

Stock Code: 3551



世禾科技股份有限公司
Shih-Her Technologies Inc.

Annual Meeting of Shareholders for 2023 Agenda Handbook

(Summary Translation– In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

Date: June 7, 2023

Venue: 5F., No. 18, Renzheng Rd., Hukou Township, Hsinchu County
(Conference Room of the Company)

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I. Meeting Procedures

Shih - Her Technologies Inc.

Annual Meeting of Shareholders for 2023 Meeting Procedures

1. Chairman Calls Meeting to Order
2. Chairman's Remarks
3. Report Items
4. Ratification Items
5. Discussion Items
6. Extempore Motions
7. Adjournment

II. Agenda

Shih-Her Technologies Inc.

Annual Meeting of Shareholders for 2023

Meeting Agenda

Date: June 7, 2023

Venue: 5F., No. 18, Renzheng Rd., Hukou Township, Hsinchu County
(Conference Room of the Company)

Type: In-Person Meeting

1. Chairman Calls Meeting to Order (Reports equity shares in attendance)

2. Chairman's Remarks

3. Report Items

- (1) 2022 Business Report
- (2) 2022 Audit Committee Review Report
- (3) Report on 2022 Directors' Remuneration
- (4) Report on 2022 Employees' Remuneration
- (5) Report on the distribution of cash dividends for 2022
- (6) Report on the distribution of capital reserve in cash
- (7) Report on the execution of the repurchase of the Company's shares

4. Ratification Items

- (1) 2022 Business Report and Financial statement
- (2) 2022 Earnings Distribution

5. Discussion Items

Amendment to the Rules of Procedure for Shareholders Meetings

6. Extempore Motions

7. Adjournment

III. Report Items

1. 2022 Business Report

Description:

Please refer to Annex 1, P.7-8 of the handbook, for the 2022 Business Report.

2. 2022 Audit Committee Review Report

Description:

Please refer to Annex 2, P.9 of the handbook, for the 2022 Audit Committee Review Report.

3. Report on 2022 Directors' Remuneration

Description:

1. According to Article 18 of the Company's Articles of Incorporation, the company shall, based on the profit of the current year (i.e., pre-tax profit before deducting the distribution of employee and director remuneration), deduct accumulated profits and losses, and if there is a remaining balance, allocate no less than 3% for employee remuneration and no more than 3% for director remuneration.
2. The company shall distribute 2022 director remuneration accounting for 2.20% of the net profit after tax, totaling NT\$ 8,000,000 to be distributed in cash.

Unit: NT\$1,000

Title	Name	Director remuneration and bonus								The combined total of items A, B, C, and D represents the percentage of net profit after tax.	
		Remuneration (A)		Retirement and pension payments (B)		Director remuneration (C) (Note1)		Business operating expenses (D)			
		The Company	All companies included int the financial statement	The Company	All companies included int the financial statement	The Company	All companies included int the financial statement	The Company	All companies included int the financial statement	The Company	All companies included int the financial statement
Chairman	CHEN,HSUEH-SHEN	0	0	0	0	2,000	2,000	15	15	0.55	0.55
Director	GUAN LIN INVESTMENT CORPORATION LIMITED Rept.: CHERN,SHYUE-JER	0	0	0	0	1,000	1,000	18	18	0.28	0.28
Director	KANG,CHENG-HSIUNG	0	0	0	0	470	470	6	6	0.13	0.13
Director	CHENG,CHIH-FA	0	0	0	0	1,000	1,000	15	15	0.28	0.28
Director	JHANG,CHUN-RONG	0	0	0	0	1,000	1,000	27	27	0.28	0.28
Independent Director	SUNG,YI-PO	0	0	0	0	470	470	15	15	0.13	0.13
Independent Director	CHIA, CHAO-YI	0	0	0	0	1,000	1,000	39	39	0.29	0.29
Independent Director	GONG,SHUANG-SYONG	0	0	0	0	530	530	24	24	0.15	0.15
Independent Director	LIN,KAI	0	0	0	0	530	530	24	24	0.15	0.15

4. Report on 2022 Employee' Remuneration

Description:

1. According to Article 18 of the Company's Articles of Incorporation, the company shall, based on the profit situation of the current year (i.e., pre-tax profit before deducting the distribution of employee and director remuneration), deduct accumulated profits and losses, and if there is a remaining balance, allocate no less than 3% for employee remuneration and no more than 3% for director remuneration.
2. The company shall distribute 2022 employee remuneration accounting for 11.01% of the net profit after tax, totaling NT\$ 40,000,000 to be distributed in cash.

5. Report on the distribution of cash dividends for 2022

Description:

1. In accordance with Article 18-1 of the Company's Articles of Incorporation, the Board of Directors resolved to distribute cash dividends with a total amount of NT\$ 67,484,268, at NT\$ 1.2 per share.
2. The cash distribution will be calculated to the nearest dollar, with amounts less than one dollar rounded down. The fractional amounts will be adjusted in descending order of decimal digits and the account numbers from front to back until the total cash distribution amount is met.
3. The Board of Directors is authorized to determine the ex-dividend reference date and other related matters. If the company's share capital changes affecting the number of outstanding shares, causing the dividend rate to change and requiring adjustment, the Board of Directors is fully authorized to handle it.

6. Report on the distribution of capital reserve in cash

Description:

1. In accordance with Article 18-1 of the Company's Articles of Incorporation, the Board of Directors resolved to distribute cash to shareholders from the capital reserve arising from the issuance of shares at a premium, with a total amount of NT\$ 112,473,780, at NT\$ 2.0 per share.
2. The cash distribution will be calculated to the nearest dollar, with amounts less than one dollar rounded down. The fractional amounts will be adjusted in descending order of decimal digits and the account numbers from front to back until the total cash distribution amount is met.
3. The Board of Directors is authorized to determine the ex-dividend reference date and other related matters. If the company's share capital changes affecting the number of outstanding shares, causing the dividend rate to change and requiring adjustment, the Board of Directors is fully authorized to handle it.

7. Report on the execution of the repurchase of the Company's shares

Description:

1. The cumulative number of shares held by the Company up to now is 538,000 shares, and the relevant information is set forth below:

Buyback Period	3 rd time
Purpose of Buyback	Transfer to employees
Buyback Period	2022/11/10~2023/01/07
Expected Buyback Quantity	Common share 1,500,000 shares
Buyback Interval Price (NT\$)	35.00~65.00
Number of Shares Repurchased	Common share 538,000 shares
Total amount of shares bought back	31,330,384 dollars
Average Buyback Price per Share	58.23 dollars
Number of shares cancelled and transferred	0 shares
Cumulative number of shares held by the Company	538,000 shares
Ratio of the cumulative number of shares held to the total number of shares issued by the Company	0.95%

2. Please refer to Annex 5, P.27-28 of the handbook, for the Share Repurchase and Transfer Procedure-the 2nd Time of the Company.

IV. Ratification Items

Motion 1 by the Board

Adoption of 2022 Business Report and Financial statement

Description:

- (1). The financial statements and the business report for 2022 have been submitted to the Audit Committee for audit, of which the financial statements have been audited by CPA CHEN CHEN-QIEN and HUANG YONG-HUA of KPMG Taiwan.
- (2). Please refer to Annex 1 (P. 7-8) and Annex 3 (P.10-25) of the handbook for the 2022 Business Report, CPA Audit Report and the Financial Statements.
- (3). Please proceed to adopt.

Resolution:

Motion 2 by the Board

Adoption of 2022 Earnings Distribution

Description:

- (1). The company's unallocated earnings at the beginning of 2022 are NT\$ 1,608,036,206. Adding the after-tax net profit of NT\$ 363,156,019 this period and the remeasurement of defined benefit plans recognized in retained earnings of NT\$ 1,728,007, minus legal reserve of NT\$ 36,488,402, plus the reversal of special reserve of NT\$ 30,540,560, the total amount available for distribution is NT\$ 1,966,972,390.
- (2). The company's earning distribution table for 2022 has been approved by the board of directors and submitted to the audit committee for verification. Please refer to Annex 4, P.26 of the handbook for the profit distribution table.
- (3). Please proceed to adopt.

Resolution:

V. Discussion Items

Motion 1 by the Board

Discussion of the Amendment to " Rules of Procedure for Shareholders Meetings"

Description:

- (1). In accordance with the regulations set forth in the letter No. Jin-Guan-Zhen-Jiao-1110133385 dated March 7, 2022 by the Financial Supervisory Commission, the company has amended the provisions of " Rules of Procedure for Shareholders Meetings ".
- (2). For the comparison table of the company's " Rules of Procedure for Shareholders Meetings" before and after the amendment, please refer to Annex 6, P. 29-46 of the handbook.
- (3). Please discuss.

Resolution:

VI. Extempore Motions

Adjournment

Shih-Her Technologies Inc.
2022 Business Report

The COVID-19 pandemic has driven global digital transformation, bolstering long-term applications such as 5G, AI, HPC, and automotive. This, in turn, has sustained the growth momentum of the global semiconductor market from 2021 into 2022. However, the Russo-Ukrainian war, inflation, and accelerated interest rate hikes in the United States have impacted demand for electronic terminals, leading to a decline in the second half of 2022. Consequently, the consumer market has slowed, resulting in a lower than anticipated growth rate for the semiconductor market in 2022, with only marginal growth for the entire year. As semiconductor clients continue to expand production, the demand for cleaning and regeneration treatment of related equipment components also increases. Our company provides high-quality cleaning and regeneration services, optimizing the product portfolio, which has led to a continuous rise in revenue and operating profit.

I. 2022 Operating Results

(1) Results of implementing the business plan

Unit: NT\$1,000

Item	2022	2021	+/-Amount	+/-%
Operating revenue	2,392,764	2,136,895	255,869	11.97
Gross profit	888,941	763,623	125,318	16.41
Operating Margin	445,787	416,898	28,889	6.93
Net income after tax	363,156	407,061	(43,905)	(10.79)

(2) Budget execution status

In accordance with current laws and regulations, our company did not disclose financial forecasts for 2022.

(3) Financial revenue and expenditure analysis and profitability analysis

Item		2022	2021
Financial Structure	Debt to assets ratio (%)	28.93	27.02
	Long-term capital to fixed assets ratio (%)	157.96	166.72
Solvency	Current ratio (%)	218.98	250.80
	Quick Ratio (%)	199.57	234.02
Profitability	Return on Assets (%)	8.01	9.65
	Return on equity (%)	10.93	13.16
	Net income before tax to paid-in capital ratio (%)	83.69	86.85
	Net Profit Rate (%)	15.18	19.05
	Earnings per share after tax (NT\$)	6.40	7.16

(4) Research and development status

In addition to actively enhancing our cleaning and regeneration processing technology, our company remains committed to collaborating with customers and original manufacturers in the development and innovation of advanced process equipment materials and workpiece cleaning. This effectively extends the life of customers' equipment components and significantly reduces costs, positioning our company as a high-quality supplier of full spectrum precision component cleaning and regeneration services.

R&D Projects	Main Purpose
1.ALD Coating for Y2O3 & Al2O3	Develop ALD coating technology to reduce porosity and increase adhesion, improving customers' production yield and extending the life of workpieces.
2.ESC debound and bound	Develop ESC debound & bound to help customers reduce costs and enhance our company's competitiveness.

II. Outline of 2022 business plan

(1) Operating policy

Our unwavering goal is to provide customers with superior cleaning and regeneration processing products while continually innovating advanced semiconductor process technology. In line with our semiconductor customers' plans for continuous expansion of advanced processes, we offer exceptional cleaning and regeneration processing services and adopt the following strategies in response to changing circumstances:

1. Continuously promote the establishment of smart factories, provide real-time production quality analysis, optimize production capacity analysis to enhance efficiency, and build high-quality, efficient, and competitive factories.
2. Expand collaboration with original manufacturers and customers, jointly innovate R&D cleaning and regeneration processing technology, and strengthen cost advantages.
3. Continue to grow our cleaning and regeneration processing business in mainland China, intensify cooperation with regional partners, and increase market share.

(2) Important production and marketing policies

1. We continuously introduce automated production equipment to strengthen operational efficiency, improve the quality of our cleaning and regeneration processing services, and reduce workpiece return times. Additionally, we optimize our product portfolio, increasing the revenue share from advanced semiconductor process industry cleaning and regeneration processing.
2. Optimize product portfolio, increase revenue share of advanced semiconductor process industry cleaning and regeneration processing.

III. Future Development Strategy

In a high inflation environment, the recovery momentum of consumer electronics products is limited, and high inventory levels at the customer end require time to be digested. As a result, the semiconductor industry is expected to experience a downturn in the first half of 2023. Besides continuing to provide high-quality cleaning and regeneration processing services, our company will also promote energy-saving equipment updates, establish energy-efficient and carbon-reducing smart factories, collaborate with customers on advanced semiconductor process cleaning technology development, and support semiconductor manufacturers' expansion plans. This includes increasing production equipment, advanced process cleaning capacity, and expanding market share and profit levels.

IV. Impacted by external competitive, regulations, and the overall operating environment

Regarding the external competitive environment, our company actively addresses clients' customized cleaning needs and strengthens its unique position to maintain a competitive advantage. In terms of the regulatory environment, the "Climate Change Response Act" and "2050 Net Zero Emissions" have been enacted, and the Financial Supervisory Commission has set a timeline for listed companies to complete their carbon audits. In response, our company will establish a sustainable promotion organization. Considering the overall operating environment, factors such as the COVID-19 pandemic, inflation and interest rate hikes, and the US-China tech war have increased market and supply chain uncertainties, affecting our company's revenue realization and operating costs. We will enhance our technical capabilities to address the impacts of these environmental changes.

Faced with headwinds in the international economic situation, countries have revised their economic growth rates for the coming year downward, resulting in significant uncertainty in the global economic outlook. Our company will continue to monitor the overall economic situation and clients' status, adjust business strategies in a timely manner, strengthen cooperation with clients and suppliers, improve cleaning and regeneration treatment quality, and reduce production costs to generate profits.

We would like to express our gratitude to all shareholders for their long-term support and encouragement of the company. The management team and all employees will continue to work diligently to deliver sustained profit and growth for our shareholders.

Best Regards

Chairman: CHEN,HSUEH-SHEN President: CHERN,SHYUE-JER CAO: LIN,CHIN-YUAN

Audit Committee Review Report

The board of directors has submitted the company's business report, financial statements, and earnings distribution proposal for 2022. The financial statements (including parent company only and consolidated financial statements) have been audited by CPA CHEN CHEN-QIEN and HUANG YONG-HUA of KPMG Taiwan, and an unqualified audit report has been issued. The above-mentioned business report, financial statements, and earnings distribution proposal have been reviewed by the audit committee, and no discrepancies were found. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, the report is presented as above. Please review and evaluate it.

Shih-Her Technologies Inc.

To: 2023 Shareholders' Meeting

Audit Committee Convenor:

CHIA, CHAO-YI

March 14, 2023



安侯建業聯合會計師事務所

KPMG

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Independent Auditors' Report

To the Board of Directors of SHIH HER TECHNOLOGIES INC.:

Opinion

We have audited the financial statements of SHIH HER TECHNOLOGIES INC.(“the Company”), which comprise the balance sheets as of December 31, 2022 and 2021, and 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, 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 the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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. Key audit matters for the Company' s financial statements are stated as follows:

1. Impairment of account receivable

Please refer to Note 4(f) “Financial instruments” for the accounting policy of impairment of account receivable and refer to Note 6(c) of the financial statements for the details.



Description of key audit matter:

The Company engages in business primarily with clients which are involved in the manufacture of mold and electronic parts with credit term, which make the Company vulnerable to credit risk. The default of the client may lead to impairment loss of the receivables. The assessment of impairment loss involves subjective judgments of the management, which is the major source of estimation uncertainty. Therefore, this whole matter needed to be taken into serious consideration.

How the matter was addressed in our audit:

Our principal audit procedures included: assessing whether the Company's impairment of accounts receivable has been set aside in accordance with the Company's policy, including inquiring from the management if they had identified the debtors who have financial difficulties; selecting a moderate number of samples from the account aging statements to ensure the accuracy of the statements, and understanding the reason on overdue accounts; assessing the uncollectable accounts receivable for the appropriateness of impairment assessment of accounts receivable; assessing the appropriateness and adequacy for doubtful accounts made by the management based on the subsequent collection of accounts receivable.

2. Revenue recognition

For the accounting policy regarding the revenue recognition, please refer to Note 4(n) Revenue from contracts with customers; for the details of revenue recognition and the explanation of revenue, please refer to Note 6(p) of the consolidated financial report.

Description of the key audit matter:

The Company is engaged in the cleaning and maintenance of semiconductor equipment, photoelectric equipment and more. The timing of the recognition of operating revenues is based on the transaction terms in the contract with the customers, and given consideration to the special industry characteristic the Company is in, the sales revenue comes from multiple operation, therefore, our auditors deem this as one of the key audit matters.

How the matter was addressed in our audit:

Our principal procedures include: examining the sales contracts and evaluating revenue recognition policies based on the contract terms; observing the design of internal controls regarding sale transactions, as well as performing sample testing to confirm its effectiveness; performing adjustment analysis of all receipts and account records for a particular customer, or sample testing individual sales transactions and matching them against the respective customer purchase order, delivery slips and account records etc.; selecting transactions and making before and after period end as samples to inspect the transaction terms, delivery slips, and customer confirmation etc.; obtaining the details of the work in progress items, understanding its completion ratio calculation and evaluating the reasonableness of revenue recognition at the year end.



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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of 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.

Auditor's 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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the 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 statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and 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 auditor's 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 Cheng-Chien Chen and Yung Hua Huang.

KPMG

Taipei, Taiwan (Republic of China)

March 14, 2023

(English Translation of Financial Statements Originally Issued in Chinese)
SHIH HER TECHNOLOGIES INC.

Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2022		December 31, 2021		Liabilities and Equity		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 411,577	9	231,774	6	2100	Short-term borrowings (note 6(i))	\$ 40,000	1	-	-
1110	Financial assets at fair value through profit or loss-current (note 6(b))	30,216	1	225,892	5	2181	Notes and trade payable (including related parties) (note 7)	90,061	2	90,166	2
1170	Notes and trade receivable (including related parties), net (notes 6(c) and 7)	285,086	6	296,570	7	2201	Salaries payable	118,088	3	108,012	2
1200	Other receivables (including related parties) (note 7)	11,171	-	18,310	-	2230	Current tax liabilities	53,291	1	80,890	2
130X	Inventories (note 6(d))	105,565	2	79,076	2	2280	Lease liability-current (note 6(k))	36	-	144	-
1479	Other current assets	15,710	1	11,204	-	2305	Other current financial liabilities	18,742	1	25,393	-
		859,325	19	862,826	20	2320	Long-term liabilities, current portion (note 6(j))	111,143	2	66,325	2
						2399	Other current liabilities	202,387	4	200,729	5
								633,748	14	571,659	13
Non-current assets:						Non-Current liabilities:					
1550	Investments accounted for using the equity method (note 6(f))	1,934,916	42	1,969,264	46	2540	Long-term borrowings (note 6(j))	573,139	12	494,714	12
1600	Property, plant and equipment (notes 6(g) and 8)	1,635,482	35	1,425,039	33	2580	Non-current lease liabilities (note 6(k))	-	-	36	-
1755	Right-of-use assets (note 6(h))	47	-	189	-	2670	Other non-current liabilities (note 6(m))	2,989	-	218	-
1990	Other non-current assets (notes 6(l) and (m))	184,495	4	48,317	1			576,128	12	494,968	12
		3,754,940	81	3,442,809	80			1,209,876	26	1,066,627	25
						Total liabilities					
						Equity (note 6(n))					
						3110	Ordinary share	567,749	13	567,749	13
						3200	Capital surplus	469,586	10	611,523	14
						Retained earnings :					
						3310	Legal reserve	394,924	9	354,320	8
						3320	Special reserve	110,540	2	122,830	3
						3350	Unappropriated retained earnings	1,972,920	43	1,693,126	40
								2,478,384	54	2,170,276	51
						Other equity:					
						3400	Other equity	(80,000)	(2)	(110,540)	(3)
						3500	Treasury shares	(31,330)	(1)	-	-
						Total equity		3,404,389	74	3,239,008	75
Total assets		\$ 4,614,265	100	4,305,635	100	Total liabilities and equity		\$ 4,614,265	100	4,305,635	100

SHIH HER TECHNOLOGIES INC.**Statements of Comprehensive Income****For the years ended December 31, 2022 and 2021****(Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share)**

	2022		2021	
	Amount	%	Amount	%
4000 Sales revenue (notes 6(p) and 7)	\$ 1,804,287	100	1,571,294	100
5000 Operating costs (notes 6(d), (l), 7 and 12)	1,099,985	61	959,171	61
Gross profit from operations	704,302	39	612,123	39
Operating expenses (notes 6(c), (l), (q) and 12):				
6100 Selling expenses	125,289	7	121,400	8
6200 Administrative expenses	132,628	7	127,367	8
6300 Research and development expenses	33,932	2	26,902	2
6450 Reversal of impairment loss determined in accordance with IFRS 9	(70)	-	280	-
Total operating expenses	291,779	16	275,949	18
Net operating profit	412,523	23	336,174	21
Non-operating income and expenses:				
7010 Other income (note 6(r))	4,396	-	3,042	-
7020 Other gains and losses (notes 6(e) and (s))	8,482	1	71,915	5
7050 Finance costs (note 6(k))	(7,679)	-	(6,394)	-
7100 Interest income (note 7)	5,084	-	2,449	-
7070 Share of profit (loss) of associates, subsidiaries, and joint ventures accounted for using equity method (note 6(k))	21,383	1	81,341	5
Total non-operating income and expenses	31,666	2	152,353	10
Profit before income tax	444,189	25	488,527	31
7951 Less: Income tax expenses (note 6(m))	81,033	5	81,901	5
Profit	363,156	20	406,626	26
Other comprehensive income:				
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	1,727	-	(581)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
Components of other comprehensive income (loss) that will not be reclassified to profit or loss	1,727	-	(581)	-
8360 Item that may be reclassified subsequently to profit or loss				
8361 Exchange differences on translation of foreign financial statements	30,540	2	12,290	1
8300 Other comprehensive income (loss), net	32,267	2	11,709	1
Total comprehensive income	\$ 395,423	22	418,335	27
9750 Basic earnings per share (NT dollars) (note 6(o))	\$ 6.40		7.16	
9810 Diluted earnings per share (NT dollars) (note 6(o))	\$ 6.31		7.08	

SHIH HER TECHNOLOGIES INC.**Statements of Changes in Equity****For the years ended December 31, 2022 and 2021****(Expressed in Thousands of New Taiwan Dollars)**

	Retained earnings					Total other equity interest	Treasury shares	Total equity
	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements		
Balance at January 1, 2021	\$ 567,749	679,504	329,228	129,680	1,362,098	(122,830)	-	2,945,429
Profit	-	-	-	-	406,626	-	-	406,626
Other comprehensive income (loss)	-	-	-	-	(581)	12,290	-	11,709
Total comprehensive income (loss)	-	-	-	-	406,045	12,290	-	418,335
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	25,092	-	(25,092)	-	-	-
Special reserve appropriated	-	-	-	(6,850)	6,850	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(56,775)	-	-	(56,775)
Cash dividends from capital surplus	-	(68,130)	-	-	-	-	-	(68,130)
Difference between consideration and carrying amount of subsidiaries acquired	-	149	-	-	-	-	-	149
Balance at December 31, 2021	\$ 567,749	611,523	354,320	122,830	1,693,126	(110,540)	-	3,239,008
Profit	-	-	-	-	363,156	-	-	363,156
Other comprehensive income (loss)	-	-	-	-	1,727	30,540	-	32,267
Total comprehensive income (loss)	-	-	-	-	364,883	30,540	-	395,423
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	40,604	-	(40,604)	-	-	-
Special reserve appropriated	-	-	-	(12,290)	12,290	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(56,775)	-	-	(56,775)
Cash dividends from capital surplus	-	(141,937)	-	-	-	-	-	(141,937)
Purchase of treasury share	-	-	-	-	-	-	(31,330)	(31,330)
Balance at December 31, 2022	\$ 567,749	469,586	394,924	110,540	1,972,920	(80,000)	(31,330)	3,404,389

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
SHIH HER TECHNOLOGIES INC.

Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from (used in) operating activities:		
Profit before income tax	\$ 444,189	488,527
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	97,188	89,636
Amortization expense	29,690	22,032
Expected credit loss (reversal of provision)	(70)	280
Finance cost	7,679	6,394
Interest revenue	(5,084)	(2,449)
Share of (profit) loss of associates and joint ventures accounted for using equity method	(21,383)	(81,341)
Impairment loss on non-financial assets	3,792	826
Gain on disposal of non-current assets classified as held for sale	-	(71,984)
Others	2,806	(2,376)
Total adjustments to reconcile profit (loss)	114,618	(38,982)
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	192,870	(77,336)
Notes and trade receivables (including related party)	11,554	(18,739)
Other receivables (including related party)	7,139	16,224
Inventories	(26,489)	(20,652)
Other current assets	(2,779)	24,098
Notes and accounts payables	(105)	19,107
Other current liabilities	10,492	57,342
Total changes in operating assets and liabilities	192,682	44
Total adjustments	307,300	(38,938)
Cash inflow generated from operations	751,489	449,589
Interest received	-	1,560
Interest paid	(7,679)	(6,394)
Income taxes paid	(106,192)	(70,117)
Net cash flows from operating activities	637,618	374,638
Cash flows from (used in) investing activities:		
Acquisition of investments accounted for using equity method	-	(182,584)
Proceeds from capital reduction of investments accounted for using equity method	70,187	29,063
Dividends received from subsidiaries	16,084	5,890
Proceeds from disposal of non-current assets classified as held for sale	-	126,616
Acquisition of property, plant and equipment	(453,227)	(363,949)
Disposal of property, plant and equipment	-	448
Decrease(increase) in guarantee deposits paid	(7)	24,300
Decrease in other receivables due from related parties	-	92,640
Decrease(increase) in other non-current assets	(28,993)	3,972
Interest received	5,084	1,396
Net cash flows used in investing activities	(390,872)	(262,208)
Cash flows from (used in) financing activities:		
Increase in short-term loans	40,000	-
Proceeds from long-term debt	383,582	160,000
Repayments of long-term debt	(260,339)	(82,279)
Payment of lease liabilities	(144)	(145)
Cash dividends paid	(198,712)	(124,905)
Cost of increase in treasury stock	(31,330)	-
Net cash flows used in financing activities	(66,943)	(47,329)
Net increase in cash and cash equivalents	179,803	65,101
Cash and cash equivalents at beginning of period	231,774	166,673
Cash and cash equivalents at end of period	\$ 411,577	231,774



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Independent Auditors' Report

To the Board of Directors of SHIH HER TECHNOLOGIES INC.:

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

1. Impairment of account receivable

Please refer to Note 4(g) “Financial instruments” for the accounting policy of impairment of account receivable and refer to Note 6(c) of the consolidated financial statements for the details.



Description of key audit matter:

The Group engages in business primarily with clients which are involved in the manufacture of mold and electronic parts with credit term, which make the Group vulnerable to credit risk. The default of the client may lead to impairment loss of the receivables. The assessment of impairment loss involves subjective judgments of the management, which is the major source of estimation uncertainty. Therefore, this whole matter needed to be taken into serious consideration.

How the matter was addressed in our audit:

Our principal audit procedures included: assessing whether the Group's impairment of accounts receivable has been set aside in accordance with the Group's policy, including inquiring from the management if they had identified the debtors who have financial difficulties; selecting a moderate number of samples from the account aging statements to ensure the accuracy of the statements, and understanding the reason on overdue accounts; assessing the uncollectable accounts receivable for the appropriateness of impairment assessment of accounts receivable; assessing the appropriateness and adequacy for doubtful accounts made by the management based on the subsequent collection of accounts receivable.

2. Revenue recognition

For the accounting policy regarding the revenue recognition, please refer to Note 4(o) Revenue from contracts with customers; for the details of revenue recognition and the explanation of revenue, please refer to Note 6(r) of the consolidated financial report.

Description of the key audit matter:

The Group is engaged in the cleaning and maintenance of semiconductor equipment, photoelectric equipment and more. The timing of the recognition of operating revenues is based on the transaction terms in the contract with the customers, and given consideration to the special industry characteristic the Group is in, the sales revenue comes from multiple operation, therefore, our auditors deem this as one of the key audit matters.

How the matter was addressed in our audit:

Our principal procedures include: examining the sales contracts and evaluating revenue recognition policies based on the contract terms; observing the design of internal controls regarding sale transactions, as well as performing sample testing to confirm its effectiveness; performing adjustment analysis of all receipts and account records for a particular customer, or sample testing individual sales transactions and matching them against the respective customer purchase order, delivery slips and account records etc.; selecting transactions and making before and after period end as samples to inspect the transaction terms, delivery slips, and customer confirmation etc.; obtaining the details of the work in progress items, understanding its completion ratio calculation and evaluating the reasonableness of revenue recognition at the year end.

Other Matter

The Group has additionally prepared its parent-company-only financial statement as of and for the years ended December 31, 2022 and 2021, on which we have issued an unmodified opinion.



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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and 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.

Auditor's 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



6. Obtain sufficient 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 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 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 auditor's 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 Cheng-Chien Chen and Yung Hua Huang.

KPMG

Taipei, Taiwan (Republic of China)
March 14, 2023

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SHIH HER TECHNOLOGIES INC. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2022		December 31, 2021		Liabilities and Equity		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 1,022,583	21	919,878	21	2100	Short-term borrowings (note 6(k))	\$ 40,000	1	-	-
1110	Financial assets at fair value through profit or loss - current (note 6(b))	92,913	2	227,920	5	2170	Notes and trade payable	132,963	3	136,820	3
1170	Notes and trade receivable (including related party), net (notes 6(c) and 7)	457,286	10	474,659	11	2230	Current tax liabilities	80,425	2	99,121	2
130X	Inventories (note 6(d))	131,235	3	100,271	2	2280	Lease liability - current (note 6(m))	3,446	-	3,495	-
1476	Other financial assets (note 7)	2,299	-	1,448	-	2305	Other current financial liabilities	395,193	8	355,312	8
1479	Other current assets	22,060	-	16,158	-	2322	Long-term borrowings, current portion (note 6(l))	111,143	2	66,325	2
		<u>1,728,376</u>	<u>36</u>	<u>1,740,334</u>	<u>39</u>	2399	Other current liabilities	<u>26,129</u>	<u>1</u>	<u>32,850</u>	<u>1</u>
Non-current assets:							Non-Current liabilities:	<u>789,299</u>	<u>17</u>	<u>693,923</u>	<u>16</u>
1550	Investments accounted for using the equity method (note 6(f))	132,798	3	117,475	3	2540	Long-term borrowings (note 6(l))	573,139	12	494,714	11
1600	Property, plant and equipment (notes 6(g) and 8)	2,532,832	53	2,245,666	51	2570	Deferred tax liabilities (note 6(o))	16,529	-	-	-
1755	Right-of-use assets (note 6(h))	49,260	1	53,681	1	2580	Non-current lease liabilities (note 6(m))	2,305	-	5,751	-
1760	Investment property, net (note 6(i))	147,917	3	151,276	3	2670	Other non-current liabilities	<u>4,574</u>	<u>-</u>	<u>4,562</u>	<u>-</u>
1840	Deferred tax assets (note 6(o))	3,473	-	4,687	-		Total liabilities	<u>596,547</u>	<u>12</u>	<u>505,027</u>	<u>11</u>
1990	Other non-current assets (notes 6(j) and (n))	195,579	4	124,839	3		Equity attributable to owners of parent (note 6(p))	<u>1,385,846</u>	<u>29</u>	<u>1,198,950</u>	<u>27</u>
		<u>3,061,859</u>	<u>64</u>	<u>2,697,624</u>	<u>61</u>	3110	Ordinary shares	<u>567,749</u>	<u>12</u>	<u>567,749</u>	<u>13</u>
						3200	Capital surplus	<u>469,586</u>	<u>10</u>	<u>611,523</u>	<u>14</u>
							Retained earnings:				
						3310	Legal reserve	394,924	9	354,320	8
						3320	Special reserve	110,540	2	122,830	3
						3350	Unappropriated retained earnings	<u>1,972,920</u>	<u>41</u>	<u>1,693,126</u>	<u>38</u>
								<u>2,478,384</u>	<u>52</u>	<u>2,170,276</u>	<u>49</u>
							Other equity:				
						3400	Other equity	(80,000)	(2)	(110,540)	(3)
						3500	Treasury shares	(31,330)	(1)	-	-
							Total equity	<u>3,404,389</u>	<u>71</u>	<u>3,239,008</u>	<u>73</u>
							Total liabilities and equity	<u>\$ 4,790,235</u>	<u>100</u>	<u>\$ 4,437,958</u>	<u>100</u>
	Total assets	<u>\$ 4,790,235</u>	<u>100</u>	<u>4,437,958</u>	<u>100</u>						

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SHIH HER TECHNOLOGIES INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

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

		2022		2021	
		Amount	%	Amount	%
4000	Sales revenues (notes 6(r) and 7)	\$ 2,392,764	100	2,136,895	100
5000	Operating costs (notes 6(d) and 12)	1,503,823	63	1,373,272	64
5950	Gross profit from operations	888,941	37	763,623	36
	Operating expenses (notes 6(c), (s) and 12):				
6100	Selling expenses	194,008	8	187,751	9
6200	Administrative expenses	197,460	8	183,312	9
6300	Research and development expenses	64,492	3	40,177	2
6450	Reversal of impairment loss determined in accordance with IFRS 9	(12,806)	(1)	(64,515)	(3)
	Total operating expenses	443,154	18	346,725	17
6900	Net operating profit	445,787	19	416,898	19
	Non-operating income and expenses:				
7010	Other income (notes 6(t) and 7)	4,166	-	13,762	1
7020	Other gains and losses (notes 6(b), (e) and (u))	7,996	-	48,425	2
7050	Finance costs (note 6(m))	(8,019)	-	(6,635)	-
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method (note 6(f))	9,259	-	10,752	1
7100	Interest income	15,934	1	9,910	-
	Total non-operating income and expenses	29,336	1	76,214	4
7900	Profit before income tax	475,123	20	493,112	23
7950	Less: Income tax expenses (note 6(o))	111,967	5	86,051	4
8200	Profit	363,156	15	407,061	19
	Other comprehensive income:				
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	1,727	-	(581)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss	1,727	-	(581)	-
8360	Item that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	30,540	1	12,290	1
8300	Other comprehensive income (loss), net	32,267	1	11,709	1
	Total comprehensive income	\$ 395,423	16	418,770	20
	Profit , attributable to:				
	Owners of parent	\$ 363,156	15	406,626	19
	Non-controlling interests	-	-	435	-
		\$ 363,156	15	407,061	19
	Comprehensive income attributable to:				
	Owners of parent	\$ 395,423	16	418,335	20
	Non-controlling interests	-	-	435	-
		\$ 395,423	16	418,770	20
9750	Basic earnings per share (NT dollars) (note 6(q))	\$ 6.40		7.16	
9850	Diluted earnings per share (NT dollars) (note 6(q))	\$ 6.31		7.08	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SHIH HER TECHNOLOGIES INC. AND SUBSIDIARIES

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

	Equity attributable to owners of parent									
	Retained earnings					Total other equity interest	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements				
Balance at January 1, 2021	\$ 567,749	679,504	329,228	129,680	1,362,098	(122,830)	-	2,945,429	2,717	2,948,146
Profit	-	-	-	-	406,626	-	-	406,626	435	407,061
Other comprehensive income (loss)	-	-	-	-	(581)	12,290	-	11,709	-	11,709
Total comprehensive income (loss)	-	-	-	-	406,045	12,290	-	418,335	435	418,770
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	25,092	-	(25,092)	-	-	-	-	-
Special reserve appropriated	-	-	-	(6,850)	6,850	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(56,775)	-	-	(56,775)	-	(56,775)
Cash dividends from capital surplus	-	(68,130)	-	-	-	-	-	(68,130)	-	(68,130)
Difference between consideration and carrying amount of subsidiaries acquired	-	149	-	-	-	-	-	149	-	149
Changes in non-controlling interests	-	-	-	-	-	-	-	-	(3,152)	(3,152)
Balance at December 31, 2021	\$ 567,749	611,523	354,320	122,830	1,693,126	(110,540)	-	3,239,008	-	3,239,008
Profit	-	-	-	-	363,156	-	-	363,156	-	363,156
Other comprehensive income (loss)	-	-	-	-	1,727	30,540	-	32,267	-	32,267
Total comprehensive income (loss)	-	-	-	-	364,883	30,540	-	395,423	-	395,423
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	40,604	-	(40,604)	-	-	-	-	-
Special reserve appropriated	-	-	-	(12,290)	12,290	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(56,775)	-	-	(56,775)	-	(56,775)
Cash dividends from capital surplus	-	(141,937)	-	-	-	-	-	(141,937)	-	(141,937)
Purchase of treasury share	-	-	-	-	-	-	(31,330)	(31,330)	-	(31,330)
Balance at December 31, 2022	\$ 567,749	469,586	394,924	110,540	1,972,920	(80,000)	(31,330)	3,404,389	-	3,404,389

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SHIH HER TECHNOLOGIES INC. AND SUBSIDIARIES

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

	2022	2021
Cash flows from (used in) operating activities:		
Profit before income tax	\$ 475,123	493,112
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	194,890	164,539
Amortization expense	31,759	23,354
Expected credit loss (reversal of provision)	(12,806)	(64,515)
Net loss (gain) on financial assets at fair value through profit or loss	34	3,630
Finance cost	8,019	6,635
Interest revenue	(15,934)	(9,910)
Share of (profit) loss of associates and joint ventures accounted for using equity method	(9,259)	(10,752)
Loss on disposal of property, plant and equipment	181	1,390
Gain on disposal of non-current assets classified as held for sale	-	(71,984)
Loss (gain) on disposal of investments	2,735	(6,709)
Impairment loss on non-financial assets	3,792	18,421
Others	-	8
Total adjustments to reconcile profit (loss)	203,411	54,107
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	132,238	(21,614)
Notes and trade receivables	30,179	48,211
Other receivables	(851)	19,186
Inventories	(30,964)	(24,778)
Other current assets and others	(5,647)	27,589
Notes and accounts payable	(3,857)	(8,534)
Other current liabilities	28,140	65,482
Total changes in operating assets and liabilities	149,238	105,542
Cash inflow generated from operations	827,772	652,761
Interest paid	(8,019)	(6,635)
Income taxes paid	(119,333)	(78,921)
Net cash flows from operating activities	700,420	567,205
Cash flows from (used in) investing activities:		
Proceeds from disposal of investments accounted for using equity method	-	2,865
Proceeds from disposal of non-current assets classified as held for sale	-	126,616
Acquisition of property, plant and equipment	(555,889)	(511,464)
Disposal of property, plant and equipment	-	1,136
Decrease (increase) in guarantee deposits paid	(77)	24,266
Decrease (increase) in other non-current assets	2,796	(12,690)
Interest received	15,934	9,910
Net cash flows used in investing activities	(537,236)	(359,361)
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	40,000	(7,279)
Proceeds from long-term debt	383,582	160,000
Repayments of long-term debt	(260,339)	(82,279)
Increase (decrease) in guarantee deposits received	12	(230)
Payment of lease liabilities	(3,495)	(3,625)
Cash dividends paid	(198,712)	(124,905)
Cost of increase in treasury stock	(31,330)	-
Acquisition of non-controlling interests	-	(1,875)
Net cash flows used in financing activities	(70,282)	(60,193)
Effect of exchange rate changes on cash and cash equivalents	9,803	7,455
Net increase in cash and cash equivalents	102,705	155,106
Cash and cash equivalents at beginning of period	919,878	764,772
Cash and cash equivalents at end of period	\$ 1,022,583	919,878



Annex 4

Shih-Her Technologies Inc.

2022 Earnings Distribution Statement

Unit: NT\$

Item	Item Amount
Unallocated earnings at the beginning of the year	1,608,036,206
After-tax net profit of the current year	363,156,019
Remeasurement of defined benefit plans recognized in retained earnings	1,728,007
Unallocated earnings for the year	1,972,920,232
Less: 10% Legal reserve	(36,488,402)
Add: Reversal of special reserve (Note 1)	30,540,560
Earnings available for distribution	1,966,972,390
Less: Distribution items	
Shareholder dividends (Note 2)	
Stock 0 dollars	
Cash – NT\$1.2 per share	(67,484,268)
Unallocated earnings at the end of the term	1,899,488,122

Note 1: As of December 31, 2022, the accumulated balance of the conversion adjustment for the items deducted from shareholders' equity was a debit balance of NT\$ 79,999,656. As of December 31, 2022, the special surplus reserve recorded on the books was NT\$ 110,540,216. The difference of NT\$ 30,540,560 was reversed and recorded as a special reserve with Article 41, Paragraph 1 of the Securities and Exchange Act.

Note 2: Shareholder dividends are calculated based on the number of outstanding shares as of the last transfer date, 56,236,890 shares. (Issued shares 56,774,890 minus treasury shares 538,000)

Note 3: In this earnings distribution plan, a cash dividend of NT\$ 1.2 per share will be distributed, and an additional NT\$ 2.0 per share will be distributed from the capital reserve in cash, totaling NT\$ 3.2 per share.

Note 4: The total amount of this earnings distribution is prioritized based on the earnings of the 2022.

Shih-Her Technologies Inc.
Share Repurchase and Transfer Procedure-the 2nd time

Article 1: Purpose and Legal Basis

In order to motivate employees and enhance their loyalty, the Company has formulated the Share Repurchase and Transfer Procedure (hereinafter referred to as the "Procedure") in accordance with Article 28-2 of the Securities and Exchange Act and relevant regulations issued by the Financial Supervisory Commission, such as the "Regulations Governing Share Repurchases by Listed and OTC Companies." The repurchase and transfer of the Company's shares to employees shall be carried out in accordance with the Procedure and applicable laws and regulations.

Article 2: Types, Rights, and Limitations of Shares to be Transferred

The shares to be transferred to employees are common shares, with rights and obligations similar to other outstanding common shares, except as otherwise provided by law and this Plan.

Article 3: Transfer Period

The repurchased shares may be transferred to employees once or in multiple installments within five years from the date of repurchase, in accordance with the provisions of the Procedure.

Article 4: Eligibility of Transferees

Full-time employees of the Company who are still employed on the share subscription base date, or those who have made special contributions to the Company and are approved by the Board of Directors, are eligible to participate in this Plan. Eligible employees for the subscription include those who have been employed for at least one year before the subscription base date or those who have made special contributions to the Company and its subsidiaries and are approved by the Board of Directors (the term "subsidiary" refers to domestic and foreign companies directly or indirectly holding more than 50% of the voting shares of the Company, but does not include temporary employees, contract workers, interns, foreign laborers, and retired employees). They are entitled to subscribe according to the subscription amount set forth in Article 5 of the Procedure.

Article 5: Determination of the Number of Shares to be Transferred

The number of shares employees are eligible to subscribe for should take into account factors such as their positions, job levels, years of service, and special contributions to the company. The number of shares to be transferred to employees must also consider the total amount of repurchased shares held by the company as of the subscription base date and the maximum number of shares that can be subscribed for by a single employee. The actual subscription eligibility and subscription quantity will be determined by the Board of Directors. However, the list of subscribers with managerial positions must first be submitted to the Remuneration Committee for review before being presented to the Board of Directors for resolution. For those without managerial positions, the list must first be submitted to the Audit Committee for review before being presented to the Board of Directors for resolution. If an employee fails to subscribe and pay by the deadline, they will be deemed to have waived their rights. The remaining unsubscribed shares can be offered to other employees through the current or subsequent subscription processes within the transfer period specified in Article 3, and should be submitted to the Audit Committee or Remuneration Committee for review before being presented to the Board of Directors for resolution.

Article 6: Transfer Procedure

The procedure for transferring the repurchased shares to employees is as follows:

1. In accordance with the resolution of the Board of Directors, announce and report the repurchase of the Company's shares within the execution period.
2. The Board of Directors shall set and announce the employee subscription base date, subscription amount standards, subscription payment period, rights content, and restrictions according to this Plan.
3. Count the actual number of subscribed shares and complete the share transfer registration.

Article 7: Agreed Transfer Price per Share

The repurchased shares to be transferred to employees will be based on the average price of the actual repurchased shares as the transfer price. However, if there is an increase in the number of issued common shares before the transfer, the transfer price should be adjusted according to the issuance increase ratio. The transfer price adjustment formula is as follows: adjusted transfer price = average price of actual repurchased shares × (total number of common shares at the time of repurchase report ÷ total number of common shares before the transfer of repurchased shares to employees).

Article 8: Rights and Obligations after Transfer

After the transfer of the repurchased shares to employees and the completion of the transfer registration, the rights and obligations of the transferred shares are the same as the original shares, except as otherwise provided. The transfer of repurchased shares to employees may restrict employees from transferring the shares within two years from the date of the stock delivery.

Article 9: Other Matters

1. The taxes, fees, and expenses incurred in the transfer of shares according to this Plan shall be handled in accordance with the laws and the company's relevant procedures at the time of the transfer.
2. The Company reserves the right to adjust or discontinue the implementation of this Plan based on its overall profitability. The receiving employees are obligated to maintain confidentiality.
3. The treasury shares repurchased by the Company for transferring to employees that have not been transferred within the specified period shall be treated as unissued shares of the Company and shall be canceled and deregistered according to the law.
4. Employees who resign between the subscription base date and the subscription payment deadline will lose their subscription eligibility.

Article 10:

The Proceure shall become effective upon approval by the Board of Directors and may be amended by the resolution of the Board of Directors.

Article 11:

The Proceure was established on November 8, 2022.
The Proceure was amended on December 27, 2022.

**Shih-Her Technologies Inc.
Comparison Table of Rules of Procedure for Shareholders Meetings
Before and After Revision**

Article	After	Before	Reason for Revision
Article 3	<p>Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.</p> <p><u>Changes to how the Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.</u></p> <p>The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or independent directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.</p> <p><u>This Corporate shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:</u></p> <p><u>1. For physical shareholders meetings, to be distributed on-site at the meeting.</u></p> <p><u>2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.</u></p> <p><u>3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.</u></p> <p>The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given</p>	<p>Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.</p> <p>The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or independent directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby. They shall also be distributed at the shareholder meeting.</p> <p>The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</p> <p>Election or dismissal of directors, amendments to the articles of incorporation, reduction of</p>	<p>1. To enable shareholders to be informed of any changes in the method of convening the shareholders' meeting, any changes to the method of convening the shareholders' meeting shall be resolved by the board of directors and made no later than before the mailing of the notice of the shareholders' meeting. Therefore, a new paragraph 2 is added.</p> <p>2. In response to the opening of publicly issued companies to hold shareholders' meetings via virtual meeting, the Company has different methods for holding shareholders' meetings, including physical meetings and virtual meeting. To facilitate shareholders, whether attending physical shareholders' meetings or participating in shareholders' meetings through virtual meeting, to review the shareholders' meeting handbook and supplementary materials on the day of the shareholders' meeting, paragraph 2 is amended and paragraph 4 is added.</p> <p>3. To coordinate with the regulations, the announcement method is adjusted.</p>

Article	After	Before	Reason for Revision
	<p>in electronic form. Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.</p> <p>(omitted below)</p>	<p>capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion; the main content can be placed on the website designated by the competent authority for securities or the Company, and the URL should be stated in the notice.</p> <p>(omitted below)</p>	
Article 4	<p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment. After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail. <u>If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>	<p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment. After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p>	<p>For shareholders who appoint a proxy to attend the shareholders' meeting, if the shareholder intends to attend the meeting via virtual meeting after the power of attorney has been delivered to the Company, the shareholder should notify the Company in writing to revoke the appointment two days before the meeting. Therefore, a new paragraph 4 is added.</p>
Article 5	<p>The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a</p>	<p>The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a</p>	<p>A new paragraph 2 is added to explicitly state that when the Company</p>

Article	After	Before	Reason for Revision
	<p>shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. <u>Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting. The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.</u></p>	<p>shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.</p>	<p>holds a virtual meeting shareholders' meeting, it is not restricted by the meeting location.</p>
<p>Article 6</p>	<p>The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, <u>solicitors and proxies (collectively "shareholders")</u> will be accepted, the place to register for attendance, and other matters for attention.</p> <p>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. <u>For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.</u></p> <p>Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification. The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished. When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting. <u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.</u> <u>In the event of a virtual shareholders meeting, the Company shall upload the meeting agenda</u></p>	<p>The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders will be accepted, the place to register for attendance, and other matters for attention.</p> <p>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.</p> <p>Shareholders or proxies (collectively "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification. The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished. When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</p>	<ol style="list-style-type: none"> 1. To clearly define the registration time and procedure for shareholders attending the meeting via virtual meeting, paragraph 2 is amended. 2. To align with the abbreviation of shareholders stipulated in paragraph 1, paragraph 3 is amended. 3. Shareholders intending to attend the meeting via virtual meeting should register with the Company two days before the meeting. Therefore, a new paragraph 7 is added. 4. To enable shareholders attending the meeting via virtual meeting to access the meeting handbook, annual report, and other relevant information, the Company should upload these materials to the virtual meeting platform for shareholders' meetings. Therefore, a new paragraph 8 is added.

Article	After	Before	Reason for Revision
	<p><u>book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p>		
Article 6-1	<p><u>To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice:</u></p> <p><u>1. How shareholders attend the virtual meeting and exercise their rights.</u></p> <p><u>2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</u></p> <p><u>A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</u></p> <p><u>B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.</u></p> <p><u>C. In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>D. Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.</u></p> <p><u>3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.</u></p>	Newly added Article.	To inform shareholders of their rights and limitations in participating in the shareholders' meeting before the meeting, it is clarified that the contents of the shareholders' meeting notice should include the methods for shareholders to participate in the virtual meeting and exercise their related rights, the handling measures for obstacles arising from natural disasters, incidents, or force majeure affecting the virtual meeting platform or virtual meeting, including at least the date and duration for postponement or resumption of the meeting, the provisions of the first, second, fourth, and fifth paragraphs of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the handling method for cases where all resolutions have been announced and no temporary motions have been processed, and when the Company holds a virtual meeting shareholders' meeting, it should also state the appropriate alternative measures provided to shareholders who have difficulty participating in the shareholders' meeting via virtual meeting.
Article 8	The Company, <u>beginning from the time it</u>	The Company shall make an audio and video	In reference to Article

Article	After	Before	Reason for Revision
	<p><u>accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.</u></p> <p>The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p> <p><u>Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.</u></p> <p><u>The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.</u></p> <p><u>In case of a virtual shareholders meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.</u></p>	<p>recording of the shareholders meeting.</p> <p>The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p>	<p>183 of the Company Act and Article 18 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies, it is clearly stated that the Company should record and preserve information such as shareholder registration, login, check-in, questions, voting, and company vote counting results, and require the Company to continuously record audio and video of the virtual meeting for the entire duration and properly preserve it during the company's existence, while also providing it to the entrusted party handling the virtual meeting affairs.</p> <p>Therefore, new paragraphs 3 and 4 are added.</p> <p>To maximize the preservation of related information for virtual meetings, in addition to paragraph 3, which clearly states that the Company should continuously record audio and video of the virtual meeting, it is also advisable to record audio and video of the virtual meeting backend operation interface. As screen synchronization recording requires a certain level of computer hardware and software equipment and cybersecurity, the Company can determine the feasibility of its equipment conditions and explicitly state it in its Rules of Procedure for Shareholders Meetings. Therefore, a</p>

Article	After	Before	Reason for Revision
Article 9	<p>Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, <u>and the shares checked in on the virtual meeting platform</u>, plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p>The chair shall call the meeting to order at the appointed meeting time <u>and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting</u>.</p> <p>However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. <u>In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.</u></p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. <u>In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.</u></p> <p>When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p>	<p>Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p>The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.</p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.</p> <p>When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p>	<p>new paragraph 5 is added.</p> <ol style="list-style-type: none"> 1. To clarify that when the Company's shareholders' meeting is held via virtual meeting, the total number of shares present should include the number of shares held by shareholders who have completed the check-in process via virtual meeting, paragraph 1 is amended. 2. To improve corporate governance and protect shareholders' rights, paragraph 2 is amended, and when the Company's shareholders' meeting is held via virtual meeting, if the chairman announces the adjournment, the Company should announce the adjournment on the virtual meeting platform for shareholders' meetings in real-time to inform shareholders, paragraph 3 is amended. 3. If the Company resolves to convene another shareholders' meeting, shareholders wishing to attend via virtual meeting should register with the Company. Therefore, paragraph 4 is amended.
Article 11	Deleted.	<p>A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. Prior to the book closure date before a regular shareholders meeting is held, the Company</p>	<ol style="list-style-type: none"> 1. The original Article 11 is redundant with Article 3, so it is deleted and the article numbers are adjusted accordingly to accommodate the deletion. 2. The amended articles

Article	After	Before	Reason for Revision
		<p>shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>Shareholder submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.</p> <p>In any of the following situations, the proposals submitted by shareholders may not be included in the agenda by the board of directors:</p> <p>(1) The proposal is not within the purview of the shareholders' meeting.</p> <p>(2) The proposing shareholder holds less than 1% of the shares during the suspension of share transfers.</p> <p>(3) The proposal is submitted outside the announced acceptance period.</p> <p>Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article.</p> <p>At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.</p>	<p>are moved up sequentially to align with the previous item.</p>
Article 11	<p>Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.</p> <p>A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</p> <p>Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation. When a juristic person shareholder appoints</p>	<p>Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.</p> <p>A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</p> <p>Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation. When a juristic person shareholder appoints</p>	<ol style="list-style-type: none"> 1. The original Article 11 is redundant with Article 3, so it is deleted and the article numbers are adjusted accordingly to accommodate the deletion. 2. To clarify the method, procedure, and restrictions for shareholders attending the shareholders' meeting via virtual meeting to ask questions, a new paragraph 7 is added. 3. To help other shareholders understand the content of the questions raised by the questioning shareholders, the Company should disclose the questions

Article	After	Before	Reason for Revision
	<p>two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p> <p><u>Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.</u></p> <p><u>As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.</u></p>	<p>two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p>	<p>on the virtual meeting platform, except for those unrelated to the agenda items of the shareholders' meeting, which can be filtered out. Therefore, a new paragraph 8 is added.</p>
Article 13	<p>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.</p> <p>When the Company holds a shareholder meeting, it <u>shall adopt exercise of voting rights by electronic means</u> and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; <u>it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.</u></p> <p>A shareholder intending to exercise voting rights by correspondence or electronic means <u>under the preceding paragraph</u> shall deliver a written declaration of intent to the Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</p> <p>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a</p>	<p>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.</p> <p>When the Company holds a shareholder meeting, it may adopt exercise of voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.</p> <p>A shareholder intending to exercise voting rights by correspondence or electronic means shall deliver a written declaration of intent to the Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</p> <p>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the</p>	<ol style="list-style-type: none"> 1. The original Article 11 is redundant with Article 3, so it is deleted and the article numbers are adjusted accordingly to accommodate the deletion. 2. To clarify that if shareholders wish to attend the shareholders' meeting via virtual meeting after exercising their voting rights in writing or electronically, they should first cancel in the same manner as exercising their voting rights, paragraph 4 is amended. 3. For shareholders' meetings held via virtual meeting, in order to provide sufficient voting time for shareholders participating via virtual meeting, voting for each original proposal can be conducted from the time the chairman announces the start of the meeting until the announcement of the

Article	After	Before	Reason for Revision
	<p>written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS. If the chairman consults all attending shareholders and there is no objection, the proposal is deemed approved, with the same effect as a vote; if there is an objection, the voting method described in the previous paragraph shall be adopted.</p> <p>In addition to the agenda items, other proposals or amendments or substitutes to the original proposals submitted by shareholders must be seconded by other shareholders.</p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record</p>	<p>voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS. If the chairman consults all attending shareholders and there is no objection, the proposal is deemed approved, with the same effect as a vote; if there is an objection, the voting method described in the previous paragraph shall be adopted.</p> <p>In addition to the agenda items, other proposals or amendments or substitutes to the original proposals submitted by shareholders must be seconded by other shareholders.</p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p>	<p>end of voting. The vote counting process must be a one-time count to accommodate the voting time of shareholders participating via virtual meeting. Therefore, new paragraphs 9 and 10 are added.</p> <p>4. Shareholders who have registered to attend the shareholders' meeting via virtual meeting and wish to change to attend the physical shareholders' meeting in person should cancel their registration in the same manner as their registration two days before the shareholders' meeting. Those who fail to cancel their registration within the specified time can only participate in the shareholders' meeting via virtual meeting. Therefore, a new paragraph 11 is added.</p> <p>5. In reference to the provisions of the Ministry of Economic Affairs' letter Jing-Shang-Zi No. 10102024740 dated February 24, 2012, and letter Jing-Shang-Zi No. 1010202414350 dated May 3, 2012 of the same year, shareholders who exercise their voting rights electronically and do not withdraw their intention shall not propose amendments to the original proposals nor exercise their voting rights again. However, such shareholders can still attend the shareholders' meeting on the day and propose temporary motions on-site and exercise their voting</p>

Article	After	Before	Reason for Revision
	<p>made of the vote.</p> <p><u>When the Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting. In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.</u></p> <p><u>When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.</u></p> <p><u>When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p>		<p>rights. Considering that both written and electronic voting are ways for shareholders to exercise their rights, based on the principle of fair treatment, written voting should also be compared to the spirit of the electronic voting regulations to protect shareholders' rights. Therefore, in paragraph 12, it is clearly stated that shareholders who exercise their voting rights in writing or electronically and have not withdrawn their intentions may still register to participate in the shareholders' meeting via virtual meeting. However, they may only propose and exercise their voting rights on temporary motions and may not vote on the original proposals or amendments to the original proposals, nor propose amendments to the original proposals.</p>
Article 15	<p>Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. <u>The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.</u></p> <p><u>The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.</u></p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of the Company.</p>	<p>Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes and handled in accordance with Article 183 of the Company Act.</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of the Company. The resolution method in the preceding paragraph is subject to the chairman's consultation with shareholders. If shareholders have no objection to the proposal, it should be recorded as "approved without objection by all attending shareholders after</p>	<ol style="list-style-type: none"> 1. The original Article 11 is redundant with Article 3, so it is deleted and the article numbers are adjusted accordingly to accommodate the deletion. 2. To facilitate shareholders' understanding of the results of virtual meeting meetings, alternative measures for shareholders with digital disparities, and the handling methods and situations in case of disconnection, the Company is required to include in the meeting minutes, in addition to the matters required to be recorded in

Article	After	Before	Reason for Revision
	<p><u>Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes. When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.</u></p>	<p>the chairman's consultation." However, when there is an objection to the proposal, the voting method and the number of votes and the proportion of votes passed shall be specified.</p>	<p>paragraph 3, the start and end times of the meeting, the method of convening the meeting, the names of the chairman and recorder, and the handling methods and situations when the virtual meeting platform or virtual meeting participation is obstructed due to natural disasters, emergencies, or other force majeure events. Therefore, a new paragraph 4 is added. 3. If a virtual meeting shareholders' meeting is held, the convening notice must state that appropriate alternative measures will be provided for shareholders who have difficulty participating in the shareholders' meeting via virtual meeting. It is stipulated that the alternative measures provided for such shareholders with digital disparities should be recorded in the minutes, and a new paragraph 5 is added.</p>
Article 16	<p>On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. <u>In the event a virtual shareholders meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u> <u>During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares</u></p>	<p>On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting.</p> <p>If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, the Company</p>	<p>1. The original Article 11 is redundant with Article 3, so it is deleted and the article numbers are adjusted accordingly to accommodate the deletion. 2. To enable shareholders to be informed of the number of shares solicited and the number of shares represented by the proxy, as well as the number of shares attending in writing or electronically, the Company should clearly disclose this information at the shareholders' meeting</p>

Article	After	Before	Reason for Revision
	<p><u>represented at the meeting and a new tally of votes is released during the meeting.</u></p> <p>If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.</p>	<p>shall upload the content of such resolution to the MOPS within the prescribed time period.</p>	<p>venue. If the Company holds the meeting via virtual meeting, it should upload the information to the virtual meeting platform for the shareholders' meeting. Therefore, paragraph 1 is amended.</p> <p>3. To allow shareholders participating in the virtual meeting shareholders' meeting to be informed in real-time whether the total number of shares held by attending shareholders reaches the threshold for convening the shareholders' meeting, the Company should disclose the total number of shares held by attending shareholders on the virtual meeting platform when announcing the commencement of the meeting. If the total number of shares held by attending shareholders and voting rights are subsequently counted, they should also be disclosed on the virtual meeting platform. Therefore, a new paragraph 2 is added.</p>
Article 19	<p><u>In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.</u></p>	<p>Newly added Article.</p>	<p>In order to enable shareholders participating in the virtual meeting shareholders' meeting to be informed in real-time of the voting situation and election results for each agenda item, sufficient information disclosure time is stipulated, and this article is added.</p>
<u>Article 20</u>	<p><u>When the Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the</u></p>	<p>Matters not covered by these rules shall be handled in accordance with the Company Act and other relevant laws and regulations.</p>	<p>1. Delete and modify the text. 2. In the case of a</p>

Article	After	Before	Reason for Revision
	<p><u>chair shall declare the address of their location when the meeting is called to order.</u></p>		<p>shareholders' meeting conducted via virtual meeting without a physical meeting location, the chairman and the recorder should be at the same location within the country. To enable shareholders to be informed of the location of the chairman, the chairman should announce the address of their location at the commencement of the meeting. Therefore, a new provision is added.</p>
<p><u>Article 21</u></p>	<p><u>In the event of a virtual shareholders meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.</u> <u>In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.</u> <u>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.</u> <u>For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed</u></p>	<p>Newly added Article.</p>	<p>1. In order to reduce communication problems in virtual meeting meetings, and taking into account foreign practices, connection tests may be provided before the meeting, as well as real-time related services to assist in addressing technical communication issues during and before the meeting. Thus, a new paragraph 1 is added. 2. When the Company holds a virtual meeting shareholders' meeting, the chairman should announce that if there is a continuous obstruction of the virtual meeting platform or virtual meeting participation due to natural disasters, emergencies, or other force majeure events that cannot be resolved for more than 30 minutes, a meeting shall be held or resumed within five days, and the provisions of Article 182 of the Company Act requiring a shareholders' resolution before holding or resuming the meeting shall not apply.</p>

Article	After	Before	Reason for Revision
	<p><u>session.</u> <u>During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.</u> <u>When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.</u> <u>Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u> <u>When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u> <u>For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Companys hall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.</u></p>		<p>A new paragraph 2 is added. This paragraph does not apply to cases where the Company, the virtual meeting platform, shareholders, solicitors, or entrusted proxies intentionally or negligently cause the failure to hold or participate in the virtual meeting meeting.</p> <p>3. When the Company encounters a situation where a meeting should be postponed or resumed under paragraph 2, in accordance with the provisions of paragraph 2 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders who have not registered to participate in the original shareholders' meeting via virtual meeting (including solicitors and entrusted proxies) shall not participate in the postponed or resumed meeting. A new paragraph 3 is added accordingly. As for video-assisted shareholders' meetings, shareholders who originally participated in the physical shareholders' meeting may continue to participate in the postponed or resumed meeting in person, with an explanation provided.</p> <p>4. When the Company should postpone or resume a meeting in accordance with paragraph 2, in accordance with the provisions of paragraph 3 of Article 44-20 of the Regulations Governing</p>

Article	After	Before	Reason for Revision
			<p>the Administration of Shareholder Services of Public Companies, shareholders who have registered to participate in the original shareholders' meeting via virtual meeting and completed the check-in process (including solicitors and entrusted proxies) but did not participate in the postponed or resumed meeting shall have their shares held at the original shareholders' meeting, exercised voting rights, and election rights counted in the total number of shares held by attending shareholders, voting rights, and election rights at the postponed or resumed meeting. A new paragraph 4 is added accordingly.</p> <p>5. For cases where the meeting cannot continue due to communication obstacles and must be postponed or resumed, if the previous meeting has completed voting, vote counting, and announced the voting results or the list of elected directors and supervisors, it may be considered that the resolution has been completed, and no further discussion and resolution are required. This will reduce the time and cost of resuming the meeting. A new paragraph 5 is added.</p> <p>6. Considering that video-assisted shareholders' meetings involve both physical meetings and virtual meetings, when a force majeure event causes obstruction to the</p>

Article	After	Before	Reason for Revision
			<p>virtual meeting platform or virtual meeting participation, as long as the physical shareholders' meeting continues and the total number of shares held by attending shareholders still reaches the legally required threshold after deducting the number of shares attending the shareholders' meeting via virtual meeting, the shareholders' meeting should continue without the need to postpone or resume the meeting as required by paragraph 2. A new paragraph 6 is added.</p> <p>7. When the Company encounters a situation where the meeting should continue without the need for postponement or resumption under paragraph 2, in accordance with Article 44-20, paragraph 5 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the shares held by shareholders attending the shareholders' meeting via virtual meeting (including solicitors and entrusted proxies) shall be counted in the total number of shares held by attending shareholders. However, for all agenda items of that shareholders' meeting, they shall be considered abstentions. A new paragraph 7 is added accordingly.</p> <p>8. Considering that the postponed or resumed meeting due to disconnection and the original shareholders'</p>

Article	After	Before	Reason for Revision
			<p>meeting have the same nature, there is no need to redo the relevant pre-meeting procedures for the shareholders' meeting postponement or resumption date, as stipulated in Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies. A new paragraph 8 is added.</p> <p>9. Furthermore, considering that when a virtual meeting shareholders' meeting has been postponed, the disclosure requirements on the day of the shareholders' meeting under the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, Article 12, the latter part, and Article 13, paragraph 3, as well as Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, must still be disclosed to shareholders on the day of the postponed or resumed meeting. A new paragraph 9 is added.</p>
<u>Article 22</u>	<p><u>When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</u></p>	<p>Newly added Article.</p>	<p>When the Company holds a virtual meeting shareholders' meeting, considering the potential obstacles for shareholders with a digital divide to participate in the meeting via virtual meeting, appropriate alternative measures should be provided, such as exercising voting rights in writing</p>

Article	After	Before	Reason for Revision
			or providing shareholders with the necessary equipment to participate in the meeting.
<u>Article 23</u>	These rules shall be implemented after the approval of the board of directors and the shareholders' meeting. The same applies to amendments.	These rules shall be implemented after the approval of the board of directors and the shareholders' meeting. The same applies to amendments.	In accordance with the deletion and revision of the articles, the order of the articles is adjusted.

8. Attachments

Attachment 1

Shih Her Technologies Inc. Articles of Incorporation

Chapter 1 General Provisions

- Article 1 The Company is organized in accordance with the Company Act and is named Shih Her Technologies Inc.
- Article 2 The businesses operated by the Company are as follows:
1. E604010 Machinery Installation Construction
2. F119010 Wholesale of Electronic Materials
3. CC01080 Electronics Components Manufacturing
4. F401010 International Trade
5. F106010 Wholesale of Hardware
6. CB01010 Mechanical Equipment Manufacturing
7. F113010 Wholesale of Machinery
8. F113990 Wholesale of Other Machinery and Tools
9. I501010 Product Designing
10. CA02990 Other Fabricated Metal Products Manufacturing Not Elsewhere Classified
11. F115010 Wholesale of Jewelry and Precious Metals
12. CG01010 Jewelry and Precious Metals Products Manufacturing
13. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 The Company establishes its headquarters in Hsinchu County, Taiwan. If necessary, the board of directors may resolve to establish branches in Taiwan and abroad, and the dissolution or relocation of the branches shall be resolved by the board of directors.
- Article 3-1 With the consent of the board of directors, the Company may provide endorsements and guarantees for business purposes, and the operations shall be carried out in accordance with the Company's endorsement and guarantee procedures.
- Article 4 The announcement method of the Company shall be handled in accordance with Article 28 of the Company Act.
- Article 4-1 The total amount of the Company's reinvestment is not subject to the restriction of Article 13 of the Company Act (not exceeding 40% of the Company's paid-in capital).

Chapter 2 Shares

- Article 5 The total capital of the Company is set at one billion New Taiwan dollars (NTD), divided into one hundred million shares, each with a par value of ten New Taiwan dollars (NTD). The shares may be issued in installments. The issuance of unissued shares is authorized to the board of directors to decide based on actual needs.
- Within the total capital amount in the preceding paragraph, fifty million dollars (NTD) are reserved for the issuance of employee stock options, totaling five million shares, each with

a par value of ten New Taiwan dollars (NTD). The issuance is authorized to the board of directors to decide based on actual needs.

- Article 5-1 If the Company intends to transfer the repurchased shares of the Company to its employees at a price lower than the average repurchase price, the transfer may only be carried out after the resolution of the most recent shareholders' meeting, in accordance with relevant regulations.
- Article 5-2 If the Company intends to issue employee stock options at an exercise price lower than the market price (net asset value per share), the transfer may only be carried out after the resolution of the most recent shareholders' meeting, in accordance with relevant regulations.
- Article 5-3 The transfer of treasury shares repurchased by the Company under the Company Act may include employees of controlled or subsidiary companies that meet certain conditions, and the terms and allocation methods are authorized to the board of directors.
The issuance of employee stock options by the Company may include employees of controlled or subsidiary companies that meet certain conditions, and the terms and allocation methods are authorized to the board of directors.
When the Company issues new shares, the employees who subscribe for shares may include those of controlled or subsidiary companies that meet certain conditions, and the terms and allocation methods are authorized to the board of directors.
- Article 6 The shares of the Company are generally registered shares, signed or sealed by the director representing the Company, and issued after being verified by a bank authorized to act as a stock issuance verification agent under the law.
The Company may issue shares without printing physical stock certificates, but shall register with a centralized securities depository institution.
- Article 6-1 The handling of the Company's shareholder affairs shall be carried out in accordance with the relevant provisions of the Company Act, the Regulations Governing the Administration of Shareholder Services of Public Companies, and other relevant laws and regulations as promulgated by the competent authority.
- Article 7 The transfer of shares shall be suspended within thirty days before the annual shareholders' meeting, within fifteen days before the extraordinary shareholders' meeting, or within five days before the record date for the distribution of dividends, bonuses, or other benefits.
After the public offering of the Company, the transfer of shares shall be suspended within sixty days before the annual shareholders' meeting and within thirty days before the extraordinary shareholders' meeting.

Chapter 3 Shareholders' Meetings

- Article 8 Shareholders' meetings are divided into two types: annual general meetings and extraordinary meetings. The annual general meeting shall be held once a year, convened by the board of directors in accordance with the law within six months after the end of each fiscal year. Extraordinary meetings shall be convened in accordance with the law when necessary.
The convening notice of the shareholders' meeting may be sent electronically with the consent of the addressee. For shareholders holding less than one thousand registered

shares, the convening notice in the preceding paragraph may be given by public announcement.

- Article 8-1 The mode of holding a shareholders' meeting may be determined by the resolution of the board of directors, and may be conducted as a physical meeting with video assistance, a virtual meeting, or another method announced by the central competent authority. The Company shall comply with the conditions, operating procedures, and other matters to be followed as prescribed by the securities competent authority.
- Article 9 When a shareholder cannot attend a shareholders' meeting for any reason, they may issue a power of attorney printed by the Company, specifying the scope of authorization, and sign or seal the power of attorney to appoint a proxy to attend. However, when a proxy is appointed by two or more shareholders at the same time, the proxy's voting rights shall not exceed three percent of the total voting rights of the issued shares; any excess voting rights shall not be counted. The method of attending a shareholders' meeting by proxy, unless otherwise provided by the Company Act, shall be handled in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" promulgated by the competent authority.
- Article 10 Each share of the Company has one voting right, but this does not apply to restricted shares or those without voting rights as listed in Article 179, Paragraph 2 of the Company Act. When the Company holds a shareholders' meeting, voting rights may be exercised electronically. Shareholders who exercise their voting rights electronically shall be deemed to be present in person; however, for any temporary motions and amendments to original motions at that shareholders' meeting, they shall be deemed to have abstained. All relevant matters shall be handled in accordance with legal provisions.
- Article 11 Resolutions of the shareholders' meeting shall be adopted by the attendance of shareholders representing more than half of the total number of issued shares and the consent of more than half of the voting rights of the attending shareholders, unless otherwise provided by the Company Act.
- Article 11-1 When the Company's shares are proposed to be withdrawn from public offering, it shall be resolved at the shareholders' meeting, and this article shall not be changed during the Emerging Stock Market and the listing period.
- Article 11-2 Matters resolved at the shareholders' meeting shall be recorded in the minutes, signed or sealed by the chairman of the meeting, and distributed to each shareholder within twenty days after the meeting. The distribution of the minutes in the preceding paragraph may be made by public announcement.

Chapter 4 Directors and Audit Committee

- Article 12 The Company shall have seven to nine directors.
Of the number of directors specified in the preceding paragraph, at least three shall be independent directors, accounting for no less than one-fifth of the total number of directors. The term of office for directors is three years, and they may be re-elected. The Company's director elections shall adopt a cumulative voting system, with each share having the same number of voting rights as the number of directors to be elected. Shareholders can concentrate their votes on one candidate or distribute their votes among

several candidates. The candidate(s) with the most votes representing the voting rights shall be elected as director(s).

If a director's term expires and a new election is not held, the director's duties shall be extended until a newly elected director takes office. The total number of shares held by all directors of the Company shall not be less than the minimum percentage prescribed by the securities competent authority.

Article 12-1

The Company shall adopt a candidate nomination system for the election of directors in accordance with Article 14-2 and Article 192-1 of the Securities and Exchange Act. Shareholders shall elect directors from a list of director candidates; independent and non-independent directors shall be elected together, with separate quotas calculated for each category.

The acceptance method, announcements, and other relevant matters concerning 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.

The Company shall establish an audit committee in accordance with Article 14-4 of the Securities and Exchange Act. From the date when the independent directors are elected at the annual general shareholders' meeting, the audit committee shall be composed of all independent directors, responsible for exercising the powers and duties prescribed by the Company Act, the Securities and Exchange Act, and other laws and regulations.

The composition of the audit committee, the exercise of powers and duties, and other matters to be followed shall be handled in accordance with relevant laws, regulations, or company rules.

The Company may establish a remuneration committee or other functional committees as required by laws and regulations or business needs.

Article 13

The board of directors shall be organized by the directors. A chairman shall be elected by the consent of more than half of the attending directors, with at least two-thirds of the directors present. The chairman shall represent the Company externally.

Article 14

When the chairman is on leave or unable to exercise their duties for any reason, a proxy shall be arranged in accordance with Article 208 of the Company Act.

Article 14-1

When a director is unable to attend a board meeting in person for any reason, they may appoint another director to attend as their proxy according to the law. The proxy mentioned in the preceding paragraph shall be limited to accepting the appointment of one person.

For matters to be submitted to the board of directors as required by Article 14-3 of the Securities and Exchange Act, independent directors shall attend board meetings in person and may not appoint non-independent directors as their proxies. However, to be explicit, it is stipulated that they may appoint other independent directors as their proxies.

Article 15

The remuneration for the Company's directors when performing their duties shall be authorized by the board of directors. Regardless of the Company's operating profit or loss, the Company may provide remuneration. The remuneration authorized by the board of directors may be determined according to the directors' participation and contribution to the Company's operation, and by referencing the usual levels in the same industry. When the Company has a profit, additional remuneration shall be distributed according to the provisions of Article 18 of these Articles of Incorporation.

Article 15-1

The Company may purchase directors' liability insurance for all directors during their term of office. The board of directors is fully authorized to handle insurance-related matters.

Article 15-2 The board of directors shall convene once every quarter, and the notice specifying the purpose shall be sent to all directors and independent directors seven days before the meeting. In case of an emergency, the meeting may be convened at any time. The notice of the board of directors' meeting may be in writing, fax, email, or other means.

When attending a board meeting via video conference, directors who participate in the meeting by video conference shall be considered as attending in person.

If a director is unable to attend for any reason, they may issue a power of attorney specifying the scope of authority related to the convening matters and appoint another director to attend as their proxy and exercise their voting rights on all matters presented at the meeting. However, the proxy shall be limited to one person being appointed by one person.

Chapter 5 Managers

Article 16 The Company may appoint one general manager and several deputy general managers. Their appointment, dismissal, and remuneration shall be handled in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

Article 17 At the end of each fiscal year, the Company shall compile various statements and submit them to the annual general meeting for recognition in accordance with Article 228 of the Company Act.

Article 18 If the Company has a profit for the year, it shall allocate no less than 3% for employee remuneration and no more than 3% for director remuneration. However, if the Company still has accumulated losses, it shall reserve the amount to cover the losses first. If there is a surplus in the Company's annual final settlement, it shall be distributed in the following order:

1. Payment of taxes and fees
2. Offsetting losses from previous years
3. Allocation of 10% as legal reserve (unless the legal reserve has reached the total amount of capital)
4. Appropriation or reversal of special reserves according to the law.
5. If there is a remaining balance, along with the accumulated undistributed earnings, the board of directors shall propose a profit distribution plan and submit it to the shareholders' meeting for resolution to distribute shareholder dividends and bonuses.

Employee remuneration distribution plans shall be decided by the board of directors with the attendance of two-thirds of the directors and the consent of more than half of the attending directors and reported to the shareholders' meeting. The board of directors shall decide whether to distribute in the form of shares or cash, and the distribution objects of employee remuneration may include employees of controlled or subsidiary companies who meet certain conditions, with the conditions and distribution methods authorized to be determined by the board of directors.

As the Company is in a stable growth stage, sound financial planning is needed for sustainable development. In terms of profit distribution, the Company shall consider its future capital expenditure budget and funding needs to determine the amount of profit retention or distribution. However, shareholder dividends distribution shall be no less than 20% of the net profit after tax for the year, minus the legally required legal reserve and

special reserve, with the cash dividend distribution ratio being no less than 50%.

Article 18-1 When the Company has no losses, it is authorized under Article 240, Paragraph 5 of the Company Act for the board of directors to distribute cash dividends, bonuses, or the legal reserve (the portion of the reserve exceeding 25% of the paid-in capital) mentioned in Article 241, Paragraph 1 of the Company Act, and all or part of the capital reserve that complies with the Company Act provisions, by a resolution of more than two-thirds of the attending directors and more than half of the attending directors. The board of directors shall handle the matter and report it at the most recent shareholders' meeting.

Chapter 7 Supplementary Provisions

Article 19 Matters not stipulated in these Articles of Incorporation shall be handled in accordance with the Company Act.

Article 20 These Articles of Incorporation were established on June 11, 1997.
First amendment on April 2, 1999
Second amendment on November 1, 1999
Third amendment on June 10, 2000
Fourth amendment on October 30, 2000
Fifth amendment on June 10, 2002
Sixth amendment on June 29, 2004
Seventh amendment on June 10, 2005
Eighth amendment on April 27, 2006
Ninth amendment on November 1, 2006
Tenth amendment on June 13, 2007
Eleventh amendment on June 27, 2008
Twelfth amendment on June 10, 2009
Thirteenth amendment on June 17, 2010
Fourteenth amendment on June 22, 2011
Fifteenth amendment on June 19, 2012
Sixteenth amendment on June 20, 2013
Seventeenth amendment on June 22, 2016
Eighteenth amendment on June 21, 2018
Nineteenth amendment on June 27, 2019
Twentieth amendment on June 22, 2022

**Shih-Her Technologies Inc.
Rules of Procedure for Shareholders Meetings**

First adopted on June 13, 2007, at the annual shareholders' meeting (ASM)
Approved on June 27, 2008, at the ASM
Approved on June 22, 2011, at the ASM
Approved on June 19, 2012, at the ASM
Approved on June 20, 2013, at the ASM
Approved on June 27, 2019, at the ASM
Approved on June 23, 2021, at the ASM

Article 1 To establish a strong governance system and sound supervisory capabilities for the Company's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2 The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3 Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.

The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or independent directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby. They shall also be distributed at the shareholder meeting.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

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

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4 For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5 The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

Article 6 The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Shareholders or proxies (collectively "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

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

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

Article 7 If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one independent director in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

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

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8 The Company shall make an audio and video recording of the shareholders meeting. The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9 Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, plus the number of shares whose voting rights are exercised by correspondence or electronically.

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

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

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

Article 10 If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11 A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

In any of the following situations, the proposals submitted by shareholders may not be included in the agenda by the board of directors:

- (1) The proposal is not within the purview of the shareholders' meeting.
- (2) The proposing shareholder holds less than 1% of the shares during the suspension of share transfers.
- (3) The proposal is submitted outside the announced acceptance period.

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 12 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

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

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 13 Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 14 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

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

A shareholder intending to exercise voting rights by correspondence or electronic means shall deliver a written declaration of intent to the Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

If the chairman consults all attending shareholders and there is no objection, the proposal is deemed approved, with the same effect as a vote; if there is an objection, the voting method described in the previous paragraph shall be adopted.

In addition to the agenda items, other proposals or amendments or substitutes to the original proposals submitted by shareholders must be seconded by other shareholders.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately

after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 15 The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 16 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes and handled in accordance with Article 183 of the Company Act. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of the Company. The resolution method in the preceding paragraph is subject to the chairman's consultation with shareholders. If shareholders have no objection to the proposal, it should be recorded as "approved without objection by all attending shareholders after the chairman's consultation." However, when there is an objection to the proposal, the voting method and the number of votes and the proportion of votes passed shall be specified.

Article 17 On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 18 Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

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

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

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 19 When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

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

Article 20 Matters not covered by these rules shall be handled in accordance with the Company Act and other relevant laws and regulations.

Article 21 These rules shall be implemented after the approval of the board of directors and the shareholders' meeting. The same applies to amendments.

Attachment 3

Shih-Her Technologies Inc. Directors' Shareholding Status

As of the record date (April 9, 2023) for the shareholders' meeting, the individual and total number of shares held by the directors as recorded in the shareholders' register are as follows:

Position	Name	Date of Election	Term (Years)	Number of Shares Held at Time of Election		Number of Shares Held as Recorded on the Record Date	
				Shares	Ratio	Shares	Ratio
Chairman	CHEN, HSUEH-SHEN	2022.06.22	3	720,186	1.27%	720,186	1.27%
Director	GUAN LIN INVESTMENT CORPORATION LIMITED Representative: CHERN, SHYUE-JER	2022.06.22	3	8,541,190	15.04%	8,558,190	15.07%
Director	CHENG, CHIH-FA	2022.06.22	3	—	—	—	—
Director	JHANG, CHUN-RONG	2022.06.22	3	3,000	0.01%	15,000	0.03%
Independent Director	CHIA, CHAO-YI	2022.06.22	3	—	—	—	—
Independent Director	GONG, SHUANG-SYONG	2022.06.22	3	—	—	—	—
Independent Director	LIN, KAI	2022.06.22	3	—	—	—	—
Total				9,264,376	16.32%	9,293,376	16.37%

1. The Company's paid-in capital is NT\$567,748,900, with 56,774,890 issued shares.
2. In accordance with Article 26 of the Securities and Exchange Act, the minimum number of shares to be held by all directors is as follows: The minimum number of shares legally required for all directors: 4,541,991 shares.
3. Total number of shares actually held by all directors: 9,293,376 shares.
4. The total number of shares held by all directors has reached the legal standard.
5. According to Article 2 of the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies," if two or more independent directors are elected, the shareholding ratio of all directors excluding independent directors shall be reduced to 80%.