

Holy Stone Enterprise Co., Ltd. ("Company")

Minutes of 2023 Annual General Shareholders Meeting

Translation

This document is prepared in accordance with the Chinese version and is for reference only. If there is any inconsistency or ambiguity between the two versions, the Chinese version shall prevail.

Time: 09:00a.m., May 30st, 2023 (Tuesday)

Place: Conference Room at 7th floor, No. 17 (Chu Pao Building), Lane 91, Sec. 1, NeiHu Road, Taipei 114, Taiwan

Shareholders Present: Shares represented by shareholders present are 101,324,145 shares (including 30,209,720 shares casted electronically), accounted for 64.13% of total shares 157,990,779 issued.

Chairman: Jing-Rong Tang,

Recorder: Shu-Ying Chang

Directors present: Jing-Rong Tang, Shao-Kuo Huang, Tang-Ming Wu, Ken-Yi Cheng, Nai-Hua Wu, Chu-Yang Chien.

Attendance: Ming-Fang Hsu, CPA, KPMG

Wan-Ling Lo, Attorney, STRing Law Firm

I. The aggregate shareholding of the shareholders present in person or casted electronically constituted a quorum. The Chairman called the meeting to order.

II. Chairman's Address: (omitted)

III. Meeting Content:

A. Report Items

(1) Business Report of 2022 (attachment 1)

(2) Audit Committee Audit Report on 2022 (attachment 2)

(3) Report the Distribution of 2022 Employee Bonus and Directors Remuneration.

The board of directors meeting on February 24th 2023, passed the remuneration for employee of NT\$185,324,000 and remuneration for directors of NT\$35,299,000, both distributed via cash.

(4) Report 2022 Earnings Distribution and Cash Dividends

i. The company has passed the resolution of dividends on February 24th, 2023, cash dividend distribution totaled NT\$789,953,895 which is NT\$5 per share distributed from earnings. Cash dividend distribution were distributed up to one NT dollar, if the distribution is under one NT dollar, it will be accounted as other revenue

ii. Cash dividend distribution record date will be decided by another board meeting

iii. If there is a change in the number of ordinary shares outside of the company, or when there is a change in shareholders' dividend rate that requires revision, chairman of the board will take full authority.

B. Acknowledgement Items

I. (Proposed by the Board of Directors)

To approve 2022 Business Report and Financial Statements

Explanation:

- (1) 2022 Financial Statement of the company was audited by accountants Ming-Fang Hsu and Chi-Long Yu of KPMG, and was issued an audit report.
- (2) The 2022 Financial Statement and Business Report were audited by the Audit Committee and was issued a report.
- (3) Attachments
 - i. Business Report (attachment 1)
 - ii. Auditors' Report (attachment 3&4)
 - iii. Financial Statements (see attachment 3&4)
 - iv. Audit Committee Audit Report (see attachment 2)
- (4) Please approve

Resolution: Voting Results are shown below:

Shares represented at the time of voting: 101,324,145 (including 30,209,720 shares casted electronically)

Voting Results*	% of the total represented share present
Votes in favor: 100,296,007 votes (including electronic votes 29,181,582)	98.98%
Votes against: 8,375 votes (including electronic votes 8,375)	0.00%
Votes invalid: 0 vote (electronic votes 0)	0.00%
Votes abstained: 1,019,763 votes (including electronic votes 1,019,763)	1.00%

The resolution was passed by initial vote.

II. (Proposed by the Board of Directors)

To approve the Earning Distribution of 2022

Explanation:

- (1) To draft the distribution of earnings according to company's Articles of Association.
(attachment 5)
- (2) The distribution of earnings is reviewed by the Audit Committee and issued into report.
(attachment 2)
- (3) Please approve

Resolution : Voting Results are shown below :

Shares represented at the time of voting : 101,324,145 (including 30,209,720 shares casted electronically)

Voting Results*	% of the total represented share present
Votes in favor: 100,399,761 votes (including electronic votes 29,285,336)	99.08%
Votes against: 12,391 votes (including electronic votes 12,391)	0.00%
Votes invalid: 0 vote (electronic votes 0)	0.00%
Votes abstained: 911,993 votes (including electronic votes 911,993)	0.90%

The resolution was passed by initial vote.

C. Discussion and Election Items

I. (Proposed by the Board of Directors)

To revise Articles of Association

Explanation:

- (1) Revise the company’s Articles of Association in accordance to the needs of the operational development of the company.
- (2) Revision chart (attachment 6)
- (3) Please vote

Resolution : Voting Results are shown below :

Shares represented at the time of voting : 101,324,145 (including 30,209,720 shares casted electronically)

Voting Results*	% of the total represented share present
Votes in favor: 98,125,492 votes (including electronic votes 27,011,067)	96.84%
Votes against: 626,958 votes (including electronic votes 626,958)	0.61%
Votes invalid: 0 vote (electronic votes 0)	0.00%
Votes abstained: 2,571,695 votes (including electronic votes 2,571,695)	2.53%

The resolution was passed by initial vote.

II. (Proposed by the Board of Directors)

To revise Rules of Procedure for Annual Shareholders Meeting

Explanation:

- (1) Revise the Rules of Procedure for Annual Shareholders Meeting in accordance to compliance with legal regulations and in accordance with Article 9-2 of the company’s Articles of Association, the Annual Shareholders Meeting may be held via virtual conference.
- (2) Revision chart (attachment 7)
- (3) Please vote

Resolution : Voting Results are shown below :

Shares represented at the time of voting : 101,324,145 (including 30,209,720 shares casted electronically)

Voting Results*	% of the total represented share present
Votes in favor: 98,105,250 votes (including electronic votes 26,990,825)	96.82%
Votes against: 646,231 votes (including electronic votes 646,231)	0.63%
Votes invalid: 0 vote (electronic votes 0)	0.00%
Votes abstained: 2,572,664 votes (including electronic votes 2,572,664)	2.53%

The resolution was passed by initial vote.

III. (Proposed by the Board of Directors)

2022 Issuing of New Shares Through Capital Increase from Earnings

Explanation:

- (1) To enhance working capital, it is proposed to allocate stock dividends of NT\$78,995,390 from earnings of 2022, and issue 7,899,539 new shares at NT\$10 par value as a capital increase.
- (2) Conditions of Issuing New Shares
 - a. According to the basis of the allotment date and the shareholders and their shareholdings recorded in the stock office, for every one thousand shares held, fifty shares will be distributed free of charge. Shareholders who receive fractional shares that are less than one share may combine them on their and apply for consolidation into whole shares through the company's stock office within five days from the basis of allotment date. If the consolidation is not completed by the deadline of the consolidated shares are still less than one share, the company will distribute the fractional shares in cash (up to the nearest dollar). The chairman is authorized to negotiate with specific persons for cash subscription at denomination for the shares.
 - b. The newly issued shares in this offering are being issued in a book-entry form, and is carrying the same rights and obligations as the existing shares.
 - c. Upon the approval and submission to the competent authority by the shareholders meeting, the board of directors will be authorized to determine the record date for the ex-right date, the record date for the capital increase and other related matters.
 - d. In the event of changes in the company's outstanding shares, resulting in a modification of the shareholders' payout ratio, the board of directors will seek full authority from the shareholders meeting to handle the matter.

- e. Regarding the issuance conditions, project plans and other relevant matters in this case, in the event of changes due to legal requirements, regulatory approval or objective environmental changes that effect the company's operation, the board of directors will seek full authority from the shareholders meeting to handle the matter.

(3) Please vote

Resolution : Voting Results are shown below :

Shares represented at the time of voting : 101,324,145 (including 30,209,720 shares casted electronically)

Voting Results*	% of the total represented share present
Votes in favor: 98,110,782 votes (including electronic votes 26,996,357)	96.82%
Votes against: 641,646 votes (including electronic votes 641,646)	0.63%
Votes invalid: 0 vote (electronic votes 0)	0.00%
Votes abstained: 2,571,717 votes (including electronic votes 2,571,717)	2.53%

The resolution was passed by initial vote.

IV. (Proposed by the Board of Directors)

By-election of Independent Director

Explanation:

- (1) According to Article 13 of the company's Articles of Association, the company shall have 7 to 9 directors; specific members are to be determined by the board of directors. Of the director positions, at least 3 independent directors shall be appointed, and the number of such directors shall not be less than one fifth of the total number of directors.
- (2) The company's board of director is now composed of 9 members, with 6 directors and 3 independent directors. As there is a vacancy in one position of directors, in order to strengthen the depth and influence of independent directors in company's decision making and enhance internal supervisory functions, it is proposed to elect one independent director at this shareholders meeting. This will increase the strength of the company's corporate governance and further safeguard shareholder rights. After by-election, the board of directors for this term will consist of 5 directors and 4 independent directors, for a total of 9 members.
- (3) The term of office for the newly appointed independent director is limited to the remaining

term of this board of directors, from May 30th 2023 to July 20th 2024.

(4) List of independent director candidates are attached (attachment 8)

(5) Please vote

Resolution : Jen-Wei Ko has been elected as an independent director with a total of 85,617,271 voting rights.

D. Special Motion:

E. Adjournment (09:28a.m)

The shareholders meeting was conducted without any shareholder inquiries raised on all agenda items.

Chairman: Jing-Rong Tang

Recorder: Shu-Ying Chang

【Attachment 1】

Holy Stone Enterprise Co., Ltd. 2022 Business Report

In 2022, affected by general economic changes, wars, inflation and the covid-19 pandemic, the market posed significant challenges for Holy stone. In response to external environmental risks, the company actively innovated internally and continuously strengthened the core competitiveness of its products. Whether in the production of passive components or the sales of agency products, the company adheres to a niche product-oriented approach, prioritizing customer service to meet their expectations. The following is a summary of the business results for 2021 and the business plan for 2022:

1. 2022 Business Results

- 1.1 **Business Result:** consolidated revenue of 2022 totaled NT\$ (same below)15.07 billion, gross profit NT\$3.14 billion, gross margin 20.8%, net profit attributable to the parent company totaled NT\$1.23 billion, decreased 36.9% YoY. Earnings per share totaled NT\$ 7.79.
- 1.2 **Budget Implementation:** the company did not publish any forms of finance forecast; therefore no act of disclosure is required.
- 1.3 **Financial Income and Expenditure, Profitability Analysis:** please refer to the Financial Statement Appendix.
- 1.4 **Research and Development Status:** in line with the industrial development and market demand, continue to invest in the development of MLCC materials, improve the production capacity of high-end powder, establish self-material system, and optimize the manufacture process capabilities, focusing on the development of niche products such as automotive, Netcom and industrial control electronics. Total expenditure of the above research and development for 2022 was NT\$186 million.

2. Summary of 2023 Annual Business Plan

- 2.1 **Operating Strategy:** Holy Stone believes in programmatic, innovative and mutually beneficial business philosophy; and will continuously cultivate in manufacturing and strengthening product agency.
Deep Cultivation in Manufacturing: house-branded production follows the market trends; we strive in the exploration of new allocation filed and continue to cultivate deeply into the 5G Netcom, automotive and industrial control market.
Product Agency Enhancement: the company mainly agents for products such as communication device, automotive and consumer electronics, we will continue to design and develop to cope with customers' demands, trying our best to maintain product supply.
- 2.2 **Important Production and Sales Management:** Expanding the production and sales of niche products is the most important development strategy for the company and a critical key to supporting its sustained growth. The construction plan for the Longtan plant is still ongoing. Through material and technology research and development, as well as process equipment capability enhancement, we are fully committed to assisting customers in meeting their product needs for various applications.

3. Influence of External Competitive Environment, Regulatory Environment and Overall Business Environment

Climate change has gradually altered human living environments, intensified extreme weather conditions, and caused environmental and property damage. At Holy Stone, we firmly believe that in addition to profitability and shareholders' equity, pursuing ESG (Environmental, Social, and Governance) is also essential for

sustainable business operations. As such, we continue to take environmental protection measures such as greenhouse gas inventory and reduction, water resource management, and waste reduction. We also participate in public welfare activities to ensure social engagement. We share our ESG achievements with shareholders, employees, and stakeholders through our CSR Report. In the future, we will continue to prioritize ESG-related issues, comply with laws and regulations, practice corporate governance, establish a friendly workplace, conserve energy, reduce carbon emissions, protect the earth, and work towards our goal of sustainable business operations.

Last but not least, the company would like to express our appreciation to our customers, suppliers, shareholders and the society for the unwavering long-term support; we also thank each and every employee for their contribution to the company. We hope for the best in the years to come.

Chairman: Jing-Rong Tang

President: Jing-Rong Tang

Accountant Manager: Shu-Ying Chang

【Attachment 2】

**Holy Stone Enterprise Co., Ltd.
Audit Committee's Audit Report**

The Board of Directors has prepared the Company's 2022 Business Report, Financial Statements and Proposal for Earning Distributions. The Financial Statements have been audited and certified by Ming-Fang Hsu CPA and Chi-Long Yu CPA of KPMG and audit reports regarding the Financial Statements have been issued. The Business Report, Financial Statements and Proposal for Earning Distributions have been reviewed and determined to be correct and accurate by the Audit Committee of Holy Stone Enterprise Company Limited. In accordance to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby, submit this report.

Holy Stone's Annual Shareholders Meeting, 2023

Audit Committee of Holy Stone Enterprise Co., Ltd.
Chairman of Audit Committee: Ken-Yi Cheng

February 24th, 2023

【Attachment 3】

Independent Auditors' Report

To the Board of Directors of Holy Stone Enterprise Co., Ltd.:

Opinion

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

In our opinion, based on our audits and the report of another auditor (please refer to Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, 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.

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 Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Account of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the report of another auditor, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Other Matter

We did not audit the financial statements of a subsidiary, which represented investment in another entity accounted for using the equity method of the Company. Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the subsidiary, is based solely on the report of another auditor. The investment in the subsidiary accounted for using the equity method constituting 2.66% and 2.33% of total assets at December 31, 2022 and 2021, respectively, and the related share of profit of subsidiaries accounted for using the equity method constituting 0.63% and 0.91% of total profit before tax for the years then ended, respectively.

Key Audit Matters

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

1.Revenue recognition

Please refer to Note 4(m) “Revenue from contracts with customers” for accounting policy and Note 6(r) “Revenue from contracts with customers” for details of revenue to the parent company only financial statements.

Description of key audit matter:

The Company engages primarily in the manufacturing and sales of MLCC, integrated circuits, modules, and other electronic components. The Operating Revenue is the main indicator for the investor to evaluate the financial and business performance of the Company. Therefore, it has been identified as a key audit matter.

How the matter was addressed in our audit:

Regarding the key audit matter mentioned above, our key audit procedures include understanding the design and implementation of internal control over revenue recognition and verifying the compliance of accounting policy; analyzing the changes in sales revenue from top ten clients and comparing them with those of the same period in the previous year to confirm whether or not there are significant exceptions or irregular transactions exist; examining the vouchers to determine the appropriate cut offs for revenue recognition within selected periods before and after the balance sheet date to evaluate whether the revenue was recorded in the appropriate period.

2.Impairment evaluation of accounts receivable

Please refer to Note 4(f)(i)(1) “Financial assets measured at amortized cost”; Note 5(a) “Significant accounting assumptions and judgments, and major sources of estimation uncertainty”, and Note 6(d) “Notes and accounts receivables” to the parent company only financial statements.

Description of key audit matter:

The Company measured its accounts receivable by the recoverable amounts. Impairment evaluation of accounts receivable is one of the key judgmental areas for our audit, particularly in respect of the great influence of given the challenging industry climate. Due to the provision of bad debt allowance that is subject to the management’s judgement, it is uncertain to have enough of information of recoverability before the issuance of the financial statements.

How the matter was addressed in our audit:

Our principal audit procedures included understanding the design and implementation of internal control; assessing the rationality of the provision policy and verifying the compliance of provision policy for accounts receivable allowance; examining the aging analysis table and checking the amount of receivables received after the balance date, as well as discussing with the management to assess the whether or not the provision is reasonable; evaluating the adequacy of the Company’s disclosure for bad debt allowance.

3.Inventory valuation

Please refer to Note 4(g) “Inventories”; Note 5(b) “Significant accounting assumptions and

judgments, and major sources of estimation uncertainty”, and Note 6(f) “Inventories” to the parent company only financial statements.

Description of key audit matter:

Inventories are measured at the lower of cost and net realizable value in the financial statements. However, with the rapid development of the consumer market and the volatility of sales, that may result in the cost of inventory may exceed its net realizable value. Therefore, it has been identified as a key audit matter.

How the matter was addressed in our audit:

Regarding the key audit matter mentioned above, our audit procedures included evaluating the reasonableness of the Company’s inventory valuation policy and the management’s assumption used when measuring allowance for inventory valuation and obsolescence losses; performing a retrospective review of the Company’s historical accuracy of judgments with reference to inventory valuation and comparing them with the current year’s calculation to evaluate the appropriateness of estimation and assumption used for inventory valuation; assessing the adequacy of the Company’s disclosure for inventories.

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

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

In preparing the 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 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statement. 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Hsu, Ming Fang and Yu, Chi Lung.

KPMG

Taipei, Taiwan (Republic of China)

February 24, 2023

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

Holy Stone Enterprise Co., Ltd.

Balance Sheet

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

Assets	December 31, 2022		December 31, 2021				December 31, 2022		December 31, 2021	
	Amount	%	Amount	%			Amount	%	Amount	%
Current assets:										
1100 Cash and cash equivalents (note 6(a))	\$ 2,098,641	14	2,903,284	19	2100	Short-term borrowings (note 6(j))	\$ 1,391,222	10	1,682,790	11
1110 Current financial assets at fair value through profit or loss (note 6(b))	85,213	1	259,475	2	2130	Current contract liabilities (note 6(r))	49,890	-	26,911	-
1150 Notes and accounts receivables, net (note 6(d)(r))	1,977,555	13	2,138,382	14	2170	Accounts payable	481,194	3	941,407	6
1180 Accounts receivable-related parties, net (note 6(d)(r) and 7)	552,047	3	618,020	4	2180	Accounts payable to related parties (note 7)	318,159	2	222,016	2
1200 Other receivables, net (note 6(e))	107,373	1	126,761	1	2200	Other payables (note 6(k))	819,164	6	941,414	6
130X Inventories (note 6(f))	3,310,921	22	2,802,115	18	2230	Current tax liabilities	210,880	1	8,501	-
1410 Prepayments and other current assets	11,241	-	15,042	-	2280	Current lease liabilities (note 6(m))	2,418	-	2,447	-
					2322	Long-term borrowings, current portion (note 6(l))	91,667	1	-	-
Total current assets	8,142,991	54	8,863,079	58		Total current liabilities	3,364,594	23	3,825,486	25
Non-current assets:						Non-Current liabilities:				
1510 Non-current financial assets at fair value through profit or loss (note 6(b))	2,497	-	6,023	-	2540	Long-term borrowings (note 6(l))	1,908,333	13	1,367,608	9
1550 Investments accounted for using the equity method (note 6(h))	2,313,864	16	2,100,984	14	2570	Deferred tax liabilities (note 6(o))	74,066	-	80,981	1
1600 Property, plant and equipment (note 6(i) and 7)	4,342,226	29	3,810,478	26	2580	Non-current lease liabilities (note 6(m))	2,282	-	1,292	-
1755 Right-of-use assets (note 6(i))	4,659	-	3,692	-	2640	Net defined benefit liability, non-current (note 6(n))	51,948	-	64,983	-
1840 Deferred tax assets (note 6(o))	47,980	-	40,448	-	2670	Other non-current liabilities, others	6	-	6	-
1915 Prepayments for business facilities (note 7)	199,623	1	338,986	2		Total non-current liabilities	2,036,635	13	1,514,870	10
1990 Other non-current assets, others (note 8)	42,578	-	40,562	-	3110	Total liabilities	5,401,229	36	5,340,356	35
Total non-current assets	6,953,427	46	6,341,173	42	3200	Equity (note 6(n)(p)):				
						Ordinary share	1,579,908	10	1,579,908	10
						Capital surplus	3,120,424	21	3,140,525	21
						Retained earnings:				
					3310	Legal reserve	1,638,205	11	1,638,205	11
					3320	Special reserve	163,854	1	122,384	1
					3350	Unappropriated retained earnings	3,326,480	22	3,546,728	23
						Total retained earnings	5,128,539	34	5,307,317	35
						Other equity:				
					3410	Exchange differences on translation of foreign financial statements	(52,980)	-	(88,988)	(1)
					3420	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	(80,702)	(1)	(74,866)	-
						Total other equity	(133,682)	(1)	(163,854)	(1)
						Total equity	9,695,189	64	9,863,896	65
Total assets	\$ 15,096,418	100	15,204,252	100		Total liabilities and equity	\$ 15,096,418	100	15,204,252	100

(See accompanying notes to parent company only financial statements.)

Chairman: Jing-Rong Tang

General Manager: Jing-Rong Tang

Chief Accounting Officer: Shu-Ying Chang

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

Holy Stone Enterprise Co., Ltd.
Statement of Comprehensive Income
For Years Ended December 31, 2022 and 2021

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

	2022		2021	
	Amount	%	Amount	%
4000	Operating revenue (note 6(r) and 7)			
	\$	12,360,032	100	13,845,582
5000	Operating costs (note 6(f)(n), 7 and 12)			
		9,684,221	78	10,717,338
		2,675,811	22	3,128,244
		Gross profit		
5910		4,439	-	12,895
		Net gross profit		
		2,680,250	22	3,141,139
	Operating expenses (note 6(n)(s), 7 and 12):			
6100		779,752	6	878,492
6300		186,381	2	197,958
6450		3,500	-	261
		969,633	8	1,076,711
		Total operating expenses		
		1,710,617	14	2,064,428
	Net operating income			
	Non-operating income and expenses:			
7020		70,667	-	(3,785)
7050		(25,448)	-	(8,297)
7070		(224,282)	(2)	86,187
7100		12,813	-	11,028
		(166,250)	(2)	85,133
		Total non-operating income and expenses		
7900		1,544,367	12	2,149,561
7950		313,005	2	197,144
		Profit		
		1,231,362	10	1,952,417
8300	Other comprehensive income (loss):			
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss:			
8311		11,375	-	(13,811)
8316		(5,836)	-	(11,225)
8330		402	-	(95)
8349		-	-	-
		5,941	-	(25,131)
		Total components of other comprehensive income (loss) that will not be reclassified to profit or loss		
8360	Components of other comprehensive income (loss) that may not be reclassified to profit or loss			
8361		36,008	-	(37,914)
8399		-	-	-
		36,008	-	(37,914)
		Total components of other comprehensive income (loss) that may be reclassified to profit or loss		
8300		41,949	-	(63,045)
8500		Total comprehensive income		
		<u>\$ 1,273,311</u>	<u>10</u>	<u>1,889,372</u>
	Earnings per share (note 6(q))			
9750		<u>\$ 7.79</u>		<u>12.36</u>
9850		<u>\$ 7.67</u>		<u>12.16</u>

(See accompanying notes to parent company only financial statements.)

Chairman: Jing-Rong Tang

General Manager: Jing-Rong Tang

Chief Accounting Officer: Shu-Ying Chang

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

Holy Stone Enterprise Co., Ltd.
Statement of Changes in Equity
For Years Ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings				Other equity			Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	
Balance at January 1, 2021	\$ 1,579,908	3,109,960	1,638,205	128,821	2,873,375	(51,074)	(71,310)	9,207,885
Profit	-	-	-	-	1,952,417	-	-	1,952,417
Other comprehensive income	-	-	-	-	(13,906)	(37,914)	(11,225)	(63,045)
Total comprehensive income	-	-	-	-	1,938,511	(37,914)	(11,225)	1,889,372
Appropriation and distribution of retained earnings:								
Cash dividends of ordinary shares	-	-	-	-	(1,263,926)	-	-	(1,263,926)
Special reserve	-	-	-	(6,437)	6,437	-	-	-
Changes in ownership interests in subsidiaries	-	30,565	-	-	(7,669)	-	7,669	30,565
Balance at December 31, 2021	1,579,908	3,140,525	1,638,205	122,384	3,546,728	(88,988)	(74,866)	9,863,896
Profit	-	-	-	-	1,231,362	-	-	1,231,362
Other comprehensive income	-	-	-	-	11,777	36,008	(5,836)	41,949
Total comprehensive income	-	-	-	-	1,243,139	36,008	(5,836)	1,273,311
Appropriation and distribution of retained earnings:								
Special reserve	-	-	-	41,470	(41,470)	-	-	-
Cash dividends of ordinary share	-	-	-	-	(1,421,917)	-	-	(1,421,917)
Changes in ownership interests in subsidiaries	-	(20,101)	-	-	-	-	-	(20,101)
Balance at December 31, 2022	\$ 1,579,908	3,120,424	1,638,205	163,854	3,326,480	(52,980)	(80,702)	9,695,189

(See accompanying notes to parent company only financial statements.)

Chairman: Jing-Rong Tang

General Manager: Jing-Rong Tang

Chief Accounting Officer: Shu-Ying Chang

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

Holy Stone Enterprise Co., Ltd.
Statement of Cash Flow
For Years Ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from operating activities:		
Profit before tax	\$ 1,544,367	2,149,561
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	562,737	482,487
Expected credit loss	3,500	261
Net (gain) loss on financial assets at fair value through profit or loss	45,148	(9,897)
Interest expense	25,448	8,297
Interest revenue	(12,813)	(11,028)
Dividend revenue	(1,296)	(1,173)
Share of profit (loss) of subsidiaries, accounted for using the equity method	224,282	(86,187)
Gain from disposal of property, plant and equipment	(8)	-
Unrealized profit (loss) from sales	(4,439)	(12,895)
Total adjustments to reconcile profit (loss)	842,559	369,865
Changes in operating assets and liabilities:		
Changes in operating assets:		
Current financial assets at fair value through profit or loss	132,640	(45,917)
Notes and accounts receivable	157,327	(18,110)
Accounts receivable-related parties	65,973	(122,922)
Other receivables	20,023	(34,523)
Inventories	(508,806)	(811,380)
Prepayments and other current assets	3,801	10,242
Total changes in operating assets	(129,042)	(1,022,610)
Changes in operating liabilities:		
Contract liabilities	22,979	14,371
Accounts payable	(460,213)	71,875
Accounts payable to related parties	96,143	134,756
Other payables	(46,105)	225,752
Net defined benefit liability	(1,660)	(20,669)
Total changes in operating liabilities	(388,856)	426,085
Net changes in operating assets and liabilities	(517,898)	(596,525)
Total adjustments	324,661	(226,660)
Cash inflow generated from operations	1,869,028	1,922,901
Interest received	12,178	11,548
Dividends received	1,296	1,173
Interest paid	(21,533)	(8,415)
Income taxes paid	(125,073)	(345,799)
Net cash flows from operating activities	1,735,896	1,581,408
Cash flows used in investing activities:		
Acquisition of investments accounted for using the equity method	(433,075)	(99,182)
Acquisition of property, plant and equipment	(1,171,295)	(1,130,206)
Proceeds from disposal of property, plant and equipment	8	1,204
Increase in other non-current assets, others	(2,016)	(22,030)
Decrease (increase) in prepayments for business facilities	139,363	(302,999)
Dividends received	10,825	6,622
Net cash flows used in investing activities	(1,456,190)	(1,546,591)
Cash flows used in financing activities:		
Decrease in short-term borrowing	(291,568)	(220,657)
Proceeds from long-term borrowings	632,392	943,676
Payment of lease liabilities	(3,256)	(3,241)
Cash dividends paid	(1,421,917)	(1,263,926)
Net cash flows used in financing activities	(1,084,349)	(544,148)
Net decrease in cash and cash equivalents	(804,643)	(509,331)
Cash and cash equivalents at beginning of period	2,903,284	3,412,615
Cash and cash equivalents at end of period	<u>\$ 2,098,641</u>	<u>2,903,284</u>

(See accompanying notes to parent company only financial statements.)

Chairman: Jing-Rong Tang

General Manager: Jing-Rong Tang

Chief Accounting Officer: Shu-Ying Chang

【Attachment 4】

Independent Auditors' Report

To the Board of Directors of Holy Stone Enterprise Co., Ltd.:

Opinion

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

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and 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 Accountants of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the report of another auditor, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Other Matter

We did not audit the financial statements of a subsidiary of the Group. Those statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for that subsidiary, is based solely on the report of another auditor. The financial statements of that subsidiary reflect total assets constituting 3.62% and 3.57% of consolidated total assets at December 31, 2022 and 2021, respectively, and total operating revenues constituting 6.95% and 6.51% of consolidated total operating revenues for the years then ended, respectively.

Holy Stone Enterprise Co., Ltd. has prepared its parent company only financial statements as of and for the years ended December 31, 2022 and 2021, on which we have issued an unmodified opinion with an Other Matter paragraph.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the

consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1.Revenue recognition

Please refer to Note 4(n) “Revenue from contracts with customers” for accounting policy and Note 6(u) “Revenue from contracts with customers” for details of revenue to the consolidated financial statements.

Description of key audit matter:

The Group engages primarily in the manufacturing and sales of MLCC, integrated circuits, modules, and other electronic components. The Operating Revenue is the main indicator for the investor to evaluate the financial and business performance of the Group. Therefore, it has been identified as a key audit matter.

Our principal audit procedures included:

Regarding to the key audit matter mentioned above, our key audit procedures include understanding the design and implementation of internal control over revenue recognition and verifying the compliance of accounting policy; analyzing the changes in sales revenue from top ten clients and comparing them with those of the same period in the previous year to confirm whether or not there are significant exceptions or irregular transactions exist; examining the vouchers to determine the appropriate cut offs for revenue recognition within selected periods before and after the balance sheet date to evaluate whether the revenue was recorded in the appropriate period.

2.Impairment evaluation of accounts receivable

Please refer to Note 4(g)(i)(1) “Financial assets measured at amortized cost”; Note 5(a) “Significant accounting assumptions and judgments, and major sources of estimation uncertainty”, and Note 6(d) “Notes and accounts receivables” to the consolidated financial statements.

Description of key audit matter:

The Group measured its accounts receivable by the recoverable amounts. Impairment evaluation of accounts receivable is one of the key judgmental areas for our audit, particularly in respect of the great influence of given the challenging industry climate. Due to the provision of bad debt allowance that is subject to the management’s judgement, it is uncertain to have enough of information of recoverability before the issuance of the financial statements”.

How the matter was addressed in our audit:

Our principal audit procedures included understanding the design and implementation of internal control; assessing the rationality of the provision policy and verifying the compliance of provision policy for accounts receivable allowance; examining the aging analysis table and checking the amount of receivables received after the balance date, as well as discussing with the management to assess the whether or not the provision is reasonable; evaluating the adequacy of the Group’s disclosure for bad debt allowance.

3.Inventory valuation

Please refer to Note 4(h) “Inventories” ; Note 5(b) “Significant accounting assumptions and judgments, and major sources of estimation uncertainty”, and Note 6(f) “Inventories” to the consolidated financial statements.

Description of key audit matter:

Inventories are measured at the lower of cost and net realizable value in the financial statements. However, with the rapid development of the consumer market and the volatility of sales, that may result in the cost of inventory may exceed its net realizable value. Therefore, it has been identified as a key audit matter.

How the matter was addressed in our audit:

Regarding the key audit matter mentioned above, our audit procedures included evaluating the reasonableness of the Group's inventory valuation policy and the management's assumption used when measuring allowance for inventory valuation and obsolescence losses; performing a retrospective review of the Group's historical accuracy of judgments with reference to inventory valuation and comparing them with the current year's calculation to evaluate the appropriateness of estimation and assumption used for inventory valuation; assessing the adequacy of the Group's disclosure for inventories.

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

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

The engagement partners on the audit resulting in this independent auditors' report are Hsu, Ming Fang and Yu, Chi Lung.

KPMG

Taipei, Taiwan (Republic of China)

February 24, 2023

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Holy Stone Enterprise Co., Ltd.

Consolidated Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2022		December 31, 2021			December 31, 2022		December 31, 2021		
	Amount	%	Amount	%		Amount	%	Amount	%	
Assets										
Current assets:										
1100 Cash and cash equivalents (note 6(a))	\$ 3,367,051	21	3,954,236	24	2100	\$ 1,737,983	11	2,003,251	12	
1110 Current financial assets at fair value through profit or loss (note 6(b))	236,119	1	453,735	3	2130	149,542	1	120,417	1	
1150 Notes and accounts receivable, net (note 6(d)(u) and 7)	2,960,184	18	3,198,362	19	2170	807,772	5	1,232,048	8	
1200 Other receivables, net (note 6(e))	126,290	1	157,924	1	2180	30,536	-	75,429	-	
1220 Current tax assets	3,064	-	101	-	2200	909,220	6	1,143,644	7	
130X Inventories (note 6(f))	3,626,554	23	3,087,397	19	2230	227,891	1	30,307	-	
1410 Prepayments and other current assets	92,367	1	84,380	1	2280	14,572	-	19,957	-	
Total current assets	10,411,629	65	10,936,135	67	2322	94,207	1	9,941	-	
Non-current assets:						Total current liabilities	3,971,723	25	4,634,994	28
1510 Non-current financial assets at fair value through profit or loss (note 6(b))	101,025	1	101,093	1	2540	Non-Current liabilities:				
1517 Non-current financial assets at fair value through other comprehensive income (note 6(c))	52,859	-	57,937	-	2570	Long-term borrowings (note 6(n) and 8)	1,911,722	12	1,373,338	10
1550 Investments accounted for using the equity method (note 6(g))	472,405	3	470,390	3	2580	Deferred tax liabilities	74,326	-	80,981	-
1600 Property, plant and equipment (note 6(i) and 8)	4,801,228	30	4,290,690	27	2640	Non-current lease liabilities (note 6(o))	25,699	-	27,196	-
1755 Right-of-use assets (note 6(j))	39,316	-	46,393	-	2670	Net defined benefit liability, non-current (note 6(p))	51,948	-	64,983	-
1780 Intangible assets (note 6(k))	7,721	-	10,072	-		Other non-current liabilities, others	2,543	-	4,315	-
1840 Deferred tax assets	48,813	-	41,244	-		Total non-current liabilities	2,066,238	12	1,550,813	10
1915 Prepayments for business facilities	117,181	1	264,760	2		Total liabilities	6,037,961	37	6,185,807	38
1990 Other non-current assets, others (note 8)	55,202	-	51,815	-		Equity attributable to owners of parent (note 6(h)(r)):				
Total non-current assets	5,695,750	35	5,334,394	33		Ordinary share	1,579,908	10	1,579,908	10
						Capital surplus	3,120,424	20	3,140,525	19
						Retained earnings:				
						Legal reserve	1,638,205	10	1,638,205	10
						Special reserve	163,854	1	122,384	1
						Unappropriated retained earnings	3,326,480	21	3,546,728	22
						Total retained earnings	5,128,539	32	5,307,317	33
						Other equity:				
						Exchange differences on translation of foreign financial statements	(52,980)	-	(88,988)	(1)
						Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	(80,702)	(1)	(74,866)	-
						Total other equity	(133,682)	(1)	(163,854)	(1)
						Total equity attributable to owners of parent	9,695,189	61	9,863,896	61
						36XX Non-controlling interests	374,229	2	220,826	1
						Total equity	10,069,418	63	10,084,722	62
						Total liabilities and equity	\$ 16,107,379	100	16,270,529	100
Total assets	\$ 16,107,379	100	16,270,529	100						

(See accompanying notes to consolidated financial statements)

Chairman: Jing-Rong Tang

General Manager: Jing-Rong Tang

Chief Accounting Officer: Shu-Ying Chang

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Holy Stone Enterprise Co., Ltd.
Consolidated Statements of Comprehensive Income
For the Years Ended December 31, 2022 and 2021

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

		2022		2021	
		Amount	%	Amount	%
4000	Operating revenue (note 6(u) and 7)	\$ 15,071,432	100	16,602,046	100
5000	Operating costs (note 6(f)(o)(p) and 7)	11,936,441	79	12,926,647	78
	Gross profit	<u>3,134,991</u>	<u>21</u>	<u>3,675,399</u>	<u>22</u>
	Operating expenses:				
6100	Selling and administrative expenses (note 6(k)(o)(p)(s)(v))	1,337,710	9	1,294,441	8
6300	Research and development expenses (note 6(k)(o)(p)(v))	349,917	2	364,486	2
6450	Expected credit loss (note 6(d))	35,502	-	4,898	-
	Total operating expenses	<u>1,723,129</u>	<u>11</u>	<u>1,663,825</u>	<u>10</u>
	Net operating income	<u>1,411,862</u>	<u>10</u>	<u>2,011,574</u>	<u>12</u>
	Non-operating income and expenses:				
7020	Other gains and losses, net (note 6(w))	27,657	-	5,972	-
7050	Finance costs (note 6(o))	(32,788)	-	(12,887)	-
7060	Share of profit (loss) of associates accounted for using the equity method	45,370	-	50,655	-
7100	Interest income	19,187	-	13,572	-
	Total non-operating income and expenses	<u>59,426</u>	<u>-</u>	<u>57,312</u>	<u>-</u>
	Profit before tax	<u>1,471,288</u>	<u>10</u>	<u>2,068,886</u>	<u>12</u>
7950	Less: Income tax expenses (note 6(q))	<u>342,624</u>	<u>2</u>	<u>232,376</u>	<u>1</u>
	Profit	<u>1,128,664</u>	<u>8</u>	<u>1,836,510</u>	<u>11</u>
8300	Other comprehensive income (loss):				
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss:				
8311	Gains (losses) on remeasurements of defined benefit plans	11,375	-	(13,811)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(5,836)	-	(11,225)	-
8320	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	402	-	(95)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Total components of other comprehensive income (loss) that will be reclassified to profit or loss	<u>5,941</u>	<u>-</u>	<u>(25,131)</u>	<u>-</u>
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	42,071	-	(42,190)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Total components of other comprehensive income (loss) that will be reclassified to profit or loss	<u>42,071</u>	<u>-</u>	<u>(42,190)</u>	<u>-</u>
8300	Other comprehensive income, net of tax	<u>48,012</u>	<u>-</u>	<u>(67,321)</u>	<u>-</u>
8500	Total comprehensive income	<u>\$ 1,176,676</u>	<u>8</u>	<u>1,769,189</u>	<u>11</u>
	Profit, attributable to:				
8610	Owners of parent	\$ 1,231,362	8	1,952,417	12
8620	Non-controlling interests	(102,698)	-	(115,907)	(1)
	Profit	<u>\$ 1,128,664</u>	<u>8</u>	<u>1,836,510</u>	<u>11</u>
	Comprehensive income attributable to:				
8710	Owners of parent	\$ 1,273,311	8	1,889,372	12
8720	Non-controlling interests	(96,635)	-	(120,183)	(1)
	Total comprehensive income	<u>\$ 1,176,676</u>	<u>8</u>	<u>1,769,189</u>	<u>11</u>
	Earnings per share (in dollars) (note 6(t))				
9750	Basic earnings per share	<u>\$ 7.79</u>		<u>12.36</u>	
9850	Diluted earnings per share	<u>\$ 7.67</u>		<u>12.16</u>	

(See accompanying notes to consolidated financial statements)

Chairman: Jing-Rong Tang General Manager: Jing-Rong Tang Chief Accounting Officer: Shu-Ying Chang

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Holy Stone Enterprise Co., Ltd.
Consolidated Statements of Changes in Equity
For the Years Ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent									Non-controlling interests	Total equity
	Retained earnings					Other equity					
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total equity attributable to owners of parent			
Balance at January 1, 2021	\$ 1,579,908	3,109,960	1,638,205	128,821	2,873,375	(51,074)	(71,310)	9,207,885	335,921	9,543,806	
Profit	-	-	-	-	1,952,417	-	-	1,952,417	(115,907)	1,836,510	
Other comprehensive income	-	-	-	-	(13,906)	(37,914)	(11,225)	(63,045)	(4,276)	(67,321)	
Total comprehensive income	-	-	-	-	1,938,511	(37,914)	(11,225)	1,889,372	(120,183)	1,769,189	
Appropriation and distribution of retained earnings:											
Cash dividends of ordinary shares	-	-	-	-	(1,263,926)	-	-	(1,263,926)	-	(1,263,926)	
Special reserve	-	-	-	(6,437)	6,437	-	-	-	-	-	
Changes in ownership interests in subsidiaries	-	30,565	-	-	(7,669)	-	7,669	30,565	-	30,565	
Changes in non-controlling interests	-	-	-	-	-	-	-	-	5,088	5,088	
Balance at December 31, 2021	<u>1,579,908</u>	<u>3,140,525</u>	<u>1,638,205</u>	<u>122,384</u>	<u>3,546,728</u>	<u>(88,988)</u>	<u>(74,866)</u>	<u>9,863,896</u>	<u>220,826</u>	<u>10,084,722</u>	
Profit	-	-	-	-	1,231,362	-	-	1,231,362	(102,698)	1,128,664	
Other comprehensive income	-	-	-	-	11,777	36,008	(5,836)	41,949	6,063	48,012	
Total comprehensive income	-	-	-	-	1,243,139	36,008	(5,836)	1,273,311	(96,635)	1,176,676	
Appropriation and distribution of retained earnings:											
Special reserve	-	-	-	41,470	(41,470)	-	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(1,421,917)	-	-	(1,421,917)	-	(1,421,917)	
Changes in ownership interests in subsidiaries	-	(20,101)	-	-	-	-	-	(20,101)	45,667	25,566	
Changes in non-controlling interests	-	-	-	-	-	-	-	-	204,371	204,371	
Balance at December 31, 2022	<u>\$ 1,579,908</u>	<u>3,120,424</u>	<u>1,638,205</u>	<u>163,854</u>	<u>3,326,480</u>	<u>(52,980)</u>	<u>(80,702)</u>	<u>9,695,189</u>	<u>374,229</u>	<u>10,069,418</u>	

(See accompanying notes to consolidated financial statements)

Chairman: Jing-Rong Tang

General Manager: Jing-Rong Tang

Chief Accounting Officer: Shu-Ying Chang

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Holy Stone Enterprise Co., Ltd.
Consolidated Statements of Cash Flow
For the Years Ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from operating activities:		
Profit before tax	\$ 1,471,288	2,068,886
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	615,121	534,592
Amortization expense	3,081	3,017
Expected credit loss	35,502	4,898
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	106,720	(14,162)
Interest expense	32,788	12,887
Interest revenue	(19,187)	(13,572)
Dividend revenue	(5,709)	(5,565)
Share-based payments	1,978	-
Share of profit of associates accounted for using the equity method	(45,370)	(50,655)
Loss from disposal of property, plant and equipment	120	128
Gain on disposal of investments	(720)	-
Others	(122)	(62)
Total adjustments to reconcile profit	724,202	471,506
Changes in operating assets and liabilities:		
Changes in operating assets:		
Current financial assets at fair value through profit or loss	128,727	(121,978)
Notes and accounts receivable	201,927	(93,699)
Other receivables	32,752	(35,788)
Inventories	(539,157)	(806,428)
Prepayments and other current assets	(7,987)	13,511
Total changes in operating assets	(183,738)	(1,044,382)
Changes in operating liabilities:		
Contract liabilities	29,125	39,228
Accounts payable	(424,276)	178,864
Accounts payable to related parties	(44,893)	27,335
Other payables	(158,056)	227,315
Net defined benefit liability	(1,660)	(20,669)
Total changes in operating liabilities	(599,760)	452,073
Net changes in operating assets and liabilities	(783,498)	(592,309)
Total adjustments	(59,296)	(120,803)
Cash inflow generated from operations	1,411,992	1,948,083
Interest received	18,069	14,146
Dividends received	5,709	5,565
Interest paid	(28,665)	(12,920)
Income taxes paid	(162,201)	(375,821)
Net cash flows from operating activities	1,244,904	1,579,053
Cash flows used in investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	-	(288)
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	15,866
Acquisition of financial assets at fair value through profit or loss	(10,450)	(82,957)
Acquisition of investments accounted for using equity method	-	(69,922)
Proceeds from disposal of investments accounted for using equity method	1,906	-
Acquisition of property, plant and equipment	(1,186,619)	(1,206,441)
Proceeds from disposal of property, plant and equipment	44	1,208
Increase in other non-current assets	(3,671)	(22,429)
Decrease (increase) in prepayments for business facilities	147,579	(252,032)
Dividends received	42,772	26,229
Net cash flows used in investing activities	(1,008,439)	(1,590,766)
Cash flows used in financing activities:		
Decrease in short-term borrowings	(265,268)	(142,275)
Proceeds from long-term borrowings	632,392	943,676
Repayments of long-term borrowings	(9,513)	(16,923)
Payment of lease liabilities	(23,027)	(21,204)
(Decrease) increase in other non-current liabilities	(1,772)	2,039
Cash dividends paid	(1,421,917)	(1,263,926)
Change in non-controlling interests	227,959	35,653
Net cash flows used in financing activities	(861,146)	(462,960)
Effect of exchange rate changes on cash and cash equivalents	37,496	(30,873)
Net decrease in cash and cash equivalents	(587,185)	(505,546)
Cash and cash equivalents at beginning of period	3,954,236	4,459,782
Cash and cash equivalents at end of period	<u>\$ 3,367,051</u>	<u>3,954,236</u>

(See accompanying notes to consolidated financial statements)

Chairman: Jing-Rong Tang

General Manager: Jing-Rong Tang

Chief Accounting Officer: Shu-Ying Chang

【Attachment 5】

**Holy Stone Enterprise Co., Ltd.
2022 Earnings Distribution Table**

Item	Amount	Unit: NT\$
		Total Amount
Net Income of 2022	1,231,362,085	
Add: Re-measurements of defined benefit plans	11,375,210	
Share of other comprehensive income of subsidiaries accounted for using equity method	402,140	
2022 Unappropriated retained earnings	1,243,139,435	
Less: Legal Reserve (note2)	0	
Special Reserve	(30,172,349)	
2022 Unappropriated retained earnings		1,273,311,784
Add: Beginning unappropriated retained earnings		2,083,339,257
Total unappropriated retained earnings		3,356,651,041
Less: Distribution Item		
Cash Dividends	789,953,895	
Stock Dividends	78,995,390	
Total shareholder dividends and bonuses		868,949,285
Ending unappropriated retained earnings		2,487,701,756

Note1: the outstanding shares are 157,990,779 shares which are based on January 31th, 2023.

Note2: the company's legal reserve has reached total paid-in capital; according to article 237 of the Company Act and article 20 of the Article of Association, the company can choose not to keep legal reserve in this case.

【Attachment 6】

**Holy Stone Enterprise Co., Ltd.
Articles of Associations Revision Chart**

Article	Amended Provision	Current Provision	Notes
Article 13	<p>The company shall have <u>seven to eleven</u> directors. The board of directors is authorized to determine the number of directors. The abovementioned board of directors must have at least three independent directors, and must not be less than one-fifth of the total members. The election of directors adopts the candidate nomination system of Article192-1 of the Company Act. Shareholders shall appoint candidates from the list of nominated directors for a term of three years and may be re-elected.</p> <p>The acceptance method and announcement of the nomination of director candidates shall be handled in accordance with the Company Act, the Securities and Exchange Act and other relevant laws and regulations.</p> <p>The nomination, election and appointment of independent directors and other matters to be complied with shall be handled in accordance with relevant regulations of the competent authority.</p> <p>The election of directors shall be handled in accordance with Article 198 of the Company Act. Independent directors and non-independent directors shall be elected together, and the elected quota shall be calculated separately.</p>	<p>The company shall have <u>seven to nine</u> directors. The board of directors is authorized to determine the number of directors. The abovementioned board of directors must have at least three independent directors, and must not be less than one-fifth of the total members. The election of directors adopts the candidate nomination system of Article192-1 of the Company Act. Shareholders shall appoint candidates from the list of nominated directors for a term of three years and may be re-elected.</p> <p>The acceptance method and announcement of the nomination of director candidates shall be handled in accordance with the Company Act, the Securities and Exchange Act and other relevant laws and regulations.</p> <p>The nomination, election and appointment of independent directors and other matters to be complied with shall be handled in accordance with relevant regulations of the competent authority.</p> <p>The election of directors shall be handled in accordance with Article 198 of the Company Act. Independent directors and non-independent directors shall be elected together, and the elected quota shall be calculated separately.</p>	<p>In accordance to the operational needs of the company's development.</p>

	<p>More than half of the members among the directors shall not have the following relationships:</p> <ol style="list-style-type: none"> 1. Spouse 2. Relative within second degree 	<p>More than half of the members among the directors shall not have the following relationships:</p> <ol style="list-style-type: none"> 3. Spouse 4. Relative within second degree 	
Article 22	<p>These Articles of Association is stipulated on 6th May, 1981. 1st revision ~29th revision (etc.) 30th Revision was made on 2022.05.27 <u>31th Revision was made on 2023.05.30</u></p>	<p>These Articles of Association is stipulated on 6th May, 1981. 1st revision ~29th revision (etc.) 30th Revision was made on 2022.05.27 <u>New</u></p>	<p>Number and dates of new revisions</p>

【Attachment 7】

Holy Stone Enterprise Co., Ltd.

Rules of Procedure for Annual Shareholders Meeting Revision Chart

Article	Amended Provision	Current Provision	Notes
Article 1	<p><u>Adjusted to the second article.</u></p> <p><u>In order to establish a sound shareholder meeting governance system, strengthen the supervisory function and enhance management capabilities, these rules have been formulated in accordance to Article 5 of the Corporate Governance Best Practice Principle for TWSE/TPEX Listed Companies for compliance purpose.</u></p>	<p>Shareholders Meeting of the company shall be conducted in accordance with the Articles of Association as well as relevant laws and regulations, unless otherwise stated, shall follow this Rules of Procedure for Annual Shareholders Meeting.</p> <p><u>New.</u></p>	<p>1. The original article has been adjusted to the second article.</p> <p>2. Clearly specify the legal basis of these rules.</p>
Article 2	<p>The <u>Rules of Procedure for Annual Shareholders Meeting</u> of the company <u>shall be governed by the articles</u> of these rules, except where otherwise provided by laws or the company's Article of Association.</p>	<p>Shareholders attending the meeting shall submit the attendance card for the purpose of signing in.</p> <p>The number of shares present shall be calculated by adding the attendance card and the number of shares with electronic voting rights.</p> <p><u>Originally Article 1</u></p>	<p>1. The original article has been adjusted to the second article.</p> <p>2. Clearly specify the legal basis of these rules.</p>
Article 3	<p>Unless otherwise stipulated by laws and regulations, the shareholders meeting of the company shall be</p>	<p>Unless otherwise stipulated by laws and regulations, the shareholders meeting of the company shall be</p>	<p>1. In response to the company's</p>

	<p>convened by the board of directors.</p> <p><u>Any changes to the method of convening of the shareholders meeting shall be resolved by the board of directors and shall be made no later than before the notice of the shareholders meeting is sent out.</u></p> <p><u>The company shall, 30 days before the annual shareholders meeting or 15 days before the extraordinary meeting, prepare and transmit electronically to MOPS the notice of the shareholders meeting, the forms of authorization, the agenda and explanatory materials for each proposal, including proposals for recognition, discussion, election or removal of directors. Furthermore, 21 days before the annual shareholders meeting or 15 days before the extraordinary meeting, the meeting manual and supplemental materials shall be prepared as electronic files and transmitted to MOPS. However, if this company's paid-in capital exceeds NT\$10 billion or the foreign and mainland China shareholder holdings listed in the shareholders' roster at the most recent fiscal year exceed 30% in total, the transmission of the abovementioned electronic files shall be completed 30 days before the annual shareholders meeting.</u></p>	<p>convened by the board of directors.</p> <p><u>New</u></p> <p><u>Attendance and voting at the shareholders meeting shall be calculated on the basis of shares.</u></p> <p><u>New</u></p>	<p>ability to hold shareholder meetings though virtual conferencing , the second and fourth paragraph of this article have been added.</p> <p>2. In accordance with legal provisions, the third clause and clauses five to twelve have been added to this article.</p>
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	<p><u>15 days before the shareholders meeting, the shareholders meeting manual and supplemental materials shall be prepared and made available for shareholders to consult at any time and shall be displayed at the company and at the professional shareholder service agency appointed by the company.</u></p> <p><u>The agenda and supplemental material of the abovementioned shall be provided for shareholders to refer to by the company in the following ways on the days of the shareholders meeting:</u></p> <p><u>1. when convening a physical shareholders meeting, it shall be distributed on-site.</u></p> <p><u>2. when convening a hybrid shareholders meeting, it shall be distributed on-site and sent as an electronic file to the video conference platform.</u></p> <p><u>3. when convening a virtual shareholders meeting, it shall be sent as an electronic file to the video conference platform.</u></p> <p><u>Notice and announcement should state the purpose of the convocation. If agreed by the counterparties, the notice may be delivered electronically.</u></p> <p><u>The election or removal of directors, amendment of the Article of Association, reduction of capital, application for termination of public offering, approval of director's non-competition, capital increase</u></p>	<p><u>New</u></p> <p><u>New</u></p> <p><u>New</u></p>	
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	<p><u>by earnings or capitalization of surplus, dissolution, merger, split or any of the matters stipulated in Article 185-1 of the Company Act, Article 26-1 and 43-6 of the Securities and Exchange Act, Article 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be listed in the convocation with a description of their main content and cannot be proposed by special motions.</u></p> <p><u>The convocation of the shareholders meeting has stated the reason for the complete re-election of the directors and the date of assuming office. After the completion of the election at the shareholders meeting, the date of assuming office cannot be changed again by special motion or any other means in the same meeting.</u></p> <p><u>Shareholders holding more than one percent of the total issued shares may proposed one agenda item for the annual shareholders meeting. If there are more than one proposal, they will not be included in the agenda. In addition, if the proposal falls under any of the circumstance listed in Article 172-1-4 of the Company Act, the board of directors may decide not to include it in the agenda.</u></p> <p><u>Shareholders may propose advisory proposals to urge the company to enhance public</u></p>	<p><u>New</u></p> <p><u>New</u></p> <p><u>New</u></p>	
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	<p><u>interests or fulfill social responsibilities, and the procedure shall be governed by the relevant articles of Article 172-1 of the Company Act, and shall be limited to one proposal. If there are more than one proposal, they will not be included in the agenda.</u></p> <p><u>Before the convening of the shareholders meeting, the company shall announce the acceptance of shareholders' proposals, the method of acceptance in writing or electronically, the place and period of acceptance, and the suspension of stock transfer date. The acceptance period shall not be less than 10 days.</u></p> <p><u>The proposal submitted by a shareholder shall be limited to 300 words. If it exceeds 300 words, it will not be included in the agenda. The shareholder who submits the proposal shall attend the shareholders meeting in person or authorize someone to attend and participate in the discussion of the proposal.</u></p> <p><u>Prior to the notice of the shareholders meeting, the company shall inform the proposing shareholder of the result of the proposal review and include the proposals that comply with this provision in the meeting notice. The board of directors shall explain the reasons for not including the proposal of a shareholder who did not have</u></p>	<p><u>New</u></p> <p><u>New</u></p> <p><u>New</u></p>	
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	<u>their proposal included in the agenda at the shareholders meeting.</u>		
Article 4	<p><u>Adjusted to Article 5-1</u></p> <p>Shareholders may issue a power of attorney issued by the company at each shareholders meeting, specifying the scope of authorization, entrusting a proxy to attend the shareholders meeting.</p> <p>A shareholder shall issue a power of attorney and have entrusted only one person. It shall be delivered to the company 5 days before the shareholders meeting. If there are duplicates of the power of attorney, the one that is served first shall prevail. However, the person who declares to revoke the former delegate is not limited to this.</p> <p>After the power of attorney is delivered to the company, shareholders who wish to attend the shareholders meeting in person or exercise their voting rights in writing or electronically shall notify the company in writing of revocation of proxy two days before the shareholders meeting; in case of overdue revocation, the voting rights that have been entrusted to attend and exercise shall prevail.</p> <p><u>After submitting the proxy form to the company, if a shareholder wishes to attend the shareholders</u></p>	<p>The meeting shall be held at the head office of the company or at any other appropriate place that is convenient for the shareholders to attend. The time to start the meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m.</p> <p>Shareholders may issue a power of attorney issued by the company at each shareholders meeting, specifying the scope of authorization, entrusting a proxy to attend the shareholders meeting.</p> <p>A shareholder shall issue a power of attorney and have entrusted only one person. It shall be delivered to the company 5 days before the shareholders meeting. If there are duplicates of the power of attorney, the one that is served first shall prevail. However, the person who declares to revoke the former delegate is not limited to this.</p> <p>After the power of attorney is delivered to the company, shareholders who wish to attend the shareholders meeting in person or exercise their voting rights in writing or electronically shall notify the company in writing of revocation of proxy two days before the shareholders meeting; in case of overdue revocation, the voting rights that have been entrusted to attend and exercise shall prevail.</p> <p><u>New</u></p>	<p>1. The first paragraph of this article is adjusted to the first paragraph of Article 5.</p> <p>2. In response to the company's ability to hold shareholders meetings through virtual conferencing, the fourth paragraph of this article is added.</p>

	<p><u>meeting via virtual conference, they should notify the company in writing of the revocation of the proxy at least 2 days prior to the meeting. If the revocation is made after the deadline, the voting rights exercised by the proxy agent shall prevail.</u></p>		
Article 5	<p><u>Adjusted to Article 7-1</u></p> <p><u>Adjusted to Article 7-4</u></p> <p><u>(The principle of the location and time for convening a shareholder's meeting)</u></p> <p>The meeting shall be held at the head office of the company or at any other appropriate place that is convenient for the shareholders to attend. The time to start the meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m.</p>	<p>The chairman of the board of directors shall be the chairman presiding at the meeting in the case that the meeting is convened by the boards of directors. If for any reason, the chairman of the board of directors cannot preside at the meeting, the vice chairman of the board of directors shall preside; if there is no vice chairman or the vice chairman also takes leaves or is unable to exercise his functions and powers for some reason, the chairman of the board shall designate a director to act as an agent.</p> <p>If the shareholders meeting is convened by a person with the right to convene other than the board of directors, the chairman of the meeting shall be the person with the right to convene; when there are two or more persons with the right to convene, one person shall be elected from each other to serve as the chairman of the meeting.</p> <p><u>Originally Article 4-1</u></p>	<p>1. The original first and second paragraph of Article 5 have been respectively adjusted to the first paragraph of Article 7 and the fourth paragraph of Article 4.</p> <p>2. The original first paragraph of Article 4 has been adjusted to become the first paragraph of this article.</p> <p>3. In response to the company's ability to hold shareholders meetings though</p>

	<p><u>When the company convenes a virtual shareholders meeting, it is not limited by the location mentioned in the preceding paragraph.</u></p>	<p><u>New</u></p>	<p>virtual conferencing , the second paragraph of this article is added.</p>
Article 6	<p><u>Adjusted to Article 7-5</u></p> <p><u>Adjusted to Article 17-1</u></p> <p><u>(Preparation of signature book and other documents)</u></p> <p><u>The company shall specify the registration time, registration location and other matters to be noted in the meeting notice for shareholders, solicitors and proxy agents. (hereinafter referred to as shareholders) when convening a meeting.</u></p> <p><u>The registration time for shareholders in the preceding paragraph shall be at least 30 minutes before the start of the meeting; the registration location shall be clearly marked and staffed by capable personnel. For virtual shareholders meetings, shareholders who complete registration on the virtual meeting platform 30 minutes before the start of the meeting shall be deemed to have attended the meeting in person.</u></p> <p><u>Shareholder shall attend the shareholders meeting with their attendance certificate, attendance</u></p>	<p>The company may assign appointed lawyers, accountants or related personnel to attend the shareholders meeting as nonvoting delegates. Personnel handling the shareholders meeting should wear identification cards or armbands.</p> <p><u>New</u></p> <p><u>New</u></p>	<p>1. The first paragraph of the original article has been adjusted to the fifth paragraph of the seventh article; the second paragraph has been adjusted to the first paragraph of the seventeenth article.</p> <p>2. In accordance with legal regulation, the first and fourth paragraph of this article have been amended and revised.</p> <p>3. In response to the company's ability to</p>

	<p><u>card or other attendance documents. Solicitors who are required to provide solicitation shall also bring their identification documents for verification. The company shall set up a signature book for shareholders to sign in, or shareholders may submit their attendance card for proxy attendance.</u></p> <p><u>The company shall provide the following meeting materials to the attending shareholders, including the agenda, annual report, attendance certificate speech slip, ballot paper and other meeting documents. If there is an election for directors (including independent directors), and election ballot shall be included separately. When the shareholder is a government agency or legal entity, there is no limit on the number of representative(s) who can attend the shareholders meeting.</u> When a legal person is entrusted to attend the shareholders meeting, the legal person may only appoint one representative to attend the meeting.</p> <p><u>Shareholders who wish to attend the shareholders meeting via virtual conference, shall register with the company no later than 2 days prior to the meeting.</u></p> <p><u>If a shareholders meeting is held via virtual conferencing, the company shall upload the agenda, annual report and other relevant materials to the virtual</u></p>	<p><u>New</u></p> <p><u>Originally Article 12-1 (merged)</u></p> <p><u>New</u></p> <p><u>New</u></p>	<p>hold shareholders meetings through virtual conferencing , the fifth and sixth paragraph of this article is added.</p>
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	<u>conferencing platform no later than 30 minutes prior to the start of the meeting, and disclose them continuously until the end of the meeting.</u>		
Article 6-1	<p><u>(Inclusion of information in notice of convening a virtual conference shareholders meeting)</u></p> <p><u>If the company convenes a shareholders meeting via virtual conferencing, the notice of convening the meeting shall include the following information:</u></p> <p><u>1.The method for shareholders to participate in the virtual conference and exercise their rights.</u></p> <p><u>2.The handling methods in the event of obstacles to the virtual conferencing platform or participation via virtual conferencing due to natural disasters, incidents or other force majeure events, which shall include at least the following matter:</u></p> <p><u>(1) In the event that the obstacles mentioned above cannot be resolved and the meeting needs to be postponed or continue, the time for the postponed or continued meeting and the date for the continuation of the meeting shall be determined.</u></p> <p><u>(2) Shareholders who did not register to participate in the original shareholders meeting via virtual</u></p>	<u>This article is newly added.</u>	1. In response to the company's ability to hold shareholders meetings though virtual conferencing , this article is added.

conference are not allowed to participate in the postponed or continued meeting.

(3) In the event that a hybrid shareholders meeting cannot be continued, after deducting the number of shares of the shareholders who participated in the original meeting via virtual conference, if the total number of shares represented at the meeting reaches the legally required quorum for the shareholders meeting, the meeting shall continue, and shareholders may participate via virtual conference. The number of shares represented by the participating shareholders shall be counted towards the total number of the shares represented at the meeting. The participating shareholders shall be deemed to have abstained from voting on all matters on the agenda of the shareholders meeting.

(4) The handle method if all agenda items have been announced with their results and no special motion have been made yet.

3. When convening a virtual conference shareholders meeting, appropriate

	<u>alternatives measures shall be provided for shareholders who have difficulty participating in the meeting via virtual conference, and such measure shall be clearly stated.</u>		
Article 7	<p><u>Adjusted to Article 8-1</u></p> <p><u>Adjusted to Article 8-2</u></p> <p><u>(Chairman of the shareholders meeting, attendees)</u></p> <p>The chairman of the board of directors shall be the chairman presiding at the meeting in the case that the meeting is convened by the boards of directors. If for any reason, the chairman of the board of directors cannot preside at the meeting, the vice chairman of the board of directors shall preside; if there is no vice chairman or the vice chairman also takes leaves or is unable to exercise his functions and powers for some reason, the chairman of the board shall designate a director to act as an agent.</p> <p><u>The abovementioned chairman shall be a director who has served for at least six months and</u></p>	<p>The company shall record and video record the shareholders' reporting process, and the voting and vote counting process continuously and uninterruptedly from the time of accepting the shareholder's report.</p> <p>The audio and video materials in the preceding paragraph shall be kept for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Act, the abovementioned materials shall be kept until the end of the lawsuit.</p> <p><u>Originally Article 5-1</u></p> <p><u>New</u></p>	<ol style="list-style-type: none"> 1. The original article has been adjusted to the first and second paragraph of the eighth article. 2. The first and second paragraph of the original fifth article and the first paragraph of the sixth article have been adjusted to this article. 3. In accordance with legal regulations, the second and third paragraph of this article have been added.

	<p><u>understands the financial and business status of the company, appointed by a proxy of the board of directors. If the chairman is also the representative of a corporate director, the same applies.</u></p> <p><u>The shareholders meeting convened by the board of directors should be presided over by the chairman in person, and at least one representative from the board of directors and various functional committee representing more than half of the board of directors should attend. The attendance should be recorded in the minutes of the shareholders meeting.</u></p> <p>If the shareholders meeting is convened by a person with the right to convene other than the board of directors, the chairman of the meeting shall be the person with the right to convene; when there are two or more persons with the right to convene, one person shall be elected from each other to serve as the chairman of the meeting.</p> <p>The company may assign appointed lawyers, accountants or related personnel to attend the shareholders meeting as nonvoting delegates.</p>	<p><u>New</u></p> <p><u>Originally Article 5-2</u></p> <p><u>Originally Article 6-1</u></p>	
Article 8	<p><u>Adjusted to Article 9-1</u></p> <p><u>Adjusted to Article 9-2 to 9-4</u></p>	<p>Attendance at the shareholders meeting shall be calculated on the basis of shares. The number of shares present shall be calculated based on the signature book of the sign-in card, plus the number of shares for which voting rights are exercised in writing or electronically.</p> <p>When it's time for meeting, the</p>	<p>1. The original article has been adjusted to the ninth article.</p> <p>2. In response to the company's</p>

	<p><u>Adjusted to Article 9-5</u></p> <p><u>(Recording or video recording of the shareholders meeting proceedings as evidence)</u></p> <p>The company shall record and video record the shareholders' reporting process, and the voting and vote counting process continuously and uninterruptedly from the time of accepting the shareholder's report.</p> <p>The audio and video materials in the</p>	<p>chairman shall announce the meeting immediately, and at the same time announce relevant information such as the number of non-voting rights and the number of shares attended.</p> <p>When shareholders representing more than half of the total number of issued shares are not present, the chairman may announce the postponement of the meeting, and the number of postponements shall be limited to two times, total delay time shall not exceed one hour. If the number of shareholders who represent more than one third of the total number of issued shares is present after two delays, the resolution may be deemed false in accordance with Article 175-1 of the Company Act, and the resolution shall be notified to all shareholders, another shareholders meeting shall be convened within one month.</p> <p>Before the end of the current meeting, if the number of shares represented by shareholders present has reached more than half of the total number of shares issued, the chairman may re-submit the false resolution for voting in the shareholders meeting in accordance to Article 174 of the Company Act.</p> <p><u>Originally Article 5-1</u></p> <p><u>Originally Article 5-2</u></p>	<p>ability to hold shareholders meetings though virtual conferencing, the third and fourth paragraph of this article is added.</p>
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	<p>preceding paragraph shall be kept for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Act, the abovementioned materials shall be kept until the end of the lawsuit.</p> <p><u>If the shareholders meeting is held via virtual conference, the company should record and keep track of the shareholders' registration, check-in, questioning, voting and vote counting results. The entire video conference should also be continuously recorded without interruption.</u></p> <p><u>The preceding data and audio/video recordings shall be properly preserved by the company during its existence, and the video/ audio recording shall be provided to the entrusted personnel responsible for handling video conference affairs for safekeeping.</u></p>	<p><u>New</u></p> <p><u>New</u></p>	
Article 9	<p><u>Adjusted to Article 10-1</u></p> <p><u>Adjusted to Article 10-2</u></p>	<p>If the shareholders meeting is convened by the board of directors, its agenda shall be determined by the board of directors, and relevant proposals (including interim motions and amendments to original proposals) shall be adopted on a case-by-case basis. The meeting should be held in accordance to the schedule agenda and shall not be changed without the resolution of the shareholders meeting.</p> <p>If the shareholders meeting is convened by a person other than the board of directors who has the right to convene, the provision of the</p>	<p>1. The original article has been adjusted to Article 10.</p> <p>2. The original Article 8 has been adjusted to this article.</p> <p>3. In response to the company's ability to hold shareholders</p>

	<p><u>Adjusted to Article 10-3</u></p> <p><u>Delete</u></p> <p>Attendance at the shareholders meeting should be based on the number of shares held. The number of shares present shall be calculated based on the signature book, attendance card submitted <u>and the number of shares reported on the virtual conferencing platform.</u> In addition, the number of shares exercise through <u>written</u> or electronic voting shall be counted.</p> <p>When it's time for meeting, the chairman shall announce the meeting immediately, and at the same time announce relevant information such as the number of non-voting rights and the number of shares attended.</p> <p>However, if less than half of the total issued shares are represented by the attending shareholders, the chairman may announce a postponement of the meeting. The postponement can only be done twice, and the total postponement time should not exceed one hour. <u>If after the second postponement, still less than one-third of the total issued shares are represented by attending shareholders, the chairman shall declare the meeting adjourned. If the shareholders meeting is held</u></p>	<p>preceding paragraph shall apply mutatis mutandis.</p> <p>Before the proceedings (including provisional motions) are concluded, the chairman shall not declare the meeting adjourned without a resolution.</p> <p><u>After the meeting is adjourned, unless otherwise stated by law, shareholders shall not elect another chairman to continue the meeting at the original address or at another venue.</u></p> <p><u>Originally Article 8-1</u></p> <p><u>Originally Article 8-2</u></p> <p><u>Originally Article 8-3</u></p>	<p>meetings though virtual conferencing , the first, third and fourth paragraph of this article is revised.</p>
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	<p><u>Adjusted to Article 11-4</u></p> <p>If the shareholders meeting is convened by the board of directors, its agenda shall be determined by the board of directors, and relevant proposals (including interim motions and amendments to original proposals) shall be adopted on a case-by-case basis. The meeting should be held in accordance to the schedule agenda and shall not be changed without the resolution of the shareholders meeting.</p> <p>If the shareholders meeting is convened by a person other than the board of directors who has the right to convene, the provision of the preceding paragraph shall apply mutatis mutandis.</p> <p>Before the proceedings (including provisional motions) are concluded, the chairman shall not declare the meeting adjourned without a resolution; <u>if the chairman violated the Rules of Procedure and declares an adjournment, other members of the board of directors should promptly assist shareholders in attendance to elect a new chairman in accordance with the legal procedures, with a majority vote, to continue the meeting.</u></p>	<p>inconsistent with the record of the speech in the speech slip, the content of the speech shall prevail.</p> <p>When a shareholder speaks, other shareholders shall not interfere with their speech except with the consent of the chairman and the speaking shareholder, violators shall be ceased by the chairman.</p> <p><u>Originally Article 9-1</u></p> <p><u>Originally Article 9-2</u></p> <p><u>Originally Article 9-3</u></p> <p><u>Originally Article 14</u></p>	<p>this article has been revised.</p> <p>3. The original Article 14 has been merged into the fourth paragraph of this article.</p>
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	<p>The chairman shall give full explanations and opportunities to discuss proposals and amendments or interim motions proposed by shareholders. If it is deemed that the proposal or the amendments have reached the point where it can be voted, the chairman may declare that the discussion has ceased, and put it into a vote, and arrange a suitable time for voting.</p>		
<p>Article 11</p>	<p><u>(Shareholder Speech)</u></p> <p>Before performing a speech in the shareholders meeting, a speech slip must be filed in, stating the gist of the speech, the shareholders' account number (or attendance certificate number) and account name, and the chairman shall determine the order of the speeches.</p> <p>Attended shareholders who forwarded a speech slip but did not speak are deemed to have not spoken. If the content of the speech is inconsistent with the record of the speech in the speech slip, the content of the speech shall prevail.</p> <p>Each shareholder shall speak no more than two times without the consent of the chairman for the same proposal, and each time shall not exceed five minutes.</p> <p><u>Only if</u> a shareholder's speech violates the provisions of the preceding paragraph or exceeds the scope of the agenda, the chairman may stop him or her from speaking.</p> <p>When a shareholder speaks, other shareholders shall not interfere with their speech except with the consent</p>	<p><u>Originally Article 10-1</u></p> <p><u>Originally Article 10-1</u></p> <p>Each shareholder shall speak no more than two times without the consent of the chairman for the same proposal, and each time shall not exceed five minutes.</p> <p>If a shareholder's speech violates the provisions of the preceding paragraph or exceeds the scope of the agenda, the chairman may stop him or her from speaking.</p> <p><u>Originally Article 10-2</u></p>	<p>1. The original Article 10 has been adjusted to the first, second and fourth paragraph of this article.</p> <p>2. The second paragraph of the original Article 12 has been adjusted to the fifth paragraph of this article. The original Article 13 has been adjusted to the sixth paragraph of this article.</p> <p>3. In response to the company's ability to</p>

	<p>of the chairman and the speaking shareholder, violators shall be ceased by the chairman.</p> <p>When a legal person shareholder appoints two or more representatives to attend the shareholders meeting, only one person may speak on the same proposal.</p> <p>After attending shareholders' speeches, the chairman may reply in person or by designated relevant personnel.</p> <p><u>For the shareholders meeting conducted via virtual conference, shareholders who participated via virtual conference may ask questions in writing on the virtual conference platform during the period from the announcement of the meeting by the chairman until the announcement of adjournment. Each question on each agenda item may not exceed two times and 200 words each time, and is not subject to the articles of the first to fifth items.</u></p>	<p><u>Originally Article 12-2</u></p> <p><u>Originally Article 13</u></p> <p><u>New</u></p>	<p>hold shareholders meetings though virtual conferencing , the seventh paragraph of this article is added.</p>
<p>Article 12</p>	<p><u>Adjusted to latter part of Article 6-4</u></p> <p><u>Adjusted to Article 11-5</u></p> <p><u>(Calculation of Voting Shares, Recusal System) The voting at the shareholders meeting should be based on the number of shares</u></p>	<p>When a legal person is entrusted to attend the shareholders meeting, the legal person may only appoint one representative to attend the meeting.</p> <p>When a legal person shareholder appoints two or more representatives to attend the shareholders meeting, only one person may speak on the same proposal.</p> <p><u>New</u></p>	<p>1. The original article has been respectively adjusted to the latter part of the fifth paragraph of Article 6 and the fifth paragraph of Article 11.</p> <p>2. In accordance</p>

	<p><u>held by the shareholders.</u></p> <p><u>The resolution of the shareholders meeting shall not include the number of shares held by shareholders without voting rights in the total number of issued shares.</u></p> <p><u>Shareholders who have conflicts of interest with respect to matters under discussion at the meeting that may be detrimental to the interests of the company shall not participate in the vote and shall not exercise their voting rights on behalf of other shareholders. The shares that are not allowed to vote shall not be included in the total number of voting shares of the present shareholders.</u></p> <p><u>Except for trust enterprise or shareholder services agents approved by the securities regulatory, when a person is entrusted by two or more shareholders at the same time, the voting rights exercised by the agent shall not exceed 3% of the total voting rights of the issued shares. If it exceeds the limit, the excess voting rights shall not be counted.</u></p>	<p><u>New</u></p> <p><u>New</u></p> <p><u>New</u></p>	<p>with legal regulation, this article has been added.</p>
<p>Article 13</p>	<p><u>Adjusted to Article 11-6</u></p> <p><u>Each share of a shareholder shall have one voting right, but those with restricted or no voting rights as specified in Article 179-2 of the Company Act are not subjected to this limitation.</u></p>	<p>After attending shareholders' speeches, the chairman may reply in person or by designated relevant personnel.</p> <p><u>New</u></p>	<p>1. The original article has been adjusted to the sixth paragraph of Article 11.</p> <p>2. In accordance</p>

	<p>When the company convenes a shareholders meeting, the voting rights shall be exercised electronically and may be exercised in writing; <u>if a shareholder exercises his or her voting rights in writing or electronically, the method of exercise shall be specified in the notice of the shareholders meeting.</u></p> <p><u>Shareholders who exercise their voting rights in writing or electronically shall be deemed to have attended the shareholders meeting in person. However, in the case of a special motion and the amendment of the original proposal at the shareholders meeting, such shareholders shall be deemed to have waived their voting rights, therefore, the company should avoid proposing special motions and amendments to the original proposal at the shareholders meeting.</u></p> <p><u>The preceding paragraph refers to the exercise of voting rights by written or electronic means, shareholders who exercise their voting rights in this way should indicated their intention to the company no later than two days before the shareholders meeting. In the event of multiple indications of intention, the earliest one will prevail; however, this does not apply to indications of intentions that are later revoked.</u></p> <p><u>After shareholders exercise their voting rights in writing or</u></p>	<p><u>Originally Article 17-1</u></p> <p><u>New</u></p> <p><u>New</u></p>	<p>with legal regulations, the first to fifth paragraph of this article have been added and revised.</p> <p>3. The first to third paragraph of the original Article 17 have been respectively adjusted to the second, fifth and sixth paragraph of this article.</p> <p>4. The first and second paragraph of the original Article 15 have been respectively adjusted to the seventh and eighth paragraph of this article.</p> <p>5. In response to the company's ability to hold shareholder</p>
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	<p>chairman shall consolidate the original proposal and determine the order of the voting. Of one of the motions has been passed, the other motions are deemed to be rejected and no further voted are required.</p> <p>The scrutineer and vote-counter for a resolution or election proposal shall be appointed by the chairman, but the scrutineer shall have the identity of a shareholder.</p> <p>Counting of votes for votes or election proposals at the shareholders meeting shall be done in a public place at the shareholders meeting; votes should be counted immediately, voting results shall be announced on the spot, including the statistical weights; records shall be made.</p> <p><u>During the virtual conference shareholder meeting held by the company, shareholders who participate via virtual conferencing should vote on various proposals and election items through the virtual conferencing platform after the chairman announces the start of the meeting, and they should complete their voting before the chairman announces the end of the voting period. Failure to do so on time will be deemed as abstention. For shareholders meeting held via virtual conference, the votes should be counted at once after the chairman announces the end of the voting period, and the results of the voting and election should be</u></p>	<p><u>Originally Article 15-1</u></p> <p><u>Originally Article 15-2</u></p> <p><u>New</u></p> <p><u>New</u></p> <p><u>New</u></p>	
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	<p><u>announced.</u></p> <p><u>When the company holds a hybrid shareholders meeting, shareholders who have registered to attend the meeting via virtual conferencing in accordance with Article 6 and wish to attend the physical shareholder meeting in person should revoke their registration in the same manner as their registration at least 2 days before the meeting. If the revocation is not made within the time limit, the shareholder may only attend the meeting via virtual conferencing.</u></p> <p><u>If a shareholder has exercised their voting rights in writing or electronically and has not revoked their intention, and participates in the shareholders meeting via virtual conferencing, except for the special motion, they may not exercise their voting rights on the original proposal, propose amendments to the original proposal, or exercise their voting rights on the amendments to the original proposal.</u></p>	<p><u>New</u></p>	
<p>Article 14</p>	<p><u>Adjusted to Article 10-4</u></p>	<p>The chairman shall give full explanations and opportunities to discuss proposals and amendments or interim motions proposed by shareholders. If it is deemed that the proposal or the amendments have reached the point where it can be voted, the chairman may declare that the discussion has ceased, and put it into a vote, and arrange a suitable time for voting.</p>	<p>1. The original article has been merged into the fourth paragraph of Article 10.</p> <p>2. The third paragraph of the original Article 15</p>

	<p>When electing directors during the shareholders meeting, the election shall be handled in accordance with relevant regulations set by the company; the result of the election shall be announced immediately, including the list of elected directors and their electoral rights as well as the un-elected directors and their electoral rights.</p> <p><u>The election ballots for the abovementioned election items should be properly sealed and signed by the scrutineer and kept secure, and kept for at least one year. However, if a lawsuit is filed by a shareholder pursuant to Article 189 of the company, they should be kept until the end of the lawsuit.</u></p>	<p><u>Originally Article 15-3</u></p> <p><u>New</u></p>	<p>has been adjusted to the first paragraph of this article.</p> <p>3. In accordance with legal regulation, the second paragraph of this article has been added.</p>
<p>Article 15</p>	<p><u>Adjusted to Article 13-7</u></p> <p><u>Adjusted to Article 13-8</u></p> <p><u>Adjusted to Article 14-1</u></p>	<p>The scrutinizer and vote counters for the voting on proposals <u>or election items</u> shall be appointed by the chairman, but the scrutinizer should be a shareholder.</p> <p>Counting of votes for votes or election proposals at the shareholders meeting shall be done in a public place at the shareholders meeting; votes should be counted immediately, voting results shall be announced on the spot, including the statistical weights; records shall be made.</p> <p>When electing directors during the shareholders meeting, the election shall be handled in accordance with relevant regulations set by the company; the result of the election shall be announced immediately, including the list of elected directors</p>	<p>1. The first and second paragraph of the original article have been adjusted to the seventh and eighth paragraph of Article 13 respectively. The third paragraph has been adjusted to the first paragraph of Article 14.</p> <p>2. In</p>

	<p>Resolutions of the shareholders meeting shall be made into minutes, which shall be signed or sealed by the chairman and should be distributed to all shareholders within 20 days after the meeting. The production and distribution of the minutes may be done electronically. For the distribution of the minutes of the preceding paragraph, the company may enter the announcement of the MOPS website as the source of distribution. The minutes of the meeting shall be recorded in accordance to the year, month, day, venue, name of the chairman, method of resolution, essentials of the proceedings and the voting results (including statistical weights) of the meeting. When directors are elected, the number of votes obtained by each candidate shall be disclosed. The minutes shall be kept throughout the existence of the Company.</p> <p><u>For a shareholders meeting held via virtual conference, in addition to the items that should be recorded according to the preceding paragraph, the minutes should also include the start and end times of the meeting, the method of convening the meeting, the names of the chairman and the record keeper, and the handling method and situation in the event of obstacles to the virtual conferencing platform or participation via virtual</u></p>	<p>and their electoral rights as well as the un-elected directors and their electoral rights.</p> <p>Resolutions of the shareholders meeting shall be made into minutes, which shall be signed or sealed by the chairman and should be distributed to all shareholders within 20 days after the meeting. The production and distribution of the minutes may be done electronically.</p> <p>For the distribution of the minutes of the preceding paragraph, the company may enter the announcement of the MOPS website as the source of distribution.</p> <p>The minutes of the meeting shall be recorded in accordance to the year, month, day, venue, name of the chairman, method of resolution, essentials of the proceedings and the voting results (including statistical weights) of the meeting. When directors are elected, the number of votes obtained by each candidate shall be disclosed. The minutes shall be kept throughout the existence of the Company.</p> <p><u>New</u></p>	<p>accordance with legal regulation, the fourth and fifth paragraph of this article have been added.</p>
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	<p><u>conference due to natural disasters, incidents, or other force majeure circumstances.</u></p> <p><u>When the company convenes a virtual shareholders meeting, in addition to complying with the articles of the preceding paragraph, the minutes of the meeting should also specify alternative measures provided to shareholders who encounter difficulties in participating in the shareholders meeting via virtual conferencing.</u></p>		
Article 16	<p><u>Adjusted to Article 18-1</u></p> <p><u>Adjusted to Article 18-1 and 18-3</u></p> <p><u>(Public Announcement)</u></p> <p><u>The number of shares solicited by the solicitor, the number of shares represented by the proxy, and the number of shares attended by shareholders in writing or electronically should be compiled into a statistical table in the prescribed format and clearly displayed at the meeting venue on the day of the shareholders meeting. If the shareholders meeting is held via virtual conference, the company should upload the abovementioned information to the virtual conference platform at least 30</u></p>	<p>During the meeting, the chairman may announce a break at his discretion.</p> <p><u>In case of</u> the event of force majeure, the chairman may decide to suspend the meeting, and depending on the situation, announce the time of the continuation of the meeting, or postpone or continue the meeting within five days <u>or</u> upon the resolution of the shareholders meeting.</p> <p><u>New</u></p>	<p>1. The first paragraph of the original article has been adjusted to the first paragraph of Article 18. The second paragraph has been adjusted to the first and third paragraph of Article 18.</p> <p>2. In accordance with legal regulations and in response to the company's ability to</p>

	<p><u>minutes before the meeting begins and continue to disclose it until the end of the meeting. When the company announces the start of the virtual conference for the shareholders meeting, the total number of shares represented by attending shareholders should be disclosed on the virtual conference platform. If the total number of shares and voting rights represented by attending shareholders is calculated during the meeting, the same disclosure should be made.</u></p> <p><u>If the resolutions of a shareholders meeting involve important information that is required by laws and regulations or the Taiwan Stock Exchange Corporation's regulations, the company should transmit the content to MOPS within the specified timeframe.</u></p>	<p><u>New</u></p>	<p>hold shareholders' meeting via virtual conference, this article has been added.</p>
<p>Article 17</p>	<p><u>Adjusted to Article 13-2</u></p> <p><u>Adjusted to Article 13-5</u></p>	<p>When the company convenes a shareholders' meeting, the voting rights shall be exercised electronically and may be exercised in writing. The exercise method and related matters shall be handled in accordance with the Company Act and other relevant laws and regulations.</p> <p>Unless otherwise stipulated in the Company Act and the Articles of Association of the company, the voting on the resolution shall be passed with the consent of more than half of the voting rights of the shareholders present. When voting, the chairman or his designee shall</p>	<p>1. The original article has been adjusted to the second, fifth and sixth paragraph of Article 13.</p> <p>2. The second paragraph of the original Article 6 has been adjusted to the first</p>

	<p><u>Adjusted to Article 13-6</u></p> <p><u>Delete</u></p> <p><u>(Maintenance of Order at the Venue)</u></p> <p>Personnel handling the shareholders meeting should wear identification cards or armbands.</p> <p>The chairman may direct the pickets (or security personnel) to assist in maintaining order in the venue. When the picket (or security personnel) is present to assist in maintaining order, armband with “picket” should be wore and presented.</p> <p><u>If there is a public address system available at the venue, the chairman may prohibit shareholders from speaking through equipment not provided by the company.</u></p> <p><u>If a shareholder violates the rules of procedure, disobeys the chairman's correction, and</u></p>	<p>announce the total number of voting rights of the shareholders present on a case-by-case basis, and then the shareholders shall vote on a case-by-case basis. And on the day after shareholders meeting, the results of shareholders’ approval, objection and abstention shall be entered into the MOPS website.</p> <p>When there are amendments or alternatives to the same motion, the chairman shall consolidate the original proposal and determine the order of the voting. Of one of the motions has been passed, the other motions are deemed to be rejected and no further voted are required.</p> <p>No discussion or voting shall be conducted for non-motions.</p> <p><u>Originally Article 6-2</u></p> <p><u>Originally Article 18</u></p> <p><u>New</u></p> <p><u>New</u></p>	<p>paragraph of this article.</p> <p>3. The original Article 18 has been adjusted to the second paragraph of this article.</p> <p>4. In accordance with legal regulations, the third and fourth paragraph has been added.</p>
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	<p><u>continues to disrupt the meeting despite being warned to stop, the chairman may direct inspectors or security personnel to remove the shareholder from the venue.</u></p>		
Article 18	<p><u>Adjusted to Article 17-2</u></p> <p><u>(Breaks, Resumption of the Meeting)</u></p> <p>During the meeting, the chairman may announce a break at an appropriate time. In the event of an uncontrollable situation, the chairman may temporarily suspend the meeting and announce the time for resumption depending on the situation.</p> <p><u>If the venue for the meeting cannot be used as scheduled before the agenda set for the shareholders meeting is completed (including any special motions), the shareholders meeting may pass a resolution to find another venue to continue the meeting.</u></p> <p>The shareholders meeting may, <u>in accordance with Article 182 of the Company Act</u>, pass a resolution to postpone or resume the meeting within 5 days.</p>	<p>The chairman may direct the pickets (or security personnel) to assist in maintaining order in the venue. When the picket (or security personnel) is present to assist in maintaining order, armband with “picket” should be wore and presented.</p> <p><u>Originally Article 16-1 and 16-2</u></p> <p><u>Originally Article 16-2</u></p>	<p>1. The original article has been adjusted to the second paragraph of Article 17.</p> <p>2. In accordance with legal regulations, the second and third paragraph of the article have been amended and revised.</p>
Article 19	<p><u>Adjusted to Article 23</u></p>	<p>These rules shall come into force after the resolution of the shareholders meeting, and the same shall apply to amendments.</p> <p>This regulation was established on</p>	<p>1. In response to the company’s ability to hold</p>

	<p><u>(Disclosure of Information in Virtual Conferences)</u></p> <p><u>If a shareholders meeting is held via virtual conference, the company shall disclose the voting results and election results of each agenda item on the virtual conference platform immediately after the voting ends as required by regulations. The disclosure shall continue for at least 15 minutes after the chairman announces the adjournment of the meeting.</u></p>	<p>April 8, 1998. The first to sixth revisions (omitted). The 7th revision was made on 2021.07.21</p> <p><u>New</u></p>	<p>shareholders meetings through virtual conferencing , this article is added.</p>
Article 20	<p><u>(Location of Chairman and Recorder in Virtual Shareholders Meeting)</u></p> <p><u>When the company holds a virtual shareholders meeting, the chairman and recorder should be located in the same place within the country, and the chairman should announce the address of the location at the beginning of the meeting.</u></p>	<p><u>New</u></p>	<p>Ibid</p>
Article 21	<p><u>(Handling of Disconnection)</u></p> <p><u>If a shareholder meeting is held via virtual conferencing, if there is a natural disaster, unforeseen event, or other force majeure circumstance that cause a disruption in the virtual conferencing platform or participants to join via virtual conferencing for a continuous period of 30 minutes or more</u></p>	<p><u>New</u></p>	<p>Ibid</p>

before the chairman announces the adjournment, the meeting should be postponed or continued within 5 days; Article 182 of the Company Act do not apply.

Shareholders who did not register to participate in the original shareholders meeting via virtual conferencing shall not be allowed to participate in the postponed or resumed meeting.

Shareholders who have registered and completed the check-in process to participate in the original shareholders' meeting via virtual conferencing, but did not participate in the postponed or continued meeting in accordance with the article of the preceding paragraph, shall have their shareholding, exercised voting rights, and election rights at the original shareholders meeting counted towards the total number of shares, voting rights, and election rights of the shareholders attending the postponed or continued meeting.

In the case of postponing or continuing a shareholders meeting in accordance with the article of the first paragraph, for proposals that have already been voted on and the votes have been counted, and the voting results or the list of elected directors have been announced, there is no need for further discussion or resolution.

In the event that the first circumstance of inability to

continue the virtual conference occurs during the hybrid shareholders meeting, if the total number of shares represented at the meeting still meets the legal quorum after deducting the shares represented through virtual conference attendance, the meeting shall continue without the need to postpone or reconvene the meeting according to the first paragraph.

In the event of the circumstances mentioned in the preceding paragraph, if the total number of shares present still reaches the statutory quorum required for convening a shareholders meeting after deducting the number of shares represented by shareholders attending the meeting via virtual conferencing, the meeting shall continue without the need to postpone or reconvene the meeting in accordance with the provisions of the preceding paragraph. Shareholders who attend the meeting via virtual conferencing in such circumstances shall be counted towards the total number of shares present, but their votes shall be deemed abstentions for all matters considered at the meeting.

When the company postpones or continues a meeting according to the first paragraph, relevant preparatory work shall be handled in accordance with Article 44-20(7) of the Regulations

	<p><u>Governing the Administration of Shareholder Services of Public Companies based on the original shareholders meeting date.</u></p> <p><u>The company shall handle related preparations in accordance with the date of the postponed or continued shareholders meeting as specified in the first paragraph in accordance with Article 12, the latter half, and Article 13-3 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5-2, Article 44-15, and Article 44-17-1 of the Regulations Governing the Administration of Shareholder Service of Public Companies.</u></p>		
Article 22	<p><u>(Dealing with Digital Divide)</u></p> <p><u>When the company holds a virtual shareholders meeting, appropriate alternative measures should be provided for shareholders who have difficulty attending the meeting through virtual conferencing.</u></p>	<u>New</u>	Ibid
Article 23	<p>These rules shall come into force after the resolution of the shareholders meeting, and the same shall apply to amendments.</p> <p>This regulation was established on 1998.04.08.</p> <p>The 1st to 6th revisions (omitted).</p> <p>The 7th revision was made on 2021.07.21</p> <p><u>The 8th revision was made on 2023.05.30</u></p>	<p><u>Originally Article 19</u></p> <p><u>New</u></p>	<p>1.Reordering of article number, originally numbered as Article 19.</p> <p>2.Add revision to the number of items and dates.</p>

【Attachment 8】

Holy Stone Enterprise Co., Ltd.
List of Independent Director Candidates

2023.04.01

N U M B E R	Candidate Title	Name	Number of Shares Holding	Academic Qualifications	Working Experiences	Positions Currently Held	The reason for continuing to nominate as an independent director for the third consecutive term
1	Independent Director	Jen-Wei Ko	0	1. Master of Business at University of Southern California 2. Bachelor of Accounting at National Taiwan University	1. CPA, Audit Manager, Deloitte & Touché 2. Financial Manager, Dell Enterprise Co., Ltd. In Netherlands	1. Chairman, Co-Founder, Financial Manager, Cheetahasia Inc. 2. CPA, Weyong International CPAs & Co. 3. Director, Chief Consultant Co., Ltd. 4. Independent Director, Air Asia Co., Ltd. 5. Independent Director, Wiltrom Co., Ltd.	N