment is made.

After a power of attorney has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise his voting power by correspondence or electronic means, a proxy rescission notice shall be served to the Company two days prior to the date of the shareholders' meeting. If the proxy rescission notice is not served in time, the voting power exercised by the proxy at the meeting shall prevail.

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

Article 6

The time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted by the Company shall be at least 30 minutes prior to the time of commencement of the meeting. The venue at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel shall be assigned to handle the registrations. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attending the shareholders' meeting in person.

During the shareholders meetings held by the Company, the Company shall furnish the attending shareholders or their proxies with an attendance book for signing in, or the attending shareholders may submit a sign-in card in lieu of signing in.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards,

or other supporting documents of attendance. The Company may not arbitrarily add requirements for the provision of other supporting documents beyond those showing eligibility of attendance presented by the shareholders. Solicitors soliciting powers of attorney shall also bring identification documents for verification.

The Company shall furnish attending shareholders with the meeting handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, ballots shall also be furnished.

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

In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date. In the event of a virtual shareholders' meeting, the Company shall upload the meeting agenda handbook, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

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

To convene a virtual shareholders' meeting, the Company shall include the following particulars in the shareholders' meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:

- (1). 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.
- (2). Shareholders not having registered to attend the affected virtual shareholders' meeting shall not attend the postponed or resumed session.
- (3). 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 shareholders' meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders

attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.

(4). Actions to be taken if the outcome of all proposals has been announced and extraordinary motion has not been carried out.

3. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified.

Article 7

Attendance at shareholders meetings shall be calculated based on the 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 submitted, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronic means.

Article 7-1 (Public disclosure)

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

Article 8

The Chairman shall call the meeting to order at the appointed meeting time when the meeting is attended by shareholders representing more than half of the total number of issued shares. If the quorum is not met, the Chairman may announce a deferment of the meeting. Such deferment is restricted to a maximum of two times and the total time of such deferments shall not exceed one hour. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the Chairperson shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, the Company shall also declare the meeting

adjourned at the virtual meeting platform.

If the quorum is still not met after two deferments, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be passed by a majority of those present. All shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register with the Company in accordance with Article 6.

Article 9

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

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting, but the voting right that may be exercised shall be calculated on the basis of the total number of shares it holds.

A shareholder who has a personal interest in any matter under discussion at a meeting, which may impair the interests of the Company, shall not vote nor exercise the voting right on behalf of another shareholder.

When the Company holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. However, the said shareholder will be deemed to have waived his rights with respect to the Extemporaneous Motions and amendments to original proposals of that meeting.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall serve a declaration of intent to the Company two days before the date of the shareholders meeting. Where duplicate declarations of intent are served, the one received earliest shall prevail, except when a declaration is made to revoke the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event that the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be served to the Company, via the same means by which the voting rights were exercised, two days before the date of the shareholders meeting. If the notice of retraction is not served in time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised

voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Article 10

The Company may designate attorneys, certified public accountants, or relevant personnel appointed by it to attend a shareholders meeting in a non-voting capacity.

Article 11

The Company shall make uninterrupted audio and video recordings for the entire course of the shareholders meeting, and the recorded materials shall be retained for at least 1 year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the said lawsuit.

Where a shareholders' meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and shall make continuous, uninterrupted audio and video recordings for the entire course of the virtual meeting.

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

Article 12

If a shareholders meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the Board of Directors.

The Chairman may not declare the meeting adjourned prior to the completion of deliberation on the meeting agenda set out in the two paragraphs above (including Extemporaneous Motions), except by a resolution of the shareholders meeting. If the Chairman declares the meeting adjourned in violation of the Rules of Procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chairman in accordance with statutory procedures, by the agreement of a majority of the votes represented by the attending shareholders, and continue the meeting thereafter.

The Chairman shall allow ample opportunities during the meeting for explanation and

discussion of proposals, and of amendments or Extemporaneous Motions put forward by the shareholders. When the Chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the Chairman may announce the discussion closed and call for a vote.

Article 13

Before speaking, an attending shareholder or proxy must specify on a speaker's slip the subject of the speech, his shareholder account number or attendance card number and account name. The order in which shareholders speak will be decided by the Chairman. An attending shareholder or proxy 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 stated on the speaker's slip, the spoken content shall prevail.

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

Article 14

When there is an amendment or an alternative to a proposal, or other proposals raised through Extemporaneous Motions by a shareholder or proxy, it shall be seconded by other shareholders or proxies, and the same applies for amendment of the meeting agenda or motion for adjournment of meeting.

Article 15

Except with the consent of the Chairman, a shareholder or proxy 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 provisions in the preceding paragraph or exceeds the scope of the agenda item, the Chairman may terminate the speech.

Article 16

When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

If a juristic person shareholder appoints two or more representatives to attend the shareholders meeting, only one representative may speak on the same proposal.

Article 17

After the speech of a shareholder, the Chairman may respond in person or appoint a relevant personnel to respond.

Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the Chairperson declaring the meeting open until the Chairperson 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.

Article 18

When the Chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the Chairman may announce the discussion closed and call for a vote.

Article 19

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

Vote counting shall be conducted in public at the venue of the shareholders meeting. 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 shall be made.

When the Company convenes a virtual shareholders' meeting, after the Chairperson declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the Chairperson announces the voting session ends or will be deemed abstained from voting.

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

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

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

Article 20

When a meeting is in progress, the Chairman may set time for breaks at his discretion.

Article 21

Except as otherwise provided in the Company Act and the Articles of Incorporation of the Company, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.

If the Chairman of the meeting inquires of the opinions of all attending shareholders and receives no objection to the proposal, the motion is deemed passed, with equivalent force as a resolution by vote.

If there is objection, the proposal shall be submitted for discussion and voting again, but no further objection may be raised after the Chairman announced the resolution upon inquiry with all attending shareholders and no objection was raised.

Article 22

When there is an amendment or an alternative to a proposal, the Chairman 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.

Article 23

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

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

At the venue of a shareholders meeting, if a shareholder attempts to speak through any equipment other than the public address equipment set up by the Company, the Chairman may prevent the shareholder from doing so.

Where a shareholder violates the Rules of Procedure and defies the Chairman's correction, obstructing the proceedings and refusing to heed calls to stop, the Chairman may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 24

Matters related to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the Chairman of the meeting and a copy distributed to each shareholder within twenty days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic format, and in accordance with the provisions of the Company Act.

Companies with public offering of shares may distribute the meeting minutes stated

above by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and venue of the meeting, the Chairman's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of votes); when there is an election of directors, the number of votes received by each elected director shall be disclosed. The meeting minutes shall be retained for the duration of the existence of the Company.

With regard to the method of resolution in the preceding paragraph, if the Chairman of the meeting inquires of the opinions of all shareholders and the shareholders have no objection to the proposal, "the resolution is passed after the Chairman has inquired of the opinions of all attending shareholders and no objection was raised" shall be stated; however, if there is objection to the proposal by the shareholders, the method of voting and the electoral vote count and proportion of the votes shall be stated.

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 Chairperson's and the Secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

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

Article 24-1 (Disclosure of information at virtual meetings)

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

Article 24-2 (Location of the Chairperson and the Secretary of virtual-only shareholders' meeting)

When the Company convenes a virtual-only shareholders' meeting, both the Chairperson and the Secretary shall be in the same location, and the Chairperson shall declare the address of their location when the meeting is called to order.

Article 25

When a meeting is in progress, the Chairman may set time for breaks at his discretion. If

a force majeure event occurs, the Chairman may rule the meeting temporarily suspended and in view of the circumstances, announce a time when the meeting will be resumed. If the meeting venue is no longer available for continued use at the appointed time and not all of the items (including Extemporaneous Motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

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

Article 25-1 (Handling of disconnection)

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

In the event of a virtual shareholders' meeting, when declaring the meeting open, the Chairperson 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 Chairperson has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

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

For a meeting to be postponed or resumed under paragraph 2, 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 who do not attend the postponed or resumed session, at the affected shareholders' meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders' meeting held under paragraph 2, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.

When the Company convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described in paragraph 2, 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

shareholders' meeting, then the shareholders' meeting shall continue. The postponement or resumption of such meeting under paragraph 2 is not required.

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

When postponing or resuming a meeting according to paragraph 2, the Company shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies. For dates or period set forth under the second half of Article 12 and paragraph 3 of Article 13 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and paragraph 2 of Article 44-5, Article 44-15, and paragraph 1 of Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under paragraph 2.

Article 25-2 (Handling of digital divide)

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

Article 26

In the case of election of directors during the shareholders meeting, the election shall be handled according to the relevant election procedures formulated by the Company and the results shall be announced on-site at the meeting, including the list of elected directors and the electoral vote count.

The ballots for the electoral item in the preceding paragraph shall be sealed and signed by the vote monitoring personnel and properly safe-kept for at least one year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the said lawsuit.

Article 27

These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.

Article 28

These Rules were formulated on June 30, 2008.

The first amendment was made on June 15, 2012.

The second amendment was made on December 10, 2013.

The third amendment was made on October 17, 2014.

The fourth amendment was made on June 30, 2015.

The fifth amendment was made on June 18, 2020.

The sixth amendment was made on June 22, 2022.

[Appendix 3]

Egis Technology Inc.

Procedures for Election of Directors and Independent Directors

1. These Procedures are formulated in accordance with the provisions of the Company Act, Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and the Articles of Incorporation of the Company. The election of the directors (including independent directors) of the Company, except when otherwise provided in the laws or Articles of Incorporation, shall be conducted according to the provisions of these Procedures.
2. The election of the directors (including independent directors) of the Company shall be held at the shareholders' meeting.
- 2-1 The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:
 - (1) Basic requirements and values: Gender, age, nationality, and culture.
 - (2) Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:
 - (1) The ability to make judgments about operations.
 - (2) Accounting and financial analysis ability.
 - (3) Business management ability.
 - (4) Crisis management ability.
 - (5) Knowledge of the industry.
 - (6) An international market perspective.
 - (7) Leadership ability.
 - (8) Decision-making ability.More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.
The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.
3. The qualifications of the independent directors of the Company shall comply with the provisions in Articles 2, 3 and 4 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".
The election of independent directors of the Company shall comply with the provisions in Articles 5, 6, 7, 8 and 9 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", and shall be conducted according to the provisions in Article 24 of "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies".
4. Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.
5. The cumulative voting method shall be used for election of the directors and independent directors of the Company. Attendance card numbers printed on the ballots may be used instead of recording the names of the voters. Each share will have voting rights in number equal to the directors to be elected. The Board of Directors shall prepare ballots in numbers corresponding to the

directors to be elected, which shall then be distributed to the respective shareholders. The ballot stated above may be cast for a single candidate or split among multiple candidates.

6. The election of the directors and independent directors of the Company shall be conducted together based on the number of directors and independent directors specified in the Company's Articles of Incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes; where two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the Chairman drawing lots on behalf of any person not in attendance.
7. The Board of Directors shall prepare ballots in numbers equivalent to the directors to be elected, serialize them according to the attendance card numbers and indicate the voting rights of each shareholder.
8. Before the election begins, the Chairman shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel.
9. The ballot boxes shall be prepared by the Board of Directors and publicly checked by the vote monitoring personnel before voting commences.
10. This clause is deleted.
11. A ballot is invalid under any of the following circumstances:
 - (1) The ballot prepared by the Convener is not used.
 - (2) A blank ballot is placed in the ballot box.
 - (3) The writing is unclear and indecipherable or has been altered.
 - (4) Upon verification, the name of the candidate entered in the ballot does not conform to those stated on the candidate list.
 - (5) Other words are entered in addition to the number of voting rights allotted.
12. The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors or supervisors and the numbers of votes with which they were elected, shall be announced by the chair or somebody designed by the chair on the site.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
13. The Board of Directors of the Company shall issue notifications to the persons elected as directors and independent directors.
14. These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.
15. These Procedures were formulated on October 17, 2014.

The first amendment was made on June 30, 2015.

The second amendment was made on June 17, 2021.

[Appendix 4]

The effect of this stock grant on the business performance, earnings per share and return on investment of shareholders of the Company is as follows:

The Company did not issue any stock grant for the current year, thus this is not applicable.

[Appendix 5]

**Egis Technology Inc.
Current Shareholding of All Directors**

1. Types of shares and total shares issued: 69,271,754 ordinary shares.
2. In accordance with the provisions in Article 26 of the Securities and Exchange Act and Article 2 of the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”, the minimum number of shares to be held by all directors is: 5,541,740 shares.
3. As of the book closure date of this shareholders meeting, the number of shares held by all the directors as stated in the roster of shareholders is as follows:

Position	Name	Number of Shares Held
Chairman	LO, SEN CHOU	9,006,262
Vice Chairman	YU, MING-TO	150,000
Director	SHIH, CHEN-JUNG	0
Director	RO, SHIH-HAO	132,000
Independent Director	WENG, MING-JENG	23,000
Independent Director	HUANG, TA-LUN	0
Independent Director	CHEN, LAI-JUH	0
Total number of shares held by all shareholders (excluding independent directors)		9,288,262

Note: The shareholdings of independent directors elected by a public company shall not be counted in the total referred to in the preceding paragraph. If a public company has elected two or more independent directors, the share ownership figures calculated at the rates set forth in the preceding paragraph for all directors and supervisors other than the independent directors shall be decreased by 20 percent.