



Egis Technology Inc.

2023 ANNUAL SHAREHOLDER'S MEETING MINUTES

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

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

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

Total outstanding Egis shares : 69,271,754 shares

Total shares represented by shareholders present in person or by proxy : 42,746,263 shares

Percentage of shares held by shareholders present in person or proxy : 61.70 %

Directors present : Chairman LO, SEN CHOU 、 Independent director LAI JUH CHEN

Chairman : LO, SEN CHOU the Chairman of the Board of Directors

Recorder : Sharon Hsu

A.Chairman's Address (omitted)

B.Report Items

Proposal 1

Subject matter: 2022 Annual Business Report.

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

(Shareholders have no opinion)

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 for the Audit Committee's 2022 Annual Audit Report.

(Shareholders have no opinion)

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.

(Shareholders have no opinion)

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.

(Shareholders have no opinion)

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.

(Shareholders have no opinion)

C. 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), and Business Report (please refer to Exhibit 1) are enclosed herewith.

(3) The above is submitted for ratification.

Voting Results: Shareholders have no opinion ◦

Shares present at the time of voting: 42,746,263

Voting Results*	% of the total represented share present
Votes in favor: 42,069,678 votes	98.41%
Votes against : 24,527 votes	0.05%
Votes invalid or abstained: 652,058 votes	1.52%

RESOLVED, that the above proposal be and hereby was approved as proposed.

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 for the Earnings Distribution Table, and it is submitted for ratification.

Voting Results: Shareholders have no opinion ◦

Shares present at the time of voting: 42,746,263

Voting Results*	% of the total represented share present
Votes in favor: 42,061,674votes	98.39%
Votes against : 23,528 votes	0.05%
Votes invalid or abstained: 661,061votes	1.54%

RESOLVED, that the above proposal be and hereby was approved as proposed.

D.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 2023 Annual Shareholders' Meeting for discussion after approval is granted by the Board of Directors.

According to the letter from the Securities and Futures Investors Protection Center (Zheng Bao Fa Zi No. 1120001708), supplementary explanations are provided as follows:

In order to meet the demand for funds for future operation and growth, reserve space for flexible allocation of future funds, and improve the company's market competitiveness, the company plans to raise the required funds by private placement. The necessity and rationality of this private placement to meet the demand for funds for strategic alliance development and enrich working capital to improve the company's financial structure and strengthen competitiveness are described as follows:

1. Due to two consecutive years of individual financial reports showing losses, our company's current operational direction is to develop new products with other strategic partners by combining their technological advantages in research and development, expand the operating market, and seek strategic alliance opportunities. If we continue to apply for financing from financial institutions, the resulting interest expenses and repayment pressure will also cause a heavy financial burden on our company. In order to reduce the financial and interest rate risks generated by the company's financing from banks, and to deepen the connection with strategic partners, it is beneficial to promote future technological cooperation development plans, which will have a positive impact on the overall operational development of the company, reduce operational risks, and enhance market competitiveness. Therefore, it is necessary to raise the required funds through private placement.
2. Our company plans to handle cash capital increase and issuance of ordinary shares through private placement, in order to meet the funding needs of strategic alliance development and enrich operating capital. Compared to public offering, the provision that private placement of securities cannot be freely transferred within three years will further ensure the long-term cooperation relationship between our company and the placee.
3. Our company will elect new directors at the 2023 shareholders' meeting, and there will be no change in our operating rights. Therefore, we are not yet applicable to requesting securities underwriters to provide opinions on the necessity and rationality of handling this private placement case.

VIII. Submit for resolution.

Voting Results: Shareholders have no opinion ◦

Shares present at the time of voting: 42,746,263

Voting Results*	% of the total represented share present
Votes in favor: 40,680,477 votes	95.16%
Votes against : 1,414,827 votes	3.30%
Votes invalid or abstained: 650,959 votes	1.52%

RESOLVED, that the above proposal be and hereby was approved as proposed.

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 for the comparison table of clauses before and after the amendments.
- II. Submit for resolution.

Voting Results: Shareholders have no opinion ◦

Shares present at the time of voting: 42,746,263

Voting Results*	% of the total represented share present
Votes in favor: 42,058,363 votes	98.39%
Votes against : 37,579votes	0.08%
Votes invalid or abstained: 650,321 votes	1.52%

RESOLVED, that the above proposal be and hereby was approved as proposed.

E. 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.	9,006,262

			Chairman of Egis Innovation Fund G.P., Ltd. Director of Teletx Co.	
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, Hong Kong Polytechnic University Honorary Doctor of Engineering, National Chiao Tung University Master of Electronic Engineering, National Chiao Tung University	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 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	0
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	General Manager and CEO of AUO	Chung Hua University, Lecturer National Chiao Tung University, Adjunct Professor	0

	University, EMBA	General Manager of Solar Business Group of AUO	Independent Director of Egis Technology Inc. Independent Director of Ardentec Technology Inc. Independent Director of Unimicon Technology Corp.	
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 Director of National Information Infrastructure Enterprise Promotion Association Director of STARK INFORMATION (HONG KONG)LIMITED	18,000
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

Voting Results: Shareholders have no opinion ◦

Election Result: The list of the newly elected directors with votes received follows:

Title	Name	Votes Received
Director	LO, SEN CHOU	52,645,227
Director	SHIH, CHEN-JUNG	40,945,454
Director	RO,SHIH-HAO	40,632,563
Director	Chen, Chau Chen	40,550,487
Director	CHIH-CHUN TSAI	40,546,872
Independent Director	LAI JUH CHEN	40,508,268
Independent Director	STARK LIANG	40,499,455
Independent Director	LIAO CHUN-CHIEH	40,491,611
Independent Director	Tseng Yu-I	40,489,195

F.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.

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 NSFSG 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.

The above directors also hold positions in other companies, and the business activities of these companies are not the same as those of our company, so there have been no conflicts of interest.

Voting Results: Shareholders have no opinion ◦

Shares present at the time of voting: 42,746,263

Voting Results*	% of the total represented share present
Votes in favor: 41,968,789 votes	98.18%
Votes against : 54,919votes	0.12%
Votes invalid or abstained: 722,555 votes	1.69%

RESOLVED, that the above proposal be and hereby was approved as proposed.

G. Extemporary Motions : None ◦

H. Close Meeting : June 21, 2023 at 9:25 a.m.

[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)	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	-	(4,977)	-	-
Changes in equity of associates accounted for using equity method		-	-	-	-	(5,210)	-	-	-	(5,210)
Changes in ownership interests in subsidiaries		-	-	-	-	(4,383)	-	-	-	(4,383)
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											
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	\$ 23,921	\$ 4,707,245
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(20)	-	-	-	-	-	-	-	-	-	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>		