

# 2023 Annual General Shareholders' Meeting of DFI Inc.

Meeting Mode: Physical Shareholders' Meeting

Meeting Time: 9:00 a.m., May 31, 2023 (Wednesday)

Meeting Venue: Pearl Hall, 4th Floor, Fuji Grand Hotel, No. 128, Sec. 1, Datong Rd., Xizhi Dist., New Taipei City, Taiwan

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# **I. Reports**

## **(I) Report of 2022 Business**

### **Implementation Outcomes of the Business Plan in 2022**

In 2022, due to the impact of the global epidemic, Taiwan's industrial computer industry experienced material shortages in the international supply chain in the first half of the year. In the second half of the year, governments of various countries strived to control inflation thereby causing the deferral of global demand, and the changing external environment tested enterprises' adaptability.

In 2021, DFI moved its factory to its parent company, Qisda Corporation's industrial park located at Guishan District in Taoyuan, and actively deployed smart manufacturing solutions to introduce various new automation equipment. Whether the expansion of SMT high-speed production lines, high-speed and high-efficiency unmanned transport vehicles and automated intelligent warehousing systems, the material preparation efficiency increased by 20% and the output rate increased by 30% in 2022, showing the advantages of production efficiency of the new factory during the epidemic. As the global epidemic slows down, the shortage of materials has gradually alleviated, the capacity utilization rate of the factory has continued to be at full capacity, and the production volume has also achieved several new highs, contributing to the growth of performance.

With the loosening of epidemic control, the global entertainment and retail industries are gradually recovery. The development of unmanned physical stores in various places and the recovery of demand for live interaction reflect that the public's lifestyle has gradually returned to that before the epidemic. DFI's continuous innovation in the system design of industrial grade touch screen computers and integrated displays, especially in the development of firmware and the development of high-difficulty projects in the design of moving parts are deeply recognized by the clients. Combined with the system manufacturing capabilities of the Qisda Group, the shipment performance in the current year and the Design-Win of new projects have been taken to the next level.

The demand for automation is the backbone of the industrial computer market. In the past year, DFI's orders in the machine tool industry have achieved a fruitful gain, and will continue to contribute revenue in the next few years. The company works closely with academia to develop next-generation virtualization technology that combines three-in-one computing power, network transmission, and input/output interfaces. By reducing the total number of hardware modules, it is possible to significantly improve the availability rate in the application fields and reduce overall operating costs.

With the gradual increase of electric vehicles and their charging facilities, the transportation application field is full of new business opportunities; the demand for medical care application field are booming as the population of developed countries ages. DFI's wide temperature/voltage design which is above industry standards is deeply rooted in various fields, and has been praised by the clients. Coupled with the reputable design and production strength, in these two types of application fields that require ultra-high and stable quality, the business growth is relatively fast and will become the next pillar to support profitable growth.

In 2022, DFI's consolidated net revenue amounted to NT\$16.19 billion and grew by 22% compared with that of 2021. The consolidated operating income was NT\$731 million, and the consolidated after-tax earnings amounted to NT\$597 million, of which the net income attributable to owners of the parent company was NT\$528 million, and the after-tax earnings per share amounted to NT\$4.61.

**The analysis of financial revenues, expenditures and profitability are as follows:**

Analysis Items		Year	Financial Analysis for the Last Five Years			
		2022	2021 (Restated)	2020	2019	2018
Financial Structure	Debt ratio (%)	55.69	55.40	37.73	37.89	31.88
	Ratio of long-term capital to property, plant and equipment (%)	192.48	214.95	170.20	174.28	345.56
Profitability	Return on assets (%)	5.05	7.82	5.86	9.44	13.64
	Return on equity (%)	10.52	14.81	9.19	14.52	19.17
	Ratio of income before tax to paid-in capital (%)	66.34	86.13	53.51	68.73	68.90
	Net profit margin (%)	3.69	5.89	5.72	8.85	11.62
	Earnings per share (NT\$)	4.61	5.38	3.54	5.51	5.28

**2023 business and R&D plans are as follows:**

(1) Business policies and R&D plan

1. To foster capabilities of integrating CPU and designing FPGA, to provide more diverse customized services.
2. To continuously and deeply study efficient miniaturized products with low power consumption.
3. To make open source OS open for connection and improve friendly development environment for software of OS.

4. To collaborate with medical customers to exactly satisfy their needs.
5. To cultivate the market for smart car related applications.
6. To improve specifications, including wide temperature/pressure range, and resistance to water/dust/vibration.
7. To introduce green product development in response to ESG demand.

(2) Important business policies

1. Manufacturing ability in the United States

Since the commencement of the China-United States Trade War, the policy undertaken by the United States is to return the manufacturing sectors to the country, while increasing the proportion of US-made products, for embedded products, starting with system assembly and proceeding with board assembly in long run. DFI will adopt a positive marketing relationship with the policy, by deepening its relationship and cooperation with the system assembly factories in the United States, and then seek the opportunity for the local board assembly in the United States.

2. Implementing a sustainable development strategy

Under the new infrastructure surge brought about by global industrial automation and digital transformation, smart manufacturing applications have become a long-term inelastic demand. DFI will work with its group partners and subsidiaries to promote various energy-saving and carbon-reduction operations and improve energy efficiency. While fulfilling its social and civic responsibilities, it will help enterprises accelerate the transformation plan and meet the needs of the clients, continue to innovate and improve production capacity, create maximum value for clients, and become the best partner for enterprise OT intelligence.

Looking forward to 2023, in the post-pandemic era, AI edge computing, high-performance servers, security network requirements and smart GPUs are elements that are highly demanded for future industrial upgrading. In the future, DFI will continue to strategically focus in applications such as intelligent transportation equipment, smart-auto equipment, medical equipment, semiconductor equipment, and new energy equipment.

DFI will play a key role in the changing trend to lead the development of core technologies, and focus on the growth trend of the industry. By reducing the cost of multiple operations through smartization and automation, thereby increasing productivity, this year, by undertaking multiple strategies in value chains, business plans and project development, a huge business opportunity in the applications of industrial computers can be seen. In addition, the company will continuously strengthen existing products and operations based on past experience. The R&D team focuses on the cultivation of product strength and technical strength, understands future trends, and strengthens a solid foundation for competition to meet the client's demands. The company will develop its management comprehensively, cultivate talents, promote corporate social responsibility and transformation, improve inclusiveness, corporate governance, and strategy to meet the expectations of employees, shareholders, clients, and all stakeholders, establish a solid foundation for revenue growth, and move ahead toward the company's sustainable operation goal.

We wish you good health and may everything goes well with you!

Chairman: Chi-Hung Chen

President: Chia-Hung Su

Accounting Supervisor: Li-Min Huang

**(II) Audit Committee's Review Report**

The Certified Public Accountants entrusted by the Board of Directors, Hui-Chen Chang and Ching-Wen Kao of KPMG Taiwan, jointly issued the audit report on the 2022 financial statements prepared by the Board of Directors of the Company. The aforementioned financial statements, business reports, accountants' audit report and proposal for distribution of earnings were reviewed by the Audit Committee, and no non-conformity was detected. They are hereby specially presented for review and verification in accordance with Clause 4, Article 14 of the Securities Exchange Act and Article 219 of the Company Act.

To  
the 2023 Annual General Shareholders' Meeting of DFI Inc.

Convener of the Audit Committee: Kuang-Jen Chou

March 2, 2023

**(III) The 2022 Distribution of Employees and Board Directors' Remuneration**

As resolved by the Board of Directors on March 2, 2023, the remuneration distributed to employees and directors in cash amounted to NT\$47,852,000 and NT\$5,091,000 respectively.

**(IV) The 2022 Distribution of 2022 profits in Cash Dividends**

1. According to Clause 1, Article 21 of the Articles of Incorporation, if the earnings are distributed in the form of cash dividends, the Board of Directors may be authorized to pass a resolution in respect of such distribution and report it at a shareholders' meeting.
2. Pursuant to the resolution of the Board of Directors on March 2, 2023, out of the distributable earnings accumulated in 2022, NT\$457,955,428 was appropriated for distribution as cash dividends, with NT\$4 distributed per share round down to the nearest NT\$. The sum of fractional amount rounded should be included in other income of the Company.
3. This proposal was approved by the resolution of the Board of Directors and the Chairman of the Board of Directors was authorized to separately determine the ex-dividend date, payment date and other related matters. In the event that any amendment shall be made due to any abnormal change in the payout ratio caused by any change in the number of the Company's outstanding shares, the Chairman will be fully authorized to deal with such relevant matters.

## **II. Election Matters**

Cause of Action: **Election of 7 directors (including 3 independent directors). (Proposed by the Board of Directors)**

Explanation:

- I. The term of office of the directors of the Company expires on June 15, 2023, in accordance with the provisions of the Company Law and in conjunction with the meeting date of the 2023 Annual General Shareholders' Meeting, seven directors (including three independent directors) shall be elected in advance, and the term of office of the new directors (including independent directors) shall be three years from the date of election during the 2023 Annual General Shareholders' Meeting.
- II. In accordance with the Articles of Incorporation and Article 192-1 of the Company Law, the election of directors (including independent directors) of the Company shall adopt a candidate nomination system. The list of candidates was approved by the Board of Directors on March 2, 2023. The shareholders shall elect the directors from the list of candidates. Please refer to Attachments 1 (P.10-P.13) for the list of candidates for directors.

Election results:

### III. Acknowledgements and Discussions

#### Case 1

Cause of Action: **The 2021 Earning distribution plan amendment.**

**(Proposed by the Board of Directors)**

Explanation: In response to the changes in domestic accounting standards, the Ministry of Economy issued a letter No. 10802432410 on January 9, 2020, amending Article 237 of the Companies Act as the basis for the provision of statutory surplus reserve. Starting from 2019 (the distribution of earnings in the financial statements can be extended to 2020), if an enterprise uses "net profit after tax" as the basis for the provision of statutory surplus reserve, the company needs to change to "net profit after tax in the current period plus the amount of undistributed earnings in the current year", resulting in the need to reverse the statutory surplus reserve by NT\$15,964,276, and the revised Distribution of 2021 Earnings is as follows:

DFI Inc. Distribution of 2021 Earnings (Revised)		Unit: NT\$
<b>Net profit after tax</b>		<b>615,903,212</b>
Minus: Actuarial loss of the defined benefit plan accounted as retained earnings		(215,331)
Minus: Appropriation of legal reserve		(45,604,512)
Minus: Appropriation of special reserve		(40,215,647)
<b>Distributable earnings of 2021</b>		<b>529,867,722</b>
Plus: Opening undistributed retained earnings		15,053,731
Minus: Differences between equity acquisition or disposal price of subsidiary and its book value		(149,828,298)
Minus: Retained earnings for debit in canceling treasury stocks		(9,814,468)
<b>Distributable earnings accumulated as of 2021</b>		<b>385,278,687</b>
Distributions:		
Shareholders' cash dividends (NT\$3.2 to be distributed for each share)		(366,364,342)
<b>Closing undistributed earnings</b>		<b>18,914,345</b>

**Note: Cash dividends are distributed based on shareholders' shareholding ratio recorded on the members' register on the ex-dividend date (round up to the dollar). The sum of fractional amount rounded shall be accounted as other income of the Company.**

Chairman: Chi-Hung Chen

President: Chia-Hung Su

Accounting Supervisor: Li-Min Huang

Resolution:



Case 2

Cause of Action: **To accept the 2022 Business Report and Financial Statements.  
(Proposed by the Board of Directors)**

Explanation:

- I. The 2022 financial statements of the Company were audited by the Certified Public Accountants entrusted by the Board of Directors, Hui-Chen Chang and Ching-Wen Kao of KPMG Taiwan, who have concluded that the financial statements fairly presented the financial situation of DFI Inc. as of December 31, 2022 and the financial performance and cash flow for the year 2022. The business report enclosed was also reviewed.
- II. For the Certified Public Accountant's audit report and financial statements, please refer to Attachments 2 (P.14-P.35).

Resolution:

Case 3

Cause of Action: **To accept the proposal for distribution of 2022 profits.  
(Proposed by the Board of Directors)**

Explanation: The company's net profit after tax in 2022 amounted to NT\$528,229,689. The 2022 earnings are expected to be distributed as follows:

DFI Inc. Distribution of 2022 Earnings		Unit: NT\$
<b>Net profit after tax</b>		<b>528,229,689</b>
Minus: Actuarial loss of the defined benefit plan accounted as retained earnings		(1,055,948)
Minus: Adjustment of retained earnings for investments made by equity method		(281,207)
Minus: Appropriation of legal reserve		(52,689,253)
Plus: Reversal of special surplus reserve		76,781,620
<b>Distributable earnings of 2022</b>		<b>550,984,901</b>
Plus: Opening undistributed earnings		18,914,345
<b>Distributable earnings accumulated as of 2022</b>		<b>569,899,246</b>
Distributions:		
Shareholders' cash dividends (NT\$4.0 to be distributed for each share)		(457,955,428)
<b>Closing undistributed earnings</b>		<b>111,943,818</b>

**Note: Cash dividends are distributed based on shareholders' shareholding ratio recorded on the members' register on the ex-dividend date (round up to the dollar). The sum of fractional amount rounded shall be accounted as other income of the Company.**

Chairman:  
Chi-Hung Chen

President:  
Chia-Hung Su

Accounting Supervisor:  
Li-Min Huang

Resolution:

Case 4

Cause of Action: **Amendments to Rules Governing the Conduct of Shareholders Meetings.  
(Proposed by the Board of Directors)**

Explanation:

- I. In conjunction with the announcement No. 1110004250 of Taiwan Securities Exchange Co., Ltd. on March 8, 2022 to amend certain provisions of the "Sample Template for Rules of Procedure for shareholders' meeting", it is proposed to abolish and revise the "Rules of Procedure of Shareholders' Meeting" last revised by the Company on June 16, 2020.
- II. Refer to Attachments 3 (P.36-P.40) for the provisions to be revoked, and refer to Attachments 4 (P.41-P.48) for the provisions to be re-formulated.

Resolution:

Case 5

Cause of Action: **To lift non-competition restrictions on directors and their representatives. (Proposed by the Board of Directors)**

Explanation:

- I. According to Article 209 of the Company Act, for any acts committed by the directors or others within the business scope of the Company, explanations shall be made at a shareholders' meeting with respect to important parts of their acts, and approval shall be obtained for committing the acts.
- II. Any directors of the Company who invest in or run other companies engaged in businesses which are the same as or similar to the Company's shall lawfully report to the shareholders' meeting for consent. If the newly elected directors of the Company have the above circumstances, the lifting of the non-competition restrictions of such directors and their representatives will be approved.
- III. For the Proposed Relief of Non-competition Restrictions on Directors' to be lifted during the 2023 Annual General Shareholders' Meeting, please refer to Attachments 5 (P.49 -P.51).

Resolution:

## **IV. Extraordinary motions:**

## **V. Adjournment**

## Annex I List of Board of Directors Candidates

Job Title	Candidate Name	Major Educational Background and Experience	Current position
Director	Qisda Corp. Representative : Chi-Hung Chen	Science and Technology Management Class of National Chengchi University Thunderbird, USA International MBA Electrical Engineering Department, National Cheng Kung University BenQ Product Technology Center President	Chief Executive Officer of Qisda Corp.
			Director of Legal Representative of Darfon Electronics Corp.
			Chairman of Legal Representative of DFI Inc.
			Vice Chairman of Legal Representative of Alpha Networks Inc.
			Director of Legal Representative of HITRON Technologies Inc.
			Chairman of Legal Representative of BenQ Medical Technology Corp.
			Director of Legal Representative of BenQ Materials Corp.
			Chairman of Legal Representative of Partner Technology Corp.
			Director of Legal Representative of BenQ Corp.
			Director of Legal Representative of Darly Venture Inc.
			Director of Legal Representative of Darly2 Venture, Inc.
			Director of Legal Representative of Darly Consulting Corp.
			Director of Legal Representative of BenQ Healthcare Consulting Corp.
			Director of Legal Representative of BenQ Hospital Management Consulting (NanJing)Co., LTD.
			Director of Legal Representative of NANJING BenQ Hospital Co., Ltd.
			Director of Legal Representative of Suzhou BenQ Hospital Co., Ltd.
			Director of Qisda (Hong Kong) Limited
			Director of BenQ BM Holding Corp.
			Director of BenQ BM Holding Cayman Corp.
			Director of Qisda (L) Corp.
Director of Darly Venture (L) Ltd.			
Director of BenQ Foundations			
Director of Legal Representative of Phoenix Innovation Investment Corp.			
Director of Legal Representative of Phoenix II Innovation Investment Corp.			
Director of Legal Representative of Phoenix III Innovation Investment Corp.			
Director	Qisda Corp. Representative : Chang-Hung Li		The president of Smart Solution Business Group of Qisda Corp.

Job Title	Candidate Name	Major Educational Background and Experience	Current position
Director	Qisda Corp. Representative : Chang-Hung Li	PhD of Department of Electrical Engineering, National Taiwan University Department of Electrical Engineering, National Taiwan University President of PARTNER TECH CORP. COO of DFI Inc.	Chairman of Legal Representative of Metaage Corp.
			Vice Chairman of Legal Representative of DFI INC.
			Vice Chairman of Legal Representative of Partner Technology Corp.
			Chairman of Legal Representative of ACE PILLAR Co., Ltd.
			Chairman of Legal Representative of AEWIN Technologies Co., Ltd.
			Director of Legal Representative of APLEX Technology Inc.
			Chairman of Legal Representative of Lafresh information Co., Ltd.
			Chairman of Legal Representative of BenQ Guru Software Co., Ltd.
			Director of Expert Alliance Systems & Consultancy(HK) Co.Ltd.
			Director of Expert Alliance Smart Technology Co., Ltd.
			Director of BenQ Guru Holding Ltd.
			Director of Brainstorm Corporation
			Director of Partner Tech Europe GmbH
Director of BenQ Foundations			
Director	Qisda Corp. Representative : Chia-Hung Su	Master of Electrical Engineering, National Taiwan University Bachelor of Electrical Engineering, National Taiwan University COO of AEWIN Technologies Co., Ltd.	President of DFI INC.
			Director of Legal Representative of DFI INC.
			Director of Legal Representative of AEWIN Technologies Co., Ltd.
			Director of Legal Representative of ACE PILLAR Co., Ltd.
Director	Ming-Shan Li	Master from Institute of Business Management, National Chengchi University Managing Director of Citigroup Global Markets Securities	Independent Director of Wistron Corp.
			Chairman of Legal Representative of ILI Technology Corp.
			Chairman of Legal Representative of MagiCap Venture Capital Co., Ltd.
			Chairman of Legal Representative of Deus Investments Ltd.
			Chairman of Legal Representative of Belos Investments Ltd.
			Chairman of Legal Representative of Gordias Investments Ltd.
			Chairman of Legal Representative of Hyllus Investments Ltd.
			Chairman of Legal Representative of Achi Capital Management Ltd.
Independent Director	Te-Chang Yeh		Independent Director of Kian Shen Corp.
			Independent Director of Carnival Industrial Corp.
			Supervisor of Maxkit Technology Co., Ltd.

Job Title	Candidate Name	Major Educational Background and Experience	Current position
Independent Director	Te-Chang Yeh	Master of Economics, National Chengchi University Wafer Works Corporation Consultant	Consultant of Wafer Works Corp.
			Supervisor of Wafer Works (Shanghai) Co., Ltd.
			Supervisor of Wafer Works Epitaxial Corp.
			Supervisor of Wafer Works (Zhengzhou) Corp.
			Director of Silicon Technology Investment(Cayman)Corp.
Independent Director	Chih-Hao Chu	Master of Electric Engineering, National Taiwan University EMBA, National Taiwan University Founder of GIGM	President of Industrial Technology Investment Corp.
			Director of Legal Representative of GIT Consultants Corp.
			Director of Legal Representative of Intellectual Property Innovation Corp.
			Chairman of Legal Representative of IP Venture Investment and Management Co.
			Director of Legal Representative of Innovation Technology Venture Capital Corp.
			Chairman of Legal Representative of Digital Economy Fund GP, Ltd.
			Director of Golden Asia Fund Ventures Ltd. (Cayman)
			Director of TIEF Fund,LTD (Cayman)
			Director of LEAP Fund GP, Ltd (Cayman)
			Director of Applied Ventures ITIC Innovation Fund GP, LLC (Cayman)
			Adjunct Professor of National Taiwan University
			National Science and Technology Council Technology Policy Advisory Committee
			Chairman of VSENSE Co., Ltd.
			Director of VSense Medical Inc.
			Director of VSense Medical Inc. (Cayman)
			Independent Director of INTUMIT Inc.
			Director of Epoch Foundation
			Director of Taiwan Biotechnology Originality Association
			Director of Calls over Ridges Association
			Director of Chinese Strategy Development Association
Fontrip Technology Co., Ltd. Chairman			
Director of Legal Representative of A21 Ventures			
Director of Legal Representative of Innowings Investment & Consulting Corp.			

Job Title	Candidate Name	Major Educational Background and Experience	Current position
Independent Director	Chih-Hao Chu		Director of Legal Representative of Athena Innovation Investment and Service Co.
Independent Director	Bing-Kuan Luo	Master,Fu Jen Catholic University of Law	Chairman of Independent Director Association Taiwan
			Chairman of Huashan Internation Consultant
			Chairman of Cassida international Capital Corp.
			Independent Director of Hua Nan Commercial Bank Ltd.
			Independent Director of Faraday Technology Corp.
			Taiwan M&A and Private Equity Council (MAPECT) / Director
			Monte Jade Science & Technology Association of Taiwan / Director

# **Annex II Accountants' Audit Report and Financial Statements**

## **Independent Auditors' Report**

The Board of Directions and Shareholders DFI Inc.

### **Audit Opinion**

We have audited the accompanying consolidated balance sheet as of December 31, 2022 and the restated consolidated balance sheet as of December 31, 2021 of DFI Inc. and its subsidiaries (hereinafter collectively the "Group"), which comprise the consolidated income statement, consolidated statement of changes in equity, and consolidated statement of cash flow from January 1 to December 31, 2022 and the restated ones from January 1 to December 31, 2021, as well as the notes to the consolidated financial report (including the summary of significant accounting policies).

In our opinion which based on our audit results and the other certified public accountants' audit reports (please refer to the paragraph of other matter), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and their restated consolidated financial position as of December 31, 2021, as well as their consolidated financial performance and their consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's consolidated financial reports for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Key audit matters that we judge should be communicated in the audit reports are stated as follows:

## I. Business Combination

For accounting policies related to business combinations, please refer to Note IV (XV) of the consolidated financial statements; for description of business combinations, please refer to Note VI (VIII) of the consolidated financial statements.

Key audit matters are stated as follows:

Ace Pillar Co., Ltd., a subsidiary of DFI Inc., acquired 60% of the equity of Standard Technology Corporation and 100% of the equity of Blue Walker GmbH in 2022, thus obtaining control over these companies. Due to the accounting treatment of business combination, the management needs to determine the fair value of identifiable acquired assets and liabilities assumed; the process involves many assumptions and estimates with complexity, so the business combination is one of the material evaluation matters for us to perform the audit of the consolidated financial reports of the Group.

The audit procedures to process for the above:

Our main audit procedures for the above-mentioned key audit matters include obtaining the fair value assessment and the purchase price allocation of intangible assets reports entrusted by the management to external experts, and assessing the assets and liabilities identified by management at the acquisition date and the reasonableness of their evaluations; appointing our experts of evaluation to assist in assessing the reasonableness of the evaluation methods and material assumptions used in the evaluation; we also assess the correctness of the accounting of the Group and whether the relevant information about the acquisition has been properly disclosed.

## II. Impairment Assessment of Goodwill

For accounting policies related to impairment of non-financial assets, please refer to Note IV (XIII) of the consolidated financial statements; for description of the uncertainty of accounting estimates and assumptions of impairment assessment of goodwill, please refer to Note V (II) of the consolidated financial statements; for description of impairment test of goodwill, please refer to Note VI (XI) of the consolidated financial statements.

Key audit matters are stated as follows:

The goodwill of the Group arising from business combinations should be tested for impairment annually, or whenever there is an indication of impairment. Due to assessing the recoverable amount of the cash-generating unit to which goodwill belongs involves a number of management assumptions and estimates, the goodwill impairment assessment is one of the important assessment matters for us to perform the audit of the consolidated financial report of the Group.

The audit procedures to process for the above:

Our main audit procedures for the above key audit matters include obtaining a goodwill impairment assessment test form self-assessed by the management; evaluating the basis of estimates and key assumptions used by the management to measure the recoverable amount, including reasonableness of discount rates, expected revenue growth rates, and future cash flow forecast, etc.; processing sensitivity analysis for key assumptions, and checking whether the Group have properly disclosed relevant information on goodwill impairment assessment.



### **Emphasis of Matter**

As stated in Notes IV (II) and (III), the subsidiary of the Company, Ace Pillar Co., Ltd., acquired 100% equity interests in the subsidiary of Qisda Corporation, ACE Energy Co., Ltd., on July 1, 2022. Pursuant to the Interpretations (2012) No.301 issued by Accounting Research and Development Foundation and the Discussion Paper of IFRS 3 “Q&A on Accounting Treatments for Business Combinations under Common Control” dated on October 26, 2018, which is an organizational reorganization under common control and should be regarded as a combination from the beginning. The Group has prepared the consolidated financial statements of 2022 and the restated consolidated financial report of 2021 accordingly. Our audit opinions are not modified in respect of this matter.

### **Other Matters**

Among the subsidiaries listed in the Group's consolidated financial statements, partial subsidiary's financial statements were not audited by us but by other certified public accountants. Therefore, our opinions expressed in the consolidated financial statements regarding the amounts of that partial subsidiary are according to other certified public accountants' audit reports. That subsidiary's total assets for the years ended December 31, 2022 and 2021 amounted to NT \$411,046 thousand and NT \$277,176 thousand (same as below), respectively, accounting for 3.13% and 2.24% of the consolidated total assets, and its net operating revenue was NT \$920,196 thousand and NT \$739,706 thousand for the years from January 1 to December 31, 2022 and 2021, respectively, accounting for 5.68% and 5.60% of the consolidated net operating revenue.

DFI Inc. has prepared the financial statements for parent company only for 2022 and 2021 on which we have individually issued an audit report with unqualified opinion plus emphasis of matter and other matter paragraph and an audit report with unqualified opinion plus other matter paragraph.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statement**

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

In preparing the consolidated financial reports, the 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 Audit Committee) are responsible for overseeing the Group's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. If the individual amounts or sums that the material misstatement involved may be reasonably expected to affect the financial decision making of users of the consolidated financial statements, such misstatement will be considered material.

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

We also:

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

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

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

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

KPMG Taiwan

CPA:

Assurance Document Number : (88) Taiwan-Finance-  
Approved by Securities Regulator : Securities-VI-18311  
Financial-Supervisory-  
Securities-Audit-1060005191

March 2, 2023

#### Notes to Readers

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

The independent auditors' audit report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and financial statements, the Chinese version shall prevail.

**DFI Inc. and its subsidiaries**  
**Consolidated Balance Sheets**  
**As of December 31, 2022 and 2021**

**Unit: In Thousands of New Taiwan Dollars**

Assets	<b>2022.12.31</b>		<b>2021.12.31 (Restated)</b>		
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	
<b>Current assets:</b>					
1100	Cash and cash equivalents (Note VI (I))	\$ 1,690,474	13	1,549,815	13
1110	Financial assets at fair value through profit or loss - current (Notes VI (II))	27,458	-	28,528	-
1136	Financial assets at amortized cost - current (Notes VI (IV) & VIII)	9,557	-	19,708	-
1170	Net of notes receivable and accounts receivable (Notes VI (V), (XXI) & VIII)	2,611,791	20	2,604,256	21
1180	Accounts receivable from related parties (Notes VI (V), (XXI) & VII)	272,306	2	182,138	1
1200	Other receivables (Notes VI (V) & VII)	56,945	-	32,159	-
130X	Inventories (Notes VI (VI))	3,816,596	29	3,583,295	29
1410	Prepayments	125,313	1	133,749	1
1460	Non-current assets held for sale (Notes VI (VII) and (IX))	-	-	312,601	3
1470	Other current assets	<u>17,970</u>	<u>-</u>	<u>16,227</u>	<u>-</u>
	<b>Total current assets</b>	<u>8,628,410</u>	<u>65</u>	<u>8,462,476</u>	<u>68</u>
<b>Non-current assets:</b>					
1517	Financial assets at fair value through other comprehensive income - non-current (Notes VI (III))	71,064	1	42,547	-
1535	Financial assets at amortized cost - non-current (Note VI (IV))	3,212	-	-	-
1600	Property, plant and equipment (Notes VI (IX), VII & VIII)	2,793,096	21	2,477,339	20
1755	Right-of-use assets (Notes VI (X) & VII)	355,617	3	267,778	2
1780	Intangible assets (Notes VI (VIII), (XI) & VII)	1,121,027	9	974,453	8
1840	Deferred income tax assets (Notes VI (XVII))	125,982	1	78,856	1
1990	Other Non-current assets (Notes VI (XVI))	<u>45,912</u>	<u>-</u>	<u>90,492</u>	<u>1</u>
	<b>Total non-current assets</b>	<u>4,515,910</u>	<u>35</u>	<u>3,931,465</u>	<u>32</u>
	<b>Total assets</b>	<u><b>\$ 13,144,320</b></u>	<u><b>100</b></u>	<u><b>12,393,941</b></u>	<u><b>100</b></u>

(Continued on the next page)

(Please refer to notes to consolidated financial statements)

Chairman: Chi-Hung Chen

President: Chia-Hung Su

Accounting Supervisor: Li-Min Huang

**DFI Inc. and its subsidiaries**  
**Consolidated Balance Sheets (Continued from the previous page)**  
**As of December 31, 2022 and 2021**

**Unit: In Thousands of New Taiwan Dollars**

		<b>2022.12.31</b>		<b>2021.12.31 (Restated)</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Liabilities and equity</b>					
<b>Current liabilities:</b>					
2100	Short-term borrowings (Notes VI (XII) & VIII)	\$ 1,886,020	14	1,311,304	11
2120	Financial liabilities at fair value through profit or loss - current (Notes VI (II))	5,020	-	821	-
2130	Contract liabilities - current (Note VI (XXI))	205,241	2	194,558	1
2170	Notes and accounts payables	1,996,670	15	2,218,331	18
2180	Accounts payables to related parties (Note VII)	117,185	1	63,053	-
2200	Other payables (Note VII)	576,411	5	562,316	5
2230	Current income tax liabilities	234,692	2	86,768	1
2250	Provisions - current (Note VI (XV))	51,236	-	46,247	-
2280	Lease liabilities - current (Note VI (XIV) & VII)	86,451	1	75,933	1
2322	Long-term borrowings - Current portion (Notes VI (XIII) & VIII)	653	-	20,000	-
2399	Other current liabilities	31,136	-	18,633	-
	<b>Total current liabilities</b>	<u>5,190,715</u>	<u>40</u>	<u>4,597,964</u>	<u>37</u>
<b>Non-current liabilities:</b>					
2540	Long-term borrowings (Notes VI (XIII) & VIII)	1,550,000	12	1,730,000	14
2570	Deferred tax liabilities (Notes VI (XVII))	305,948	2	315,669	3
2580	Lease liabilities - non-current (Note VI (XIV) & VII)	241,693	2	181,441	1
2640	Net defined benefit liabilities - non-current (Note VI (XVI))	31,174	-	40,584	-
	<b>Total non-current liabilities</b>	<u>2,128,815</u>	<u>16</u>	<u>2,267,694</u>	<u>18</u>
	<b>Total liabilities</b>	<u>7,319,530</u>	<u>56</u>	<u>6,865,658</u>	<u>55</u>
<b>Equity attributable to the owners of the parent company (Note VI (VIII) and (XVIII)):</b>					
3110	Share capital - Ordinary shares	1,144,889	9	1,144,889	9
3200	Capital surplus	608,586	5	655,744	6
3300	Retained earnings	1,531,997	11	1,371,470	11
3400	Other equity	(38,041)	(1)	(114,824)	(1)
	<b>Total equity attributable to owners of parent company</b>	<u>3,247,431</u>	<u>24</u>	<u>3,057,279</u>	<u>25</u>
35XX	<b>Former owner of business combination under common control</b>	-	-	20,310	-
36XX	<b>Non-controlling interests (Note VI (VIII) and (XVIII))</b>	<u>2,577,359</u>	<u>20</u>	<u>2,450,694</u>	<u>20</u>
	<b>Total equity</b>	<u>5,824,790</u>	<u>44</u>	<u>5,528,283</u>	<u>45</u>
	<b>Total liabilities and equity</b>	<u>\$ 13,144,320</u>	<u>100</u>	<u>12,393,941</u>	<u>100</u>

(Please refer to notes to consolidated financial statements)

Chairman: Chi-Hung Chen

President: Chia-Hung Su

Accounting Supervisor: Li-Min Huang

**DFI Inc. and its subsidiaries**  
**Consolidated Statements of Comprehensive Income**  
**January 1 to December 31, 2022 and 2021**

Unit: In Thousands of New Taiwan Dollars

	2022		2021 (Restated)	
	Amount	%	Amount	%
4000 <b>Net operating revenue (Notes VI (VIII), (XXI), VII &amp; XIV)</b>	\$ 16,189,529	100	13,312,180	100
5000 <b>Operating, costs (Note VI (VI), (IX), (X), (XI), (XIV), (XVI), (XXII), VII &amp; XII)</b>	<u>(12,907,654)</u>	<u>(80)</u>	<u>(10,770,010)</u>	<u>(81)</u>
<b>Gross Profit</b>	<u>3,281,875</u>	<u>20</u>	<u>2,542,170</u>	<u>19</u>
<b>Operating expenses (Note VI (V), (IX), (X), (XI), (XIV), (XVI), (XXII), VII &amp; XII):</b>				
6100 Selling and marketing expenses	(1,608,761)	(9)	(1,184,807)	(9)
6200 General and administrative expenses	(463,276)	(3)	(406,573)	(3)
6300 Research and development expenses	(462,335)	(3)	(430,347)	(3)
6450 Expected credit loss reversal benefit (impairment loss)	<u>(16,310)</u>	<u>-</u>	<u>6,169</u>	<u>-</u>
6000 <b>Total operating expenses</b>	<u>(2,550,682)</u>	<u>(15)</u>	<u>(2,015,558)</u>	<u>(15)</u>
<b>Net operating income</b>	<u>731,193</u>	<u>5</u>	<u>526,612</u>	<u>4</u>
<b>Non-operating income and expenses (Notes VI (VII), (XIV), (XVI), (XXIII) &amp; VII)</b>				
7100 Interest income	5,786	-	2,672	-
7010 Other income	43,720	-	22,092	-
7020 Other gain and loss	40,116	-	459,508	3
7050 Finance costs	<u>(61,348)</u>	<u>-</u>	<u>(24,776)</u>	<u>-</u>
<b>Total non-operating income and expenses</b>	<u>28,274</u>	<u>-</u>	<u>459,496</u>	<u>3</u>
7900 <b>Profit before tax</b>	759,467	5	986,108	7
7950 <b>Less: Income tax expense (Note VI (XVII))</b>	<u>(162,467)</u>	<u>(1)</u>	<u>(202,247)</u>	<u>(1)</u>
8200 <b>Net profit for the period</b>	<u>597,000</u>	<u>4</u>	<u>783,861</u>	<u>6</u>
<b>Other comprehensive income (Note VI (XVI) and (XVIII)):</b>				
8310 <b>Items that will not be reclassified to profit or loss</b>				
8311 Remeasurement of defined benefit plans	(2,814)	-	270	-
8316 Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	10,984	-	11,740	-
8349 Income tax relating to items that will not be reclassified	<u>563</u>	<u>-</u>	<u>(55)</u>	<u>-</u>
	<u>8,733</u>	<u>-</u>	<u>11,955</u>	<u>-</u>
8360 <b>Items that may be reclassified subsequently to profit or loss</b>				
8361 Exchange differences on translating the financial statements of foreign operations	127,086	1	(54,068)	-
8399 Income tax relating to items that may be reclassified	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>127,086</u>	<u>1</u>	<u>(54,068)</u>	<u>-</u>
<b>Other comprehensive income (loss) for the period</b>	<u>135,819</u>	<u>1</u>	<u>(42,113)</u>	<u>-</u>
8500 <b>Total comprehensive income (loss) for the period</b>	<u>\$ 732,819</u>	<u>5</u>	<u>741,748</u>	<u>6</u>
<b>Net profit in current period attributable to:</b>				
8610 Owners of the parent company	\$ 528,230	4	615,903	5
8615 Former owner of business combination under common control	3,394	-	1,623	-
8620 Non-controlling interests	<u>65,376</u>	<u>-</u>	<u>166,335</u>	<u>1</u>
	<u>\$ 597,000</u>	<u>4</u>	<u>783,861</u>	<u>6</u>
<b>Total comprehensive income (loss) attributable to:</b>				
8710 Owners of the parent company	\$ 603,957	4	575,471	5
8715 Former owner of business combination under common control	3,394	-	1,623	-
8720 Non-controlling interests	<u>125,468</u>	<u>1</u>	<u>164,654</u>	<u>1</u>
	<u>\$ 732,819</u>	<u>5</u>	<u>741,748</u>	<u>6</u>
<b>Earnings per Share (Unit: In New Taiwan Dollars, Note VI (XX))</b>				
9750 <b>Basic earnings per share</b>	<u>\$ 4.61</u>		<u>5.38</u>	
9850 <b>Diluted earnings per share</b>	<u>\$ 4.58</u>		<u>5.33</u>	

(Please refer to notes to consolidated financial statements)

Chairman: Chi-Hung Chen

President: Chia-Hung Su

Accounting Supervisor: Li-Min Huang

DFI Inc. and its subsidiaries  
Consolidated Statements of Changes in Equity  
January 1 to December 31, 2022 and 2021

Unit: In Thousands of New Taiwan Dollars

Equity attributable to owners of parent company

	Retained earnings						Other equity items				Former owner of business combination under common control	Non-controlling interest	Total equity	
	Share capital - Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange differences on translating the financial statements of foreign operations	Unrealized gain (loss) of financial assets at fair value through other comprehensive income	Total	Treasury shares				Total equity attributable to owners of the parent company
<b>Balance as of January 1, 2021 (Restated)</b>	\$ 1,146,889	679,735	788,518	54,268	393,207	1,235,993	(83,110)	8,503	(74,607)	(12,907)	2,975,103	18,687	2,062,364	5,056,154
Net profit for the period	-	-	-	-	615,903	615,903	-	-	-	-	615,903	1,623	166,335	783,861
Other comprehensive income (loss) for the period	-	-	-	-	(215)	(215)	(51,761)	11,544	(40,217)	-	(40,432)	-	(1,681)	(42,113)
Total comprehensive income (loss) for the period	-	-	-	-	615,688	615,688	(51,761)	11,544	(40,217)	-	575,471	1,623	164,654	741,748
Profit distribution:														
Legal reserve	-	-	37,246	-	(37,246)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	20,339	(20,339)	-	-	-	-	-	-	-	-	-
Cash dividends for common shares	-	-	-	-	(320,569)	(320,569)	-	-	-	-	(320,569)	-	-	(320,569)
Cash dividends distributed by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(52,225)	(52,225)
Cash dividend distributed from capital surplus	-	(22,898)	-	-	-	-	-	-	-	-	(22,898)	-	-	(22,898)
Cancellation of treasury shares	(2,000)	(1,093)	-	-	(9,814)	(9,814)	-	-	-	12,907	-	-	-	-
Differences between the actual price for acquisition or disposal of the subsidiaries and their carrying amount	-	-	-	-	(149,828)	(149,828)	-	-	-	-	(149,828)	-	(365,532)	(515,360)
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	641,433	641,433
<b>Balance as of December 31, 2021 (Restated)</b>	1,144,889	655,744	825,764	74,607	471,099	1,371,470	(134,871)	20,047	(114,824)	-	3,057,279	20,310	2,450,694	5,528,283
Net profit for the period	-	-	-	-	528,230	528,230	-	-	-	-	528,230	3,394	65,376	597,000
Other comprehensive income (loss) for the period	-	-	-	-	(1,056)	(1,056)	65,556	11,227	76,783	-	75,727	-	60,092	135,819
Total comprehensive income (loss) for the period	-	-	-	-	527,174	527,174	65,556	11,227	76,783	-	603,957	3,394	125,468	732,819
Profit distribution:														
Legal reserve	-	-	61,568	-	(61,568)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	40,215	(40,215)	-	-	-	-	-	-	-	-	-
Cash dividends for common shares	-	-	-	-	(366,364)	(366,364)	-	-	-	-	(366,364)	-	-	(366,364)
Cash dividends distributed by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(69,711)	(69,711)
Cash distributed from capital surplus	-	(45,796)	-	-	-	-	-	-	-	-	(45,796)	-	-	(45,796)
Differences between the actual price for acquisition or disposal of the subsidiaries and their carrying amount	-	-	-	-	(283)	(283)	-	-	-	-	(283)	-	(5,157)	(5,440)
Reorganization	-	(1,371)	-	-	-	-	-	-	-	-	(1,371)	(23,704)	(1,485)	(26,560)
Changes in percentage of ownership interests in subsidiaries	-	5	-	-	-	-	-	-	-	-	5	-	235	240
Disposition of unearned funds of employee stock ownership trust	-	4	-	-	-	-	-	-	-	-	4	-	-	4
Non-controlling interests adjustments	-	-	-	-	-	-	-	-	-	-	-	-	(2,060)	(2,060)
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	79,375	79,375
<b>Balance as of December 31, 2022</b>	\$ 1,144,889	608,586	887,332	114,822	529,843	1,531,997	(69,315)	31,274	(38,041)	-	3,247,431	-	2,577,359	5,824,790

(Please refer to notes to consolidated financial statements)

Chairman: Chi-Hung Chen

President: Chia-Hung Su

Accounting Supervisor: Li-Min Huang

**DFI Inc. and its subsidiaries**  
**Consolidated Statements of Cash Flows**  
**January 1 to December 31, 2022 and 2021**

Unit: In Thousands of New Taiwan Dollars

	<b>2022</b>	<b>2021</b> <b>(Restated)</b>
<b>Cash flows from operating activities:</b>		
<b>Net profit before tax for the period</b>	<b>\$ 759,467</b>	<b>986,108</b>
<b>Adjustment item:</b>		
Adjustments for		
Depreciation expenses	217,978	192,516
Amortization expenses	101,348	67,378
Expected credit (impairment loss) gain on reversal	16,310	(6,169)
Evaluation losses of financial assets measured at fair value through gains and losses	72	829
Interest expense	61,348	24,776
Interest income	(5,786)	(2,672)
Dividend income	(3,941)	(999)
Loss (gain) on disposal of property, plant and equipment	(156)	1,854
Relisting expenses of property, plant and equipment	235	-
Gain on disposal of non-current assets held for sale	(14,624)	(469,360)
Loss on liquidation of subsidiary	391	-
Gain on lease amendment	(1,280)	(5)
Total revenue, expense and loss items	<u>371,895</u>	<u>(191,852)</u>
Changes in assets/liabilities related to business activities:		
Net changes in assets related to operating activities:		
Decrease (increase) in financial assets mandatorily classified as at fair value through profit or loss	998	(2,117)
Decrease (increase) in notes receivable and accounts receivable	113,341	(548,014)
Increase in accounts receivable from related parties	(74,833)	(37,127)
Increase in other receivables	(23,774)	(16,786)
Increase in inventories	(48,085)	(1,251,608)
Decrease (increase) in prepayments	15,135	(78,592)
Decrease in other current assets	1,531	1,500
Total net changes in assets related to operating activities	<u>(15,687)</u>	<u>(1,932,744)</u>
Net change in liabilities related to operating activities:		
Increase (decrease) in financial liabilities held for trading	4,199	(8,947)
Increase (decrease) in contract liabilities	(2,010)	70,798
Increase (decrease) in notes and accounts payables	(320,175)	339,481
Increase (decrease) in accounts payables to related parties	54,132	(41,685)
Decrease in other payables	(49,072)	(19,408)
Increase (decrease) in provisions	4,989	(10,580)
Increase (decrease) in other current liabilities	12,327	(2,596)
Decrease in net defined benefit liabilities	(15,164)	(517)
Decrease in other non-current liabilities	(827)	-
Total net changes in liabilities related to business activities	<u>(311,601)</u>	<u>326,546</u>
Total net changes in assets and liabilities related to operating activities	<u>(327,288)</u>	<u>(1,606,198)</u>
Total adjustment items	<u>44,607</u>	<u>(1,798,050)</u>
Cash generated from (used in) operations	804,074	(811,942)
Interest received	5,430	2,673
Interest paid	(58,658)	(24,515)
Income tax paid	(128,825)	(199,263)
<b>Net cash generated from (used in) operating activities</b>	<b>622,021</b>	<b>(1,033,047)</b>

(Continued on the next page)

(Please refer to notes to consolidated financial statements)

Chairman: Chi-Hung Chen

President: Chia-Hung Su

Accounting Supervisor: Li-Min Huang



**DFI Inc. and its subsidiaries**  
**Consolidated Statements of Cash Flows (Continued from the previous page)**  
**January 1 to December 31, 2022 and 2021**

Unit: In Thousands of New Taiwan Dollars

	2022	2021 (Restated)
<b>Cash flows from investing activities:</b>		
Purchase of financial assets at amortized cost	(10)	(6,000)
Proceeds from sale of financial assets at amortized cost	28,343	-
Purchase of financial assets at fair value through other comprehensive income	(16,098)	-
Proceeds from sale of financial assets at fair value through profit or loss	-	981
Acquisition of subsidiaries (less cash obtained)	(141,309)	(41,201)
Proceeds from disposal of non-current assets held for sale	46,401	542,245
Purchase of property, plant and equipment	(178,614)	(993,714)
Proceeds from disposal of property, plant and equipment	349	1,677
Decrease in refundable deposits	2,899	1,056
Purchase of intangible assets	(48,155)	(15,396)
Decrease (increase) in other non-current assets	11,225	(31,461)
Dividends received	3,941	999
<b>Net cash used in investing activities</b>	<b>(291,028)</b>	<b>(540,814)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from short-term borrowings	7,312,311	5,982,178
Repayments of short-term borrowings	(6,877,426)	(5,494,381)
Proceeds from long-term borrowings	1,450,432	2,200,000
Repayments of long-term borrowings	(1,650,565)	(454,170)
Repayment of the principal portion of lease	(80,493)	(80,288)
Cash dividends distributed	(412,160)	(343,467)
Acquisition of ownership interests in subsidiaries	(5,440)	(515,360)
Changes in non-controlling interests	(69,471)	(52,225)
Disposition of unearned funds of employee stock ownership trust	4	-
<b>Net cash (used in) generated from financing activities</b>	<b>(332,808)</b>	<b>1,242,287</b>
<b>Effect of changes in exchange rate</b>	<b>142,474</b>	<b>(58,342)</b>
<b>Increase (decrease) in cash and cash equivalents for the current period</b>	<b>140,659</b>	<b>(389,916)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,549,815</b>	<b>1,939,731</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>\$ 1,690,474</b>	<b>1,549,815</b>

(Please refer to notes to consolidated financial statements)

Chairman: Chi-Hung Chen

President: Chia-Hung Su

Accounting Supervisor: Li-Min Huang

## Independent Auditors' Report

The Board of Directions and Shareholders DFI Inc.

### **Audit Opinion**

We have audited the accompanying parent company only financial statements of DFI Inc. (hereinafter “the Company”), which comprise the balance sheet as of December 31, 2022 and the restated balance sheet as of December 31, 2021, and the income statement, statement of changes in equity, and statement of cash flow from January 1 to December 31, 2022 and the restated ones from January 1 to December 31, 2021, as well as the notes to the parent company only financial statements (including the summary of significant accounting policies).

In our opinion which based on our audit results and the other certified public accountants' audit reports (please refer to the paragraph of other matter), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and its restated financial position as of December 31, 2021, as well as its financial performance and consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS).

### **Basis for opinion**

We conducted audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Generally Accepted Auditing Standards of the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audit results and other certified public accountants' audit reports, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's parent company only financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Key audit matters that we judge should be communicated in the audit reports are stated as follows:

#### **I. Investments in subsidiaries**

For accounting policies related to investments in subsidiaries and business combinations, please refer to Note IV (IX) and (XVIII) of the Company's financial statements.

Key audit matters are stated as follows:

Ace Pillar Co., Ltd., a subsidiary of DFI Inc., acquired 60% of the equity of Standard Technology Corporation and 100% of the equity of Blue Walker GmbH in 2022. Due to the accounting treatment of business combination, the management needs to determine the fair value of the acquisition consideration transferred and the identifiable acquired assets and liabilities assumed; the process involves many assumptions and estimates with complexity, so the addition of investments in subsidiaries for this period is one of the material evaluation matters for us to perform the parent company only financial statements of the Company.

The audit procedures to process for the above:

Our main audit procedures for the above-mentioned key audit matters include obtaining the fair value assessment and the purchase price allocation of intangible assets reports entrusted by the management to external experts, and assessing the assets and liabilities identified by management at the acquisition date and the reasonableness of their evaluations; appointing our experts of evaluation to assist in assessing the reasonableness of the evaluation methods and material assumptions used in the evaluation; we also assess the correctness of the relevant accounting and whether the relevant information about the acquisition has been properly disclosed.

## II. Impairment Assessment of Goodwill Arising from Investments in Subsidiaries

For accounting policies related to impairment of non-financial assets, please refer to Note IV (XIII) of the parent company only financial statements; for description of the uncertainty of accounting estimates and assumptions of impairment assessment of goodwill, please refer to Note V (II) of the parent company only financial statements; for description of impairment test of goodwill, please refer to Note VI (VIII) of the parent company only financial statements.

Key audit matters are stated as follows:

The Company's goodwill arising from acquisition of subsidiaries was included in the book value of the investment accounted for using the equity method in the parent company only financial statements, and the goodwill should be tested for impairment annually, or whenever there is an indication of impairment. Due to assessing the recoverable amount of the cash-generating unit to which goodwill belongs involves a number of management assumptions and estimates, the goodwill impairment assessment is one of the important assessment matters for us to perform the audit of the parent company only financial report of the Company.

The audit procedures to process for the above:

Our main audit procedures for the above key audit matters include obtaining a goodwill impairment assessment test form self-assessed by the management; evaluating the basis of estimates and key assumptions used by the management to measure the recoverable amount, including reasonableness of discount rates, expected revenue growth rates, and future cash flow forecast, etc.; processing sensitivity analysis for key assumptions, and checking whether the Company have properly disclosed relevant information on goodwill impairment assessment.

**Emphasis of Matter**

As stated in Notes IV (XIX) and VI (VIII), the subsidiary of the Company, Ace Pillar Co., Ltd., acquired 100% equity interests in the subsidiary of Qisda Corporation, ACE Energy Co., Ltd., on July 1, 2022 by way of cash acquisition. Pursuant to the Interpretations (2012) No.301 issued by Accounting Research and Development Foundation and the Discussion Paper of IFRS 3 “Q&A on Accounting Treatments for Business Combinations under Common Control” dated on October 26, 2018, which is an organizational reorganization under common control and should be regarded as an acquisition from the beginning. The Company has prepared the parent company only financial statements of 2022 and the restated parent company only financial report of 2021 accordingly. Our audit opinions are not modified in respect of this matter.

**Other Matters**

The financial statements of partial investment accounted for using the equity method listed in the Company’s parent company only financial statements were not audited by us but by other certified public accountants. Therefore, our opinions expressed in the parent company only financial statements regarding the amounts of that investee company are according to other certified public accountants’ audit reports. On December 31, 2022 and 2021, the amount of investment in the investee company recognized by the equity method was NT \$382,317 thousand and NT \$363,409 thousand, accounting for 5.52% and 5.59% of the total assets, respectively. For the periods from January 1 to December 31, 2022 and 2021, the shares of subsidiary profits and losses under the equity method were \$20,781 thousand and \$4,624 thousand, accounting for 3.30% and 0.66% of net profit before tax, respectively.

**Responsibility of the Management and the Governance Units for the Parent Company Only Financial Statements**

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

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

Those charged with governance (including Audit Committee) are responsible for overseeing DFI Inc.’s financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. If the individual amounts or sums that the material misstatement involved may be reasonably expected to affect the financial decision making of users of the parent company only financial statements, such misstatement will be considered material.

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

We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the DFI Inc.'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 DFI Inc.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause DFI Inc. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the related notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtained sufficient and appropriate audit proof of the financial information of the investee company accounted for using the equity method so as to express opinions on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our opinion to the Company.

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

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

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

KPMG Taiwan

CPA:

Assurance Document Number : (88) Taiwan-Finance-  
Approved by Securities Regulator : Securities-VI-18311  
Financial-Supervisory-  
Securities-Audit-1060005191

March 2, 2023

#### Notes to Readers

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

The independent auditors' audit report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and financial statements, the Chinese version shall prevail.

**DFI Inc.**  
**Balance Sheets**  
**As of December 31, 2022 and 2021**

**Unit: In Thousands of New Taiwan Dollars**

Assets	<u>2022.12.31</u>		<u>2021.12.31 (Restated)</u>		
	Amount	%	Amount	%	
<b>Current assets:</b>					
1100	Cash and cash equivalents (Note VI (I))	\$ 452,905	7	240,866	4
1110	Financial assets at fair value through profit or loss - current (Notes VI (II))	26,995	-	27,137	-
1136	Financial assets at amortized cost - current (Notes VI (IV) & VIII)	1,500	-	1,500	-
1170	Net of notes receivable and accounts receivable (Notes VI (V) & (XX))	452,413	7	244,269	4
1180	Accounts receivable from related parties (Notes VI (V), (XX) & VII)	672,077	10	382,231	6
1200	Other receivables (Notes VI (V) & VII)	31,162	-	22,692	-
130X	Inventories (Notes VI (VI))	972,940	14	1,104,949	17
1410	Prepayments	20,341	-	30,619	1
1470	Other current assets	<u>1,281</u>	-	<u>591</u>	-
	<b>Total current assets</b>	<u>2,631,614</u>	<u>38</u>	<u>2,054,854</u>	<u>32</u>
<b>Non-current assets:</b>					
1517	Financial assets at fair value through other comprehensive income - non-current (Notes VI (III))	68,840	1	41,259	1
1550	Investment under equity approach (Note VI (VIII))	2,975,611	43	3,145,141	48
1600	Property, plant and equipment (Notes VI (IX) & VII)	1,061,807	15	1,066,375	16
1755	Right-of-use assets (Notes VI (X) & VII)	121,799	2	123,454	2
1780	Intangible assets (Notes (XI) & VII)	12,655	-	10,522	-
1840	Deferred income tax assets (Notes VI (XVII))	55,827	1	39,170	1
1990	Other non-current assets	<u>2,520</u>	-	<u>23,597</u>	-
	<b>Total non-current assets</b>	<u>4,299,059</u>	<u>62</u>	<u>4,449,518</u>	<u>68</u>
	<b>Total assets</b>	<u>\$ 6,930,673</u>	<u>100</u>	<u>6,504,372</u>	<u>100</u>

(Please refer to notes to parent company only financial statements)

Chairman: Chi-Hung Chen

President: Chia-Hung Su

Accounting Supervisor: Li-Min Huang

**DFI Inc.**  
**Balance Sheets (Continued from the previous page)**  
**As of December 31, 2022 and 2021**

**Unit: In Thousands of New Taiwan Dollars**

		<b>2022.12.31</b>		<b>2021.12.31 (Restated)</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Liabilities and equity</b>					
<b>Current liabilities:</b>					
2100	Short-term borrowings (Notes VI (XII))	\$ 1,055,000	15	700,000	11
2120	Financial liabilities at fair value through profit or loss - current (Notes VI (II))	1,083	-	65	-
2130	Contract liabilities - current (Note VI(XX))	21,708	-	36,729	1
2170	Accounts payables	728,435	11	694,084	11
2180	Accounts payables to related parties (Note VII)	151,096	2	89,898	1
2200	Other payables (Note VI (XXI) & VII)	199,018	3	269,196	4
2230	Current income tax liabilities	122,938	2	12,682	-
2250	Provisions - current (Note VI (XV))	51,236	1	46,247	1
2280	Lease liabilities - current (Note VI (XIV) & VII)	18,889	-	14,282	-
2399	Other current liabilities	12,866	-	4,490	-
	<b>Total current liabilities</b>	<b>2,362,269</b>	<b>34</b>	<b>1,867,673</b>	<b>29</b>
<b>Non-current liabilities:</b>					
2540	Long-term borrowings (Notes VI (XIII))	1,100,000	16	1,300,000	20
2570	Deferred income tax liabilities (Notes VI (XVII))	81,948	1	104,503	2
2580	Lease liabilities - non-current (Note VI (XIV) & VII)	107,851	2	114,023	2
2640	Net defined benefit liabilities - non-current (Note (XVI))	31,174	-	40,584	-
	<b>Total non-current liabilities</b>	<b>1,320,973</b>	<b>19</b>	<b>1,559,110</b>	<b>24</b>
	<b>Total liabilities</b>	<b>3,683,242</b>	<b>53</b>	<b>3,426,783</b>	<b>53</b>
<b>Equity (Note VI (VIII) and (XVIII)):</b>					
3110	Share capital - Ordinary shares	1,144,889	17	1,144,889	18
3200	Capital surplus	608,586	9	655,744	10
3300	Retained earnings	1,531,997	22	1,371,470	21
3400	Other equity	(38,041)	(1)	(114,824)	(2)
		<b>3,247,431</b>	<b>47</b>	<b>3,057,279</b>	<b>47</b>
35XX	Former owner of business combination under common control	-	-	20,310	-
	<b>Total equity</b>	<b>3,247,431</b>	<b>47</b>	<b>3,077,589</b>	<b>47</b>
	<b>Total liabilities and equity</b>	<b>\$ 6,930,673</b>	<b>100</b>	<b>6,504,372</b>	<b>100</b>

(Please refer to notes to parent company only financial statements)

Chairman: Chi-Hung Chen

President: Chia-Hung Su

Accounting Supervisor: Li-Min Huang



**DFI Inc.**  
**Statement of Comprehensive Income**  
**January 1 to December 31, 2022 and 2021**

Unit: In Thousands of New Taiwan Dollars

	2022		2021 (Restated)	
	Amount	%	Amount	%
4000 <b>Net operating revenue (Notes VI (XX), VII and XIV)</b>	\$ 5,442,148	100	3,460,880	100
5000 <b>Operating costs (Note VI (VI) (IX) (X) (XI) (XIV)(XV) (XVI) (XXI), VII &amp; XII)</b>	<u>(4,366,454)</u>	<u>(80)</u>	<u>(2,798,695)</u>	<u>(81)</u>
<b>Gross Profit</b>	1,075,694	20	662,185	19
5910 Gain on realized (unrealized) sales	<u>(60,265)</u>	<u>(1)</u>	<u>18,792</u>	<u>1</u>
<b>Gross Profit</b>	<u>1,015,429</u>	<u>19</u>	<u>680,977</u>	<u>20</u>
<b>Operating expenses (Note VI (V), (IX), (X), (XI), (XIV), (XVI), (XXI), VII &amp; XII):</b>				
6100 Selling and marketing expenses	(180,818)	(4)	(187,585)	(5)
6200 General and administrative expenses	(122,476)	(2)	(142,804)	(4)
6300 Research and development expenses	(278,529)	(5)	(268,180)	(8)
6450 Expected credit (impairment loss) gain on reversal	<u>(1,798)</u>	<u>-</u>	<u>4,483</u>	<u>-</u>
6000 <b>Total operating expenses</b>	<u>(583,621)</u>	<u>(11)</u>	<u>(594,086)</u>	<u>(17)</u>
<b>Net operating income</b>	<u>431,808</u>	<u>8</u>	<u>86,891</u>	<u>3</u>
<b>Non-operating income and expenses (Notes VI (VII), (XIV), (XXII) &amp; VII)</b>				
7100 Interest income	2,236	-	744	-
7010 Other income	29,039	1	19,156	-
7020 Other gain and loss	15,920	-	459,837	13
7050 Finance costs	(27,177)	-	(11,499)	-
7070 Shares of profit (loss) of subsidiaries accounted for using the equity method	<u>177,345</u>	<u>3</u>	<u>145,260</u>	<u>4</u>
<b>Total non-operating income and expenses</b>	<u>197,363</u>	<u>4</u>	<u>613,498</u>	<u>17</u>
7900 <b>Profit before tax</b>	629,171	12	700,389	20
7950 <b>Less: Income tax expense (Note VI (XVII))</b>	<u>(97,547)</u>	<u>(2)</u>	<u>(82,863)</u>	<u>(2)</u>
8200 <b>Net profit for the period</b>	<u>531,624</u>	<u>10</u>	<u>617,526</u>	<u>18</u>
<b>Other comprehensive income (Note VI(XVII) and(XVIII)):</b>				
8310 <b>Items that will not be reclassified to profit or loss</b>				
8311 Remeasurement of defined benefit plans	260	-	(839)	-
8316 Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	11,483	-	11,339	-
8330 Shares of other comprehensive income of subsidiaries accounted for using the equity method	<u>(1,520)</u>	<u>-</u>	<u>661</u>	<u>-</u>
8349 Income tax relating to items that will not be reclassified	<u>(52)</u>	<u>-</u>	<u>168</u>	<u>-</u>
	<u>10,171</u>	<u>-</u>	<u>11,329</u>	<u>-</u>
8360 <b>Items that may be reclassified subsequently to profit or loss</b>				
8361 Exchange differences on translating the financial statements of foreign operations	65,556	1	(51,761)	(1)
8399 Income tax relating to items that may be reclassified	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>65,556</u>	<u>1</u>	<u>(51,761)</u>	<u>(1)</u>
<b>Other comprehensive income (loss) for the period</b>	<u>75,727</u>	<u>1</u>	<u>(40,432)</u>	<u>(1)</u>
8500 <b>Total comprehensive income (loss) for the period</b>	<u>\$ 607,351</u>	<u>11</u>	<u>577,094</u>	<u>17</u>
<b>Net profit in current period attributable to:</b>				
8610 Owners of the parent company	\$ 528,230	10	615,903	18
Former owner of business combination under common control	<u>3,394</u>	<u>-</u>	<u>1,623</u>	<u>-</u>
	<u>\$ 531,624</u>	<u>10</u>	<u>617,526</u>	<u>18</u>
<b>Total comprehensive income (loss) attributable to:</b>				
8710 Owners of the parent company	\$ 603,957	11	575,471	17
Former owner of business combination under common control	<u>3,394</u>	<u>-</u>	<u>1,623</u>	<u>-</u>
	<u>\$ 607,351</u>	<u>11</u>	<u>577,094</u>	<u>17</u>
<b>Earnings per Share (Unit: In New Taiwan Dollars, Note VI (XIX))</b>				
9750 <b>Basic earnings per share</b>	<u>\$ 4.61</u>		<u>5.38</u>	
9850 <b>Diluted earnings per share</b>	<u>\$ 4.58</u>		<u>5.33</u>	

(Please refer to notes to parent company only financial statements)

Chairman: Chi-Hung Chen

President: Chia-Hung Su

Accounting Supervisor: Li-Min Huang

DFI Inc.  
Statement of Changes in Equity  
January 1 to December 31, 2022 and 2021

Unit: In Thousands of New Taiwan Dollars

	Retained earnings						Other Equity Items			Former owner of business combination under common control	Total equity	
	Share capital - Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange differences on translating the financial statements of foreign operations	Unrealized gain (loss) of financial assets at fair value through other comprehensive income	Total			Treasury shares
<b>Balance as of January 1, 2021 (Restated)</b>	\$ 1,146,889	679,735	788,518	54,268	393,207	1,235,993	(83,110)	8,503	(74,607)	(12,907)	18,687	2,993,790
Net profit for the period	-	-	-	-	615,903	615,903	-	-	-	-	1,623	617,526
Other comprehensive income (loss) for the period	-	-	-	-	(215)	(215)	(51,761)	11,544	(40,217)	-	-	(40,432)
Total comprehensive income (loss) for the period	-	-	-	-	615,688	615,688	(51,761)	11,544	(40,217)	-	1,623	577,094
Profit distribution:												
Legal reserve	-	-	37,246	-	(37,246)	-	-	-	-	-	-	-
Special reserve	-	-	-	20,339	(20,339)	-	-	-	-	-	-	-
Cash dividends for common shares	-	-	-	-	(320,569)	(320,569)	-	-	-	-	-	(320,569)
Cash dividends distributed from capital surplus	-	(22,898)	-	-	-	-	-	-	-	-	-	(22,898)
Cancellation of treasury shares	(2,000)	(1,093)	-	-	(9,814)	(9,814)	-	-	-	12,907	-	-
Differences between the actual price for acquisition or disposal of the subsidiaries and their carrying amount	-	-	-	-	(149,828)	(149,828)	-	-	-	-	-	(149,828)
<b>Balance as of December 31, 2021 (Restated)</b>	1,144,889	655,744	825,764	74,607	471,099	1,371,470	(134,871)	20,047	(114,824)	-	20,310	3,077,589
Net profit for the period	-	-	-	-	528,230	528,230	-	-	-	-	3,394	531,624
Other comprehensive income (loss) for the period	-	-	-	-	(1,056)	(1,056)	65,556	11,227	76,783	-	-	75,727
Total comprehensive income (loss) for the period	-	-	-	-	527,174	527,174	65,556	11,227	76,783	-	3,394	607,351
Profit distribution:												
Legal reserve	-	-	61,568	-	(61,568)	-	-	-	-	-	-	-
Special reserve	-	-	-	40,215	(40,215)	-	-	-	-	-	-	-
Cash dividends for common shares	-	-	-	-	(366,364)	(366,364)	-	-	-	-	-	(366,364)
Cash distributed from capital surplus	-	(45,796)	-	-	-	-	-	-	-	-	-	(45,796)
Reorganization	-	(1,371)	-	-	-	-	-	-	-	-	(23,704)	(25,075)
Changes in percentage of ownership interests in subsidiaries	-	5	-	-	-	-	-	-	-	-	-	5
Differences between the actual price for acquisition or disposal of the subsidiaries and their carrying amount	-	-	-	-	(283)	(283)	-	-	-	-	-	(283)
Disposition of unearned funds of employee stock ownership trust	-	4	-	-	-	-	-	-	-	-	-	4
<b>Balance as of December 31, 2022</b>	\$ 1,144,889	608,586	887,332	114,822	529,843	1,531,997	(69,315)	31,274	(38,041)	-	-	3,247,431

(Please refer to notes to parent company only financial statements)

Chairman: Chi-Hung Chen

President: Chia-Hung Su

Accounting Supervisor: Li-Min Huang

**DFI Inc.**  
**Statements of Cash Flows**  
**January 1 to December 31, 2022 and 2021**

**Unit: In Thousands of New Taiwan Dollars**

	<b>2022</b>	<b>2021 (Restated)</b>
<b>Cash flows from operating activities:</b>		
<b>Net profit before tax for the period</b>	\$ 629,171	700,389
<b>Adjustment item:</b>		
Adjustments for		
Depreciation expenses	82,094	74,567
Amortization expenses	5,409	5,089
Expected credit impairment loss (gain on reversal)	1,798	(4,483)
Evaluation losses of financial assets measured at fair value through gains and losses	72	829
Interest expense	27,177	11,499
Interest income	(2,236)	(744)
Dividend income	(2,997)	(999)
Shares of profit of subsidiaries accounted for using the equity method	(177,345)	(145,260)
Loss on disposal of property, plant and equipment	-	1,652
Relisting expenses of property, plant and equipment	235	-
Gain on disposal of non-current assets held for sale	-	(469,360)
Unrealized (realized) gain (loss) on sales	60,265	(18,792)
Gain on lease amendment	-	(4)
Total revenue, expense and loss items	(5,528)	(546,006)
Changes in assets/liabilities related to business activities:		
Net changes in assets related to operating activities:		
Decrease (increase) in financial assets mandatorily classified as at fair value through profit or loss	70	(726)
Decrease (increase) in notes receivable and accounts receivable	(209,942)	36,746
Decrease (increase) in accounts receivable from related parties	(289,846)	86,349
Increase in other receivables	(8,470)	(12,766)
Decrease (increase) in inventories	132,009	(658,412)
Decrease (increase) in prepayments	10,278	(12,057)
Increase in other current assets	(690)	(155)
Total net changes in assets related to operating activities	(366,591)	(561,021)
Net change in liabilities related to operating activities:		
Increase (decrease) in financial liabilities held for trading	1,018	(3,760)
Increase (decrease) in contract liabilities	(15,021)	31,492
Increase in accounts payables	34,351	221,913
Increase (decrease) in accounts payables to related parties	61,198	(53,311)
Increase (decrease) in other payables	(43,096)	47,976
Increase (decrease) in provisions	4,989	(10,580)
Increase in other current liabilities	8,376	831
Decrease in net defined benefit liabilities	(9,150)	(217)
Total net changes in liabilities related to business activities	42,665	234,344
Total net changes in assets and liabilities related to operating activities	(323,926)	(326,677)
Total adjustment items	(329,454)	(872,683)
Cash generated from (used in) operations	299,717	(172,294)
Interest received	2,236	744
Interest paid	(26,425)	(11,238)
Income tax paid	(26,555)	(131,170)
<b>Net cash generated from (used in) operating activities</b>	248,973	(313,958)

**(Continued on the next page)**

(Please refer to notes to parent company only financial statements)

Chairman: Chi-Hung Chen

President: Chia-Hung Su

Accounting Supervisor: Li-Min Huang

**DFI Inc.**  
**Statements of Cash Flows (Continued from the previous page)**  
**January 1 to December 31, 2022 and 2021**

Unit: In Thousands of New Taiwan Dollars

	<b>2022</b>	<b>2021 (Restated)</b>
<b>Cash flows from investing activities:</b>		
Purchase of financial assets at fair value through other comprehensive income	(16,098)	-
Proceeds from sale of financial assets at fair value through profit or loss	-	981
Acquisition of investments accounted for using the equity method	-	(1,016,944)
Refund of share capital due to capital decrease of subsidiaries accounted for using the equity method	80,063	-
Proceeds from disposal of non-current assets held for sale	-	542,245
Purchase of property, plant and equipment	(70,722)	(239,046)
Proceeds from disposal of property, plant and equipment	-	1,470
Decrease (increase) in refundable deposits	(892)	243
Purchase of intangible assets	(7,542)	(8,355)
Decrease (increase) in other non-current assets	3,026	(18,597)
Dividends received	248,227	51,597
<b>Net cash (used in) generated from investment activities</b>	<b>236,062</b>	<b>(686,406)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from short-term borrowings	4,985,000	4,810,000
Repayments of short-term borrowings	(4,630,000)	(4,770,000)
Proceeds from long-term borrowings	1,000,000	1,750,000
Repayments of long-term borrowings	(1,200,000)	(450,000)
Repayment of the principal portion of lease	(15,840)	(10,704)
Cash dividends distributed	(412,160)	(343,467)
Disposition of unearned funds of employee stock ownership trust	4	-
<b>Net cash (used in) generated from financing activities</b>	<b>(272,996)</b>	<b>985,829</b>
<b>Increase (decrease) in cash and cash equivalents for the current period</b>	<b>212,039</b>	<b>(14,535)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>240,866</b>	<b>255,401</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>\$ 452,905</b>	<b>240,866</b>

(Please refer to notes to parent company only financial statements)

Chairman: Chi-Hung Chen

President: Chia-Hung Su

Accounting Supervisor: Li-Min Huang

## Annex III Clauses of the Rules of Procedure for Shareholders' Meetings to be Revoked

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- I. To formulate sound rules for governing the shareholders' meetings of the Company, improve oversight functions and strengthen management functions, these rules are formulated according to Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
- II. These rules shall be applicable to shareholders' meetings of the Company.
- III. Any reference to shareholders in these rules mean the actual shareholders registered in the shareholders' register or the proxies entrusted by the shareholders to attend the shareholders' meetings for them.
- IV. The shareholders' meeting of the Company shall be convened by the Board of Directors, except as otherwise provided by law.

The company shall, by 30 days prior to convening an annual general shareholders' meeting or 15 days prior to convening an extraordinary shareholders' meeting, transmit the meeting notice, written proxy, related acknowledgement, discussions, proposals for appointing or removing directors or supervisors, and supporting materials prepared electronically to the Market Observation Post System. 21 days prior to an annual general shareholders' meeting or 15 days prior to an extraordinary shareholders' meeting, the meeting agenda book and supplementary materials shall be prepared electronically and transmitted to the Market Observation Post System. By 15 days before a shareholders' meeting, the meeting agenda book and supporting materials for that particular shareholders' meeting shall be appropriately prepared for reference by shareholders from time to time. They shall be displayed in the Company and a professional service agency appointed by the Company, and shall be handed out on site at the shareholders' meeting.

The reason for convening the meeting shall be indicated in the meeting notice and announcement. With the consent of recipients, the notice may be issued electronically.

Appointment or removal of directors, modification of the Articles of Incorporation, capital reduction, application for ceasing public offering, competition permit for directors, conversion of earnings into capital increase, conversion of capital reserves into capital increase, corporate dissolution, merger, division or matters under Article 185-1 of the Company Act, and Article 26-1, Article 43-6 of the Securities Exchange Act, Article 56-1 and Article 60-2 of the Regulations Governing Offering and Issuance of Securities by Securities Issuers shall be listed in the notice as reasons for convening the meeting. Instead, they shall not be proposed in any extraordinary motion. The main content shall be organized at the website of a competent securities authority or a website designated by the Company. The website address shall be indicated in the notice.

Where the comprehensive re-election of directors is stated as the reason for the convening of the shareholders' meeting, and the date of inauguration is indicated, once the re-election during the shareholders' meeting is completed, the date of inauguration shall not be changed by extraordinary motion or other means during the same meeting.

Any shareholder who holds more than 1% of the total issued shares may present a proposal for the annual general shareholders' meeting to the Company. However, the number of proposal shall be limited to one proposal. Where there is more than one proposals submitted by the same shareholder, the proposals will not be accepted. In addition, in the event the proposal proposed by the shareholders fall under one of the circumstances of the fourth paragraph of Article 172-1 of the Companies Act, the Board of Directors may not list the proposal as part of the agenda.

The Company shall announce its acceptance of shareholders' proposals, place of acceptance and acceptance period before convening the general shareholders' meeting and ceasing share transfer. The acceptance period shall not be shorter than 10 days.

A shareholder's proposal may contain no more than 300 words, or else it will not be accepted. The shareholder presenting the proposal shall attend the general shareholders' meeting in person or by proxy, and take part in discussing the proposal.

Before issuing the notice of the shareholders' meeting, the Company shall inform the shareholders of which of their proposals have been accepted and list the accepted proposals in the meeting notice as stipulated under this clause before the date of meeting notice. For the shareholders' proposals not accepted, the Board of Directors shall explain why the proposals have been rejected at the shareholders' meeting.

- V. At each shareholders' meeting, the shareholders may issue a proxy printed and issued by the Company to appoint a representative to attend the shareholders' meeting. The scope of authorization shall be indicated in the proxy.
- A shareholder is only allowed to issue a proxy and appoint one representative. The proxy shall be delivered to the Company five days before the shareholders' meeting. If a proxy is repeatedly delivered, the one received first shall prevail. However, this shall not apply if it is declared that the prior proxies are revoked.
- If the shareholder wishes to attend the shareholders' meeting in person, or exercises his or her voting rights in writing or electronically after his or her delivery of the proxy to the Company, the shareholder shall issue a written notice to the Company to revoke the proxy two days prior to the shareholders' meeting. If the proxy is not revoked on time, it shall be deemed that the shareholder has appointed his or her representative to attend the meeting to exercise the voting rights for him or her. The shareholders' meeting shall be convened in the place where the Company is or it is convenient for shareholders to attend and suitable for holding the meeting. The meeting shall not be held earlier than 9 o'clock in the morning or later than 3 o'clock in the afternoon. In respect of meeting place and time, independent directors' opinions shall be fully considered.
- VI. If the shareholders' meeting is convened by the Board of Directors, it shall be chaired by the Chairman of the Board of Directors. In the event that the Chairman asks for leave or cannot exercise his or her powers for any reason, the Chairman shall designate one executive director to act as chairman in place of him or her. If the Company has no executive director, the Chairman shall designate one director to act as chairman in place of him or her. In case that the Chairman fails to designate a chairman, a chairman shall be elected among the executive directors or directors.
- In the event that the foregoing chairman is an executive director or a director, such director shall have served the post for more than six months, with knowledge about financial and business conditions of the Company. This shall also apply if the chairman is the representative of a corporate director of the Company.
- The shareholders' meetings convened by the Board of Directors shall be chaired by the Chairman in person. They shall be attended by a majority of directors, and at least one member representative of each functional committee. The attendance shall be recorded in the minutes of the shareholders' meetings.
- The shareholders' meetings convened by any conveners other than the Board of Directors shall be chaired by such conveners. If a shareholders' meeting is convened by more than two persons, one of the conveners shall act as the chairman. The Company may appoint its lawyers, accountants or related personnel to attend a shareholders' meeting.
- VII. The Company shall indicate start time of shareholders' registration, place for registration and other considerations in the meeting notice.
- The registration time of the shareholders aforementioned shall commence at least 30 minutes before the commencement of the meeting; the registration venue shall be clearly marked and be handled by sufficient and qualified personnel.
- The shareholders or the proxies they appoint (hereinafter referred to as the shareholders) shall attend shareholders' meetings with their certificates of attendance, attendance cards or other supporting documents for attendance. The Company shall not require the shareholders to show any other supporting documents for attending the shareholders' meetings without permission. The shareholders who are solicitors in the solicitation proxy shall also bring supporting identity documents with them for identity verification.
- The Company shall prepare an attendance register for the shareholders to sign in, or the shareholders attending the meeting may submit their attendance cards in place of the registration.
- The Company shall deliver the meeting agenda book, annual report, certificate of attendance, speech slips, votes and other meeting materials to the shareholders attending the shareholders' meeting. If directors are elected at the meeting, votes for election shall be provided as well.
- For governments or legal entities which are shareholders of the Company, each of them may appoint more than 1 representatives to attend the shareholders' meeting on behalf of them. When a legal entity is entrusted to attend the shareholders' meeting, it may only appoint one representative.
- VIII. Attendance of a shareholders' meeting shall be calculated based on shares. The shares held by the shareholders attending the meeting shall be calculated according to the attendance register or attendance cards submitted or the shares exercising voting rights in writing or electronically.
- The chairman shall announce the meeting in session immediately when it is time to hold the meeting. The chairman may announce adjournment of the meeting only when the shareholders present don't represent a majority of the total outstanding shares. The meeting may be adjourned for no more than twice, and for no more than 1 hour altogether. In the event that the shareholders present still don't represent over 1/3 of the total outstanding shares, the chairman shall announce closing the meeting.
- If the number of shareholders present still fails to reach the quorum after two adjournments, but these shareholders represent more than 1/3 of the total outstanding shares, a pseudo resolution may be passed according to Clause 1, Article

175 of the Company Act. Through the pseudo resolution, the shareholders will be informed of convening the shareholders' meeting again within one month.

If the shareholders present represent a majority of the total outstanding shares before the end of the meeting, the chairman may present the pseudo resolution for voting again in accordance with Article 174 of the Company Act.

- IX. If the shareholders' meeting is convened by the Board of Directors, the agenda shall be formulated by the Board of Directors, and the relevant proposals (including extraordinary motions and amendments to the original proposals) shall be voted on a case-by-case basis. The meeting shall be conducted according to the scheduled agenda and shall not be amended without a resolution of the shareholders' meeting.

The foregoing provision may apply if the shareholders' meeting is convened by anyone else other than the Board of Directors.

The agenda set forth in the preceding two paragraphs shall not be adjourned by the Chairman without a resolution before the conclusion of the proceedings (including extraordinary motions); if the Chairman violates the rules of procedure and declares the adjournment, the other members of the Board of Directors shall promptly assist the shareholders attending the meeting in accordance with the statutory procedures, to elect one person as the chairman with the consent of the majority of the shareholders with voting rights present to continue the meeting.

The chairman shall give opportunities to fully explain and discuss the proposals, amendments or extraordinary motions proposed by the shareholders. When the chairman deems that the proposals, amendments or motions are votable, he or she shall announce putting an end to the discussion, suggest voting and arrange appropriate time for voting.

- X. Before the speech of any shareholder, it is necessary for the shareholder to fill in a speech slip indicating the major content of the speech, the shareholder's account number (or attendance certificate number) and the account name. The chairman shall set the order of their speech.

The shareholders who have submitted speech slips without speaking shall be deemed to have not made any speech. If contents of shareholders' speeches are inconsistent with those indicated on the speech slips, the former shall prevail.

After the speech of a shareholder present, the chairman shall personally or designated related personnel to respond.

Each shareholder shall make a speech in respect of one proposal. Without the chairman's consent, no shareholder is allowed to speak twice, and a shareholder may speak for no more than five minutes each time. The chairman may stop a shareholder from speaking only when the shareholder speaks against any rules or beyond the topic under discussion.

During a shareholder's speech, other shareholders shall not interrupt, unless otherwise approved by the chairman and the shareholder who is speaking. Anyone violating this rule shall be stopped by the chairman.

When a corporate shareholder is entrusted to attend the shareholders' meeting, only one person may be recommended to speak in respect of one proposal.

- XI. Votes at a shareholders' meeting shall be calculated based on shares.

For a resolution passed at a shareholders' meeting, the shares held by shareholders who don't own any voting rights shall not be included in the total outstanding shares.

Any shareholders who are personally interested in any matters discussed at the meeting and thus cause harm to the Company's benefits shall neither get involved in voting nor exercise voting rights on behalf of other shareholders.

The foregoing shares which are banned from exercising voting rights shall not be taken into account in calculating voting rights of the shareholders present. When one person is simultaneously entrusted by more than two shareholders, the voting rights exercised by this person on behalf of the shareholders shall not exceed 3% of the total voting rights in the outstanding shares, except for trust businesses or service agencies approved by competent securities authorities. Otherwise, their voting rights will not be counted.

- XII. Each share held by a shareholder is entitled to one share, but this shall not apply to shareholders who are banned from voting or have no voting right as stipulated under Clause 2 of Article 179.

At a shareholders' meeting of the Company, the voting rights shall be exercised electronically and in writing. When the voting rights are exercised in writing or electronically, the ways for exercising the voting rights shall be clearly indicated in the meeting notice. The shareholders who exercise their voting rights in writing or electronically shall be deemed to attend the shareholders' meeting in person. Nonetheless, they shall be deemed to waive their rights if any extraordinary motion and amendment to their original proposal are proposed at the shareholders' meeting. Hence, the Company shall avoid putting forward any extraordinary motion and amendment to the original proposal.

The shareholders who exercise their voting rights in writing or electronically shall deliver their declaration of will to the Company two days before the shareholders' meeting. If their declaration of will is repeatedly delivered, the first one received shall prevail. However, this shall not apply to any declaration of will revoked.

If any shareholders wish to attend the shareholders' meeting in person after exercising their voting rights in writing or electronically, they shall revoke their prior declaration of will for exercising voting rights in the same way as they exercise their voting rights two days before the shareholders' meeting. Otherwise, the voting rights they've exercised in writing or electronically shall prevail. In the event that any shareholders exercise their voting rights in writing or electronically and entrust representatives to attend the shareholders' meeting by proxy, the voting rights exercised by the representatives shall prevail.

Any proposal shall be accepted if approved by over a majority of voting rights held by the shareholders present, unless otherwise stipulated by the Company Act and the Articles of Incorporation of the Company. During voting, the shareholders shall vote on a case-by-case basis after the chairman or the person designated by the chairman declares the total voting rights held by the shareholders present case by case. At the end of the shareholders' meeting, results on the shareholders' consent, dissent and waiver shall be entered in the M.O.P.S. on the same day.

When a proposal is amended or replaced, the chairman shall determine the order of voting in combination with the original proposal. If a proposal has been approved, other proposals shall be deemed to have been vetoed, and in this case, further voting will be unnecessary.

The personnel overseeing and counting ballots for a proposal shall be appointed by the chairman, but the personnel overseeing the voting shall be shareholders.

Ballot counting for a voting or election proposal at a shareholders' meeting shall be openly performed in the meeting venue on the spot. The voting results, including counted number of voting rights, shall be announced on the spot. Besides, minutes shall be kept.

- XIII. When directors are elected at a shareholders' meeting, related election and appointment rules of the Company shall be followed. The election results, including list of elected directors and votes received, shall be announced on the spot.

The ballots cast for the foregoing election shall be appropriately kept for at least one year after they are sealed and signed by the vote count overseer. However, if any shareholder files any lawsuit in accordance with Article 189 of the Company Act, the ballots shall be kept until settlement of the lawsuit.

- XIV. From the start time of shareholders' registration for a shareholders' meeting, the Company shall constantly keep audio and video recordings on the whole processes of registration, meeting and voting.

Such audio and video recordings shall be kept for 1 year at least. However, if any shareholder files any lawsuit in accordance with Article 189 of the Company Act, the ballots shall be kept until settlement of the lawsuit.

- XV. Minutes shall be kept in respect of matters discussed and determined at a shareholders' meeting. They shall be signed or sealed by the chairman. Within twenty days after the meeting, they shall be handed out to the shareholders. The minutes shall be prepared and handed out electronically.

For distribution of the foregoing minutes, the Company shall enter and announce the minutes in the M.O.P.S.

The minutes shall be kept based on date of meeting, meeting place, chairman's name, resolution method, meeting procedure and voting results (including counted number of voting rights). When directors are elected, the number of votes for each candidate shall be disclosed. The minutes shall be permanently kept during existence of the Company.

- XVI. The Company shall prepare a statistical form in the given format in respect of the shares solicited by solicitors and those held by proxy on the date on which the shareholders' meeting is held. This statistical form shall be expressly disclosed in the meeting venue.

For matters resolved by the shareholders' meeting, if there is any material information stipulated by laws and regulations and stipulated by the Taiwan Stock Exchange Co., Ltd. (Republic of China Securities Counter Trading Center), the Company shall transmit the contents to the Market Observation Post System within the specified time.

- XVII. Service personnel in charge of shareholders' meeting shall wear identity certificates or arm badges.

The chairman shall command supervisory or security personnel to assist in maintaining the meeting venue in good order. In maintaining order of the meeting venue on site, the supervisory or security personnel shall wear arm bands or identity certificates where words like "supervisory personnel" are indicated.

If the meeting venue is equipped with sound amplification equipment, the chairman shall stop shareholders from speaking with any other equipment not prepared by the Company.

Any shareholders who are not subject to the chairman's correction, interrupt the meeting and fail to be obedient after coercion will be driven out of the meeting venue by the supervisory or security personnel as commanded by the chairman.

- XVIII. In holding a meeting, the chairman shall declare adjournment at discretion. If anything, irresistible takes place, the



chairman may decide to have the meeting adjourned for the time being, and declare the time for continuation of the meeting dependent upon the situation.

In the event that the meeting venue cannot be used prior to the conclusion of the meeting (including the extraordinary motions), and the shareholders' meeting may resolve to continue the meeting at another venue.

At the shareholders' meeting, a resolution shall be made to adjourn or continue the meeting within five days in accordance with Article 182 of the Company Act.

XIX. These Rules shall come into force after being passed by the **shareholders' meeting** and shall be amended in the same manner.

XX. These operational procedures was formulated on July 1, 1998.

The 1st amendment was made on February 10, 1999.

The 2nd amendment was made on March 9, 2004.

The 3rd amendment was made on June 21, 2012.

The 4th amendment was made on June 10, 2013.

The 5th amendment was made on June 12, 2015.

The 6th amendment was made on December 28, 2017.

The 7th amendment was made on June 16, 2020.

# Annex IV Clauses of the Rules of Procedure for Shareholders' Meetings to be Re-formulated

## Rules of Procedure of Shareholders' Meeting of DFI Inc.

Article 1: To formulate sound rules for governing the shareholders' meetings of the Company, improve oversight functions and strengthen management functions, these rules are formulated according to Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article 2: The Rules of Procedure of the Board of Shareholders of the Company shall, except as otherwise provided in laws and regulations or the articles of association, be in accordance with the provisions of these Rules.

Article 3: The shareholders' meeting of the Company shall be convened by the Board of Directors, except as otherwise provided by law.

Changes in the mode of convening the shareholders' meeting of the Company shall be resolved by the Board of Directors and no later than before the notice of the meeting of the shareholders' meeting is sent.

The company shall, by 30 days prior to convening an annual general shareholders' meeting or 15 days prior to convening an extraordinary shareholders' meeting, transmit the meeting notice, written proxy, related acknowledgement, discussions, proposals for appointing or removing directors or supervisors, and supporting materials prepared electronically to the Market Observation Post System. 21 days prior to an annual general shareholders' meeting or 15 days prior to an extraordinary shareholders' meeting, the meeting agenda book and supplementary materials shall be prepared electronically and transmitted to the Market Observation Post System.

However, if the paid-in capital of the Company as of the last day of the most recent fiscal year reaches NT\$10 billion or more, or the aggregate shareholding percentage of foreign investors and Mainland Chinese investors recorded in the shareholders' registry of the Company at the most recent fiscal year is more than 30%, the electronic file shall be completely transmitted 30 days prior to the annual general shareholders' meeting. 15 days prior to the shareholders' meeting, the meeting agenda book and supplementary materials of that particular shareholders' meeting shall be prepared for the shareholders' reference at any time and shall be displayed in the Company and in the professional stock agency appointed by the Company.

The meeting agenda book and the supplementary information of the meeting aforementioned shall be provided by the Company to shareholders for reference on the day of the shareholders' meeting in the following manner:

- I. Where a physical shareholders' meeting is held, it shall be distributed on-site at the shareholders' meeting.
- II. Where a hybrid shareholders' meeting is held, it shall be distributed on-site at the shareholders' meeting and the electronic files shall be uploaded to the video conferencing platform.
- III. Where a virtual shareholders' meeting is held, it shall be uploaded to the video conferencing platform in electronic form.

The reason for convening the meeting shall be indicated in the meeting notice and announcement. With the consent of recipients, the notice may be issued electronically.

Appointment or removal of directors, modification of the Articles of Incorporation, capital reduction, application for ceasing public offering, competition permit for directors, conversion of earnings into capital increase, conversion of capital reserves into capital increase, corporate dissolution, merger, division or matters under Article 185-1 of the Company Act, and Article 26-1, Article 43-6 of the Securities Exchange Act, Article 56-1 and Article 60-2 of the Regulations Governing Offering and Issuance of Securities by Securities Issuers shall be listed in the notice as reasons for convening the meeting. Instead, they shall not be proposed in any extraordinary motion. The main content shall be organized at the website of a competent securities authority or a website designated by the Company. The website address shall be indicated in the notice.

Where the comprehensive re-election of directors is stated as the reason for the convening of the shareholders' meeting, and the date of inauguration is indicated, once the re-election during the

shareholders' meeting is completed, the date of inauguration shall not be changed by extraordinary motion or other means during the same meeting.

Any shareholder who holds more than 1% of the total issued shares may present a proposal for the annual general shareholders' meeting to the Company. However, the number of proposal shall be limited to one proposal. Where there is more than one proposals submitted by the same shareholder, the proposals will not be accepted. In addition, if the proposal proposed by the shareholders falls under one of the circumstances of each items of paragraph 4 of Article 172-1 of the Companies Act, the Board of Directors may not list the proposal as part of the agenda.

A shareholder may propose a proposal to urge the company to promote the public interest or to fulfill its social responsibilities. In terms of the procedure, the proposal shall be limited to one proposal in accordance with the relevant provisions of Article 172-1 of the Companies Act. Where there is more than one proposals submitted by the same shareholder, the proposals will not be accepted.

The Company shall announce its acceptance of shareholders' proposals, place of acceptance and acceptance period before convening the general shareholders' meeting and ceasing share transfer. The acceptance period shall not be shorter than 10 days.

A shareholder's proposal may contain no more than 300 words, or else it will not be accepted. The shareholder presenting the proposal shall attend the general shareholders' meeting in person or by proxy, and take part in discussing the proposal.

Before issuing the notice of the shareholders' meeting, the Company shall inform the shareholders of which of their proposals have been accepted and list the accepted proposals in the meeting notice as stipulated under this clause before the date of meeting notice. For the shareholders' proposals not accepted, the Board of Directors shall explain why the proposals have been rejected at the shareholders' meeting.

Article 4: At each shareholders' meeting, the shareholders may issue a proxy printed and issued by the Company to appoint a representative to attend the shareholders' meeting. The scope of authorization shall be indicated in the proxy.

A shareholder is only allowed to issue a proxy and appoint one representative. The proxy shall be delivered to the Company five days before the shareholders' meeting. If a proxy is repeatedly delivered, the one received first shall prevail. However, this shall not apply if it is declared that the prior proxies are revoked.

If the shareholder wishes to attend the shareholders' meeting in person, or exercises his or her voting rights in writing or electronically after his or her delivery of the proxy to the Company, the shareholder shall issue a written notice to the Company to revoke the proxy two days prior to the shareholders' meeting. If the proxy is not revoked on time, it shall be deemed that the shareholder has appointed his or her representative to attend the meeting to exercise the voting rights for him or her.

If, after the service of the power of attorney of the proxy to the company, the shareholder issuing the proxy intends to take part in the shareholders' meeting by video conference, the shareholder shall issue a proxy rescission notice to the company by 2 days prior to the scheduled date of the shareholders' meeting. In the absence of a timely rescission, the voting power exercised by the authorized proxy agent at the meeting shall prevail.

Article 5: The shareholders' meeting shall be held at the place where the Company is located or where it is convenient for shareholders to attend and suitable for holding the meeting. The meeting shall commence no earlier than 9:00 a.m. or later than 3:00 p.m. The venue and time of the meeting shall take full account of the opinions of the independent directors.

When the Company convenes a shareholders' meeting by video conferencing, it is not subject to the aforesaid meeting venue.

Article 6: The Company shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "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. 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.

Shareholders shall attend the 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 prepare an attendance register for the shareholders to sign in, or the shareholders attending the meeting may submit their attendance cards in place of the registration.

The Company shall deliver the meeting agenda book, annual report, certificate of attendance, speech slips, votes and other meeting materials to the shareholders attending the shareholders' meeting. If directors are elected at the meeting, votes for election shall be provided as well.

For governments or legal entities which are shareholders of the Company, each of them may appoint more than 1 representatives to attend the shareholders' meeting on behalf of them. When a legal entity is entrusted to attend the shareholders' meeting, it may only appoint one representative.

In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.

In the event of a virtual shareholders' meeting, the Company shall upload the meeting agenda 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.

Article 6-1: To convene a virtual shareholders' meeting, the Company shall include the follow particulars in the shareholders' meeting notice:

- I. How shareholders attend the virtual meeting and exercise their rights.
- II. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
  - (1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
  - (2) Shareholders not having registered to attend the affected virtual shareholders' meeting shall not attend the postponed or resumed session.
  - (3) In case of a hybrid shareholders' meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.
  - (4) Actions to be taken if the results of all proposals have been announced and extraordinary motion has not been carried out.
- III. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified.

Article 7: If the shareholders' meeting is convened by the Board of Directors, it shall be chaired by the Chairman of the Board of Directors. In the event that the Chairman asks for leave or cannot exercise his or her powers for any reason, the Chairman shall designate one executive director to act as chairman in place of him or her. If the Company has no executive director, the Chairman shall designate one director to act as chairman in place of him or her. In case that the Chairman fails to designate a chairman, a chairman shall be elected among the executive directors or directors.

In the event that the foregoing chairman is an executive director or a director, such director shall have served the post for more than six months, with knowledge about financial and business conditions of the Company. This shall also apply if the chairman is the representative of a corporate director of the Company.

The chairman of the Board of Directors shall personally preside over the shareholders' meeting convened by the Board of Directors, and a majority of the directors of the Board of Directors shall attend in person. At least one representative of the members of the various functional committees shall attend on behalf of the committee. The attendance shall be recorded in the minutes of the shareholders' meeting.

The shareholders' meetings convened by any conveners other than the Board of Directors shall be

chaired by such conveners. If a shareholders' meeting is convened by more than two persons, one of the conveners shall act as the chairman.

The Company may appoint its lawyers, accountants or related personnel to attend a shareholders' meeting.

Article 8: From the start time of shareholders' registration for a shareholders' meeting, the Company shall constantly keep audio and video recordings on the whole processes of registration, meeting and voting. Such audio and video recordings shall be kept for 1 year at least. However, if any shareholder files any lawsuit in accordance with Article 189 of the Company Act, the ballots shall be kept until settlement of the lawsuit.

Where a shareholders' meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

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.

In case of a virtual shareholders meeting, the Company should audio and video record the back-end operation interface of the virtual meeting platform.

Article 9: Attendance of a shareholders' meeting shall be calculated based on 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, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chairman shall call the meeting to order at the appointed meeting time and disclose information concerning the number of non-voting shares and number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairman 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 chairman shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is 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. 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.

If the shareholders present represent a majority of the total outstanding shares before the end of the meeting, the chairman may present the pseudo resolution for voting again in accordance with 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 foregoing provision may apply if the shareholders' meeting is convened by anyone else other than the Board of Directors.

The agenda set forth in the preceding two paragraphs shall not be adjourned by the Chairman without a resolution before the conclusion of the proceedings (including extraordinary motions); if the Chairman violates the rules of procedure and declares the adjournment, the other members of the Board of Directors shall promptly assist the shareholders attending the meeting in accordance with the statutory procedures, to elect one person as the chairman with the consent of the majority of the shareholders with voting rights present to continue the meeting.

The chairman shall give opportunities to fully explain and discuss the proposals, amendments or extraordinary motions proposed by the shareholders. When the chairman deems that the proposals, amendments or motions are votable, he or she shall announce putting an end to the discussion, suggest voting and arrange appropriate time for voting.

Article 11: Before the speech of any shareholder, it is necessary for the shareholder to fill in a speech slip indicating the major content of the speech, the shareholder's account number (or attendance certificate number) and the account name. The chairman shall set the order of their speech.

The shareholders who have submitted speech slips without speaking shall be deemed to have not made any speech. If contents of shareholders' speeches are inconsistent with those indicated on the speech slips, the former shall prevail.

Each shareholder shall make a speech in respect of one proposal. Without the chairman's consent, no shareholder is allowed to speak twice, and a shareholder may speak for no more than five minutes each time. The chairman may stop a shareholder from speaking only when the shareholder speaks against any rules or beyond the topic under discussion.

During a shareholder's speech, other shareholders shall not interrupt, unless otherwise approved by the chairman and the shareholder who is speaking. Anyone violating this rule shall be stopped by the chairman.

When a corporate shareholder is entrusted to attend the shareholders' meeting, only one person may be recommended to speak in respect of one proposal.

After the speech of a shareholder present, the chairman shall personally or designated related personnel to respond.

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

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, the questions should be disclosed to the public at the virtual meeting platform.

Article 12: Votes at a shareholders' meeting shall be calculated based on shares.

For a resolution passed at a shareholders' meeting, the shares held by shareholders who don't own any voting rights shall not be included in the total outstanding shares.

Any shareholders who are personally interested in any matters discussed at the meeting and thus cause harm to the Company's benefits shall neither get involved in voting nor exercise voting rights on behalf of other shareholders.

The foregoing shares which are banned from exercising voting rights shall not be taken into account in calculating voting rights of the shareholders present. When one person is simultaneously entrusted by more than two shareholders, the voting rights exercised by this person on behalf of the shareholders shall not exceed 3% of the total voting rights in the outstanding shares, except for trust businesses or service agencies approved by competent securities authorities. Otherwise, their voting rights will not be counted.

Article 13: Each share held by a shareholder is entitled to one share, but this shall not apply to shareholders who are banned from voting or have no voting right as stipulated under Clause 2 of Article 179.

At a shareholders' meeting of the Company, the voting rights shall be exercised electronically and in writing. When the voting rights are exercised in writing or electronically, the ways for exercising the voting rights shall be clearly indicated in the meeting notice. The shareholders who exercise their voting rights in writing or electronically shall be deemed to attend the shareholders' meeting in person. Nonetheless, they shall be deemed to waive their rights if any extraordinary motion and amendment to their original proposal are proposed at the shareholders' meeting. Hence, the Company shall avoid putting forward any extraordinary motion and amendment to the original proposal.

The shareholders who exercise their voting rights in writing or electronically shall deliver their declaration of will to the Company two days before the shareholders' meeting. If their declaration of will is repeatedly delivered, the first one received shall prevail. However, this shall not apply to any declaration of will revoked.

If any shareholders wish to attend the shareholders' meeting in person or virtually after exercising their voting rights in writing or electronically they shall revoke their prior declaration of will for exercising voting rights in the same way as they exercise their voting rights two days before the shareholders' meeting. Otherwise, the voting rights they've exercised in writing or electronically shall prevail. In the event that any shareholders exercise their voting rights in writing or electronically and entrust representatives to attend the shareholders' meeting by proxy, the voting rights exercised by the representatives shall prevail.

Any proposal shall be accepted if approved by over a majority of voting rights held by the shareholders present, unless otherwise stipulated by the Company Act and the Articles of Incorporation of the Company. During voting, the shareholders shall vote on a case-by-case basis after the chairman or the person designated by the chairman declares the total voting rights held by the shareholders present case by case. At the end of the shareholders' meeting, results on the shareholders' consent, dissent and waiver shall be entered in the M.O.P.S. on the same day.

When a proposal is amended or replaced, the chairman shall determine the order of voting in combination with the original proposal. If a proposal has been approved, other proposals shall be deemed to have been vetoed, and in this case, further voting will be unnecessary.

The personnel overseeing and counting ballots for a proposal shall be appointed by the chairman, but the personnel overseeing the voting shall be shareholders.

Ballot counting for a voting or election proposal at a shareholders' meeting shall be openly performed in the meeting venue on the spot. The voting results, including counted number of voting rights, shall be announced on the spot. Besides, minutes shall be kept.

When the Company convenes a virtual shareholders' meeting, after the chairman declares the commencement of the meeting, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chairman 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 chairman announces the voting session ends, and results of votes and elections shall be announced immediately.

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

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

Article 14: When directors are elected at a shareholders' meeting, related election and appointment rules of the Company shall be followed. The election results, including list of elected directors and votes received, shall be announced on the spot.

The ballots cast for the foregoing election shall be appropriately kept for at least one year after they are sealed and signed by the vote count overseer. However, if any shareholder files any lawsuit in accordance with Article 189 of the Company Act, the ballots shall be kept until settlement of the lawsuit.

Article 15: Minutes shall be kept in respect of matters discussed and determined at a shareholders' meeting. They shall be signed or sealed by the chairman. Within twenty days after the meeting, they shall be handed out to the shareholders. The minutes shall be prepared and handed out electronically.

For distribution of the foregoing minutes, the Company shall enter and announce the minutes in the M.O.P.S.

The minutes shall be kept based on date of meeting, meeting place, chairman's name, resolution method, meeting procedure and voting results (including counted number of voting rights). When directors are elected, the number of votes for each candidate shall be disclosed. The minutes shall be permanently kept during existence of the Company.

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 chairman'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 shareholders' 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 shareholders' meeting online.

Article 16: 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. In the event a virtual shareholders' meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

For matters resolved by the shareholders' meeting, if there is any material information stipulated by laws and regulations and stipulated by the Taiwan Stock Exchange Co., Ltd. (Republic of China Securities Counter Trading Center), the Company shall transmit the contents to the Market Observation Post System within the specified time.

Article 17: Service personnel in charge of shareholders' meeting shall wear identity certificates or arm badges. The chairman shall command supervisory or security personnel to assist in maintaining the meeting venue in good order. In maintaining order of the meeting venue on site, the supervisory or security personnel shall wear arm bands or identity certificates where words like "supervisory personnel" are indicated.

If the meeting venue is equipped with sound amplification equipment, the chairman shall stop shareholders from speaking with any other equipment not prepared by the Company.

Any shareholders who are not subject to the chairman's correction, interrupt the meeting and fail to be obedient after coercion will be driven out of the meeting venue by the supervisory or security personnel as commanded by the chairman.

Article 18: In holding a meeting, the chairman shall declare adjournment at discretion. If anything, irresistible takes place, the chairman may decide to have the meeting adjourned for the time being, and declare the time for continuation of the meeting dependent upon the situation.

In the event that the meeting venue cannot be used prior to the conclusion of the meeting (including the extraordinary motions), and the shareholders' meeting may resolve to continue the meeting at another venue.

At the shareholders' meeting, a resolution shall be made to adjourn or continue the meeting within five days in accordance with Article 182 of the Company Act.

Article 19: 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 chairman has announced the meeting adjourned.

Article 20: When the Company convenes a virtual shareholders' meeting, both the chairman and secretary shall be in the same location, and the chairman shall declare the address of their location when the meeting is called to order.

Article 21: In the event of a virtual shareholders' meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

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

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

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

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 or list of elected directors have been announced.

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 shareholders' meeting, then the shareholders' meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

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

When postponing or resuming a meeting according to 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.

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 Company shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under the second paragraph.

Article 22: When convening a virtual shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

Article 23: These Rules shall come into force after being passed by the **shareholders' meeting** and shall be amended in the same manner.

Article 24: These operational procedures was formulated on July 1, 1998.  
The 1st amendment was made on February 10, 1999.  
The 2nd amendment was made on March 9, 2004.  
The 3rd amendment was made on June 21, 2012.  
The 4th amendment was made on June 10, 2013.  
The 5th amendment was made on June 12, 2015.  
The 6th amendment was made on December 28, 2017.  
The 7th amendment was made on June 16, 2020.  
The 8th amendment was made on May 31, 2023.

## Annex V Non-competition Constraints on Directors and Their Representatives

Director	Proposed non-compete content
Qisda Corp.	Director of Darfon Electronics Corp.
	Director of AU Optronics Corporation
	Chairman of Alpha Networks Inc.
	Chairman of Metaage Corp.
	Chairman of BenQ Materials Corp.
	Director of Topview Optronics Corporation
	Chairman of SIMULA TECHNOLOGY INC.
	Chairman of Partner Tech Corp.
	Chairman of Data Image Corporation
	Director of Q.S.Control Corp.
	Director of TCI GENE Inc
	Director of Rapidtek Technologies Inc.
	Chairman of K2 INTERNATIONAL MEDICAL INC.
	Chairman of BenQ Corp.
	Chairman of GOLDEN SPIRIT CO., LTD.
	Chairman of Darly Venture Inc.
	Chairman of BenQ Dialysis Technology Corp.
	Chairman of Qisda Optronics Corp.
	Chairman of BenQ Biotech (Shanghai) Co.,Ltd
Chairman of Qisda Vietnam Co.,Ltd	
Qisda Corp. Representative : Chi-Hung Chen	Chief Executive Officer of Qisda Corp.
	Director of Legal Representative of Darfon Electronics Corp.
	Vice Chairman of Legal Representative of Alpha Networks Inc.
	Director of Legal Representative of HITRON Technologies Inc.
	Chairman of Legal Representative of BenQ Medical Technology Corp.
	Director of Legal Representative of BenQ Materials Corp.
	Chairman of Legal Representative of Partner Technology Corp.
	Director of Legal Representative of BenQ Corp.
	Director of Legal Representative of Darly Venture Inc.
	Director of Legal Representative of Darly2 Venture, Inc.
	Director of Legal Representative of Darly Consulting Corp.
	Director of Legal Representative of BenQ Healthcare Consulting Corp.
	Director of Legal Representative of BenQ Hospital Management Consulting (NanJing)Co., LTD.
	Director of Legal Representative of NANJING BenQ Hospital Co., Ltd.
Director of Legal Representative of Suzhou BenQ Hospital Co., Ltd.	

Director	Proposed non-compete content
	Director of Qisda (Hong Kong) Limited Director of BenQ BM Holding Corp. Director of BenQ BM Holding Cayman Corp. Director of Qisda (L) Corp. Director of Darly Venture (L) Ltd. Director of Legal Representative of Phoenix Innovation Investment Corp. Director of Legal Representative of Phoenix II Innovation Investment Corp. Director of Legal Representative of Phoenix III Innovation Investment Corp.
Qisda Corp. Representative : Chang-Hung Li	The president of Smart Solution Business Group of Qisda Corp. Chairman of Legal Representative of Metaage Corp. Vice Chairman of Legal Representative of Partner Technology Corp. Chairman of Legal Representative of ACE PILLAR Co., Ltd. Chairman of Legal Representative of AEWIN Technologies Co., Ltd. Director of Legal Representative of APLEX Technology Inc. Chairman of Legal Representative of Lafresh information Co., Ltd. Chairman of Legal Representative of BenQ Guru Software Co., Ltd. Director of Expert Alliance Systems & Consultancy (HK) Co.Ltd. Director of Expert Alliance Smart Technology Co., Ltd. Director of BenQ Guru Holding Ltd. Director of Brainstorm Corporation Director of Partner Tech Europe GmbH
Qisda Corp. Representative : Chia-Hung Su	Director of Legal Representative of AEWIN Technologies Co., Ltd. Director of Legal Representative of ACE PILLAR Co., Ltd.
Ming-Shan Li	Independent Director of Wistron Corp. Chairman of Legal Representative of ILI Technology Corp. Chairman of Legal Representative of MagiCap Venture Capital Co., Ltd. Chairman of Legal Representative of Deus Investments Ltd. Chairman of Legal Representative of Belos Investments Ltd. Chairman of Legal Representative of Gordias Investments Ltd. Chairman of Legal Representative of Hyllus Investments Ltd. Chairman of Legal Representative of Achi Capital Management Ltd.
Te-Chang Yeh	Independent Director of Kian Shen Corp. Independent Director of Carnival Industrial Corp. Supervisor of Maxkit Technology Co., Ltd. Consultant of Wafer Works Corp. Supervisor of Wafer Works (Shanghai) Co., Ltd. Supervisor of Wafer Works Epitaxial Corp. Supervisor of Wafer Works (Zhengzhou) Corp. Director of Silicon Technology Investment(Cayman)Corp.

Director	Proposed non-compete content
Chih-Hao Chu	President of Industrial Technology Investment Corp.
	Director of Legal Representative of GIT Consultants Corp.
	Director of Legal Representative of Intellectual Property Innovation Corp.
	Chairman of Legal Representative of IP Venture Investment and Management Co.
	Director of Legal Representative of Innovation Technology Venture Capital Corp.
	Chairman of Legal Representative of Digital Economy Fund GP, Ltd.
	Director of Golden Asia Fund Ventures Ltd. (Cayman)
	Director of TIEF Fund, LTD (Cayman)
	Director of LEAP Fund GP, Ltd (Cayman)
	Director of Applied Ventures ITIC Innovation Fund GP, LLC (Cayman)
	National Science and Technology Council Technology Policy Advisory Committee
	Chairman of VSENSE Co., Ltd.
	Director of VSense Medical Inc.
	Director of VSense Medical Inc. (Cayman)
	Independent Director of INTUMIT Inc.
	Director of Epoch Foundation
	Director of Taiwan Biotechnology Originality Association
	Director of Calls over Ridges Association
	Director of Chinese Strategy Development Association
	Bing-Kuan Luo
Director of Legal Representative of A21 Ventures	
Director of Legal Representative of Innowings Investment & Consulting Corp.	
Director of Legal Representative of Athena Innovation Investment and Service Co.	
Chairman of Independent Director Association Taiwan	
Chairman of Huashan International Consultant	
Chairman of Cassida International Capital Corp.	
Independent Director of Hua Nan Commercial Bank Ltd.	
Independent Director of Faraday Technology Corp.	
Taiwan M&A and Private Equity Council (MAPECT) / Director	
Monte Jade Science & Technology Association of Taiwan / Director	

# Appendix I Articles of Incorporation

## Chapter 1 General Rules

- Article 1: The Company was organized in accordance with the Company Act. It is known as DFI Inc.
- Article 2: The Company's businesses are as follows:
- I. CC01080 Manufacturing of electronic components.
  - II. CC01110 Manufacturing of computers and their peripheral equipment.
  - III. F401010 International trade.
  - IV. F113050 Wholesale of computers and transactional machines.
  - V. ZZ99999 Businesses not banned or restricted by laws in addition to licensed businesses.
- Article 3: The Company is headquartered in New Taipei City, and may set up offshore branches within the resolution of the Board of Directors.

## Chapter 2 Shares

- Article 4: The Company's total capital amounts to NT\$1.772 billion with NT\$200 million reserved for issuing employee stock options and with 20,000,000 shares, with a book value of NT\$10 per share and issued separately based on resolutions of the Board of Directors. If the Company lawfully repurchases its shares, the Board of Directors shall be authorized to complete such repurchase according to laws.
- Article 4-1: In the event that the Company transfers the repurchased shares to its employees at the average price, such transfer shall be presented at the latest shareholders' meeting attended by shareholders who represent a majority of the outstanding shares. It shall be approved by more than two thirds of the voting rights of the shareholders present at the meeting.
- Article 4-2: The Company's issuance of employee stock options at a price lower than the closing price at which a Japanese company's ordinary shares are issued shall be approved by more than two thirds of voting rights of the shareholders present at the shareholders' meeting attended by shareholders who represent a majority of the outstanding shares.
- Article 5: Deleted.
- Article 5-1: The treasury stocks purchased by the Company according to the Company Act may be transferred to employees of other companies under the control of or affiliated to the Company which satisfy certain conditions.  
The Company's employee stock options may be issued to employees of other companies under the control of or affiliated to the Company which satisfy certain conditions.  
When the Company issues new shares, employees purchasing the shares include employees of other companies under the control of or affiliated to the Company which satisfy certain conditions.  
The Company may issue new shares for restricting employee rights to employees of other companies under the control of or affiliated to the Company which satisfy certain conditions.
- Article 6: Stocks of the Company are registered. They shall be issued according to the Company Act and other related laws.  
No stock certificate is printed for shares issued by the Company, but the issuance shall be filed with a securities depository.
- Article 7: The registration for any share transfer shall be ceased 60 days before the general shareholders' meeting, 30 days prior to the extraordinary shareholders' meeting or 5 days before the Company's distribution of dividends, bonuses or other benefits.

### **Chapter 3 Shareholders' Meeting**

- Article 8: Shareholders' meeting includes general shareholders' meeting and extraordinary shareholders' meeting. General shareholders' meeting is held annually and convened by the Board of Directors lawfully six months after the end of each fiscal year. Extraordinary shareholders' meeting is convened when it is necessary.  
The Company shall convene the shareholders' meetings by video conferencing or in other ways announced by the central competent authorities.
- Article 9: Any shareholders who cannot attend a shareholders' meeting for any reason shall act in accordance with the Regulations on Proxy Application for Attending a Shareholders' Meeting of a Public Listed Company promulgated by the competent authority apart from the Company Act.
- Article 10: All directors of the Company shall be elected among candidates by nomination. The directors mentioned in the Articles of Incorporation shall include independent directors.  
Each share held by a shareholder is entitled to one share, unless otherwise stipulated by laws.
- Article 11: Any resolution proposed at a shareholders' meeting shall be approved by a majority of voting rights of the shareholders present who represent a majority of the outstanding shares, unless otherwise stipulated by laws.
- Article 12: In respect of any matters discussed and resolved at a shareholders' meeting, agendas shall be prepared and distributed to shareholders. They shall be electronic and allocated by announcement.

### **Chapter 4 Directors and Audit Committee**

- Article 13: The Company appoints seven to nine directors, whose term of office is 3 years. The directors shall be elected from the list of directors' candidates and may be re-elected. The total number of shares held by all directors in the Company shall occupy a proportion not below the percentage lawfully specified by the competent authority.  
The Company shall appoint at least three independent directors, who shall be elected from the list of the directors' candidates at the shareholders' meeting. Matters about independent directors' professional qualification, shareholding, part-time job constraints, independence, nomination, election methods and other related matters shall be handled according to the Regulations on Election of Directors and related rules of competent securities authorities.
- Article 13-1: The Company shall set up an Audit Committee in accordance with the Securities Exchange Act, and the Audit Committee shall be made up of all independent directors. For components, powers, duties, rules of procedure and other matters of the Audit Committee, related rules of competent securities authorities shall be followed.
- Article 14: The Board of Directors meeting shall be organized by directors. It shall be attended by more than 2/3 of directors, and a chairman shall be elected among the directors with the consent of a majority of directors present at the meeting. In addition, a person shall be elected among the directors as deputy chairman dependent upon business needs. The Chairman shall act on behalf of the Company.
- Article 15: If the Chairman asks for leave or cannot exercise his or her powers for any reason, the Chairman may appoint a proxy in accordance with Article 208 of the Company Act. In case that any directors cannot attend the Board of Directors meeting, they shall issue a proxy to entrust other directors to attend the meeting for them. Each proxy may be entrusted by one director only.  
The notice of the Board of Directors meeting shall be issued by email or fax.
- Article 16: The Board of Directors shall be authorized to determine directors' remuneration dependent upon their degree of participation in the Company's business operations and contributions, and with reference to the average level within the industry.
- Article 17: The Company shall purchase liability insurances in respect of its legal liability for compensation within its business scope during the directors' term of office.

## **Chapter 5 Managers**

Article 18: The Company shall appoint managers, whose appointment, removal and remuneration shall comply with the Company Act.

## **Chapter 6 Accounting**

Article 19: At the end of each accounting year of the Company, the Board of Directors shall prepare (1) business report, (2) financial statements, (3) proposals for earnings distribution or loss appropriation, which shall be submitted to the Audit Committee 30 days prior to the general shareholders' meeting. The Audit Committee shall issue a report and present it to the general shareholders' meeting for acknowledgement.

Article 20: The Board of Directors shall hand out the financial statements and resolutions on earning distribution or loss appropriation to the shareholders by way of announcement.

Article 21: If the Company makes profit over a year, 5% to 20% of the profit shall be appropriated as employee remuneration, which shall be distributed in the form of stocks or in cash with the resolution of the Board of Directors. Such appropriated amount may be also distributed to employees of other companies under the control of or affiliated to the Company which satisfy certain conditions. In addition, no more than 1% of the profit shall be appropriated as directors' remuneration with the approval of the Board of Directors by resolution. The proposal for paying remuneration to employees and directors shall be presented at the shareholders' meeting. Nonetheless, in case of accumulated loss in the Company, a proportion of the profit shall be reserved for recovering the loss before an amount is appropriated at the aforementioned ratio as remuneration to employees and directors.

Article 21-1: In the event of any earnings in the final accounts of the Company, an amount shall be first appropriated for paying taxes and recovering accumulated losses before 10% of the earnings are appropriated as legal reserve. However, the amount of earnings appropriated as legal reserve shall not exceed paid-in capital of the Company, and special reserve shall be appropriated or reversed with the remaining earnings. If there is still surplus which is equal to the accumulated undistributed earnings, the Board of Directors shall draft an earnings distribution proposal, which shall be presented at the shareholders' meeting for resolution on distribution of share dividends to the shareholders. If cash dividends are distributed as specified by the foregoing earnings distribution proposal, the Board of Directors will be authorized to pass a resolution in respect of the distribution and report to the shareholders' meeting.

As the Company is in an industry with fierce competitions and changing environment, and in a stage of stable growth in its life cycle, general distribution amount shall be taken into account in the earnings distribution proposal drafted by the Board of Directors, and balanced dividend policies shall be adopted for earnings distribution based on conservatism principle, in order to effectively grasp the Company's future investment opportunities, working capital requirements and long-term financial plans. In case of any earnings in the final accounts of the Company and the distributable earnings of that year are up to 2% of the Company's capital, no less than 10% of the distributable earnings shall be distributed as dividends. The cash dividends distributed each year shall not be lower than 10% of the sum of the cash and stock dividends distributed in the same year.

Article 21-2: The Company shall distribute new shares or cash in the form of legal reserve or capital reserve according to Article 241 of the Company Act. If the dividends are distributed in cash, the Board of Directors shall be authorized to pass a resolution in respect of the distribution and report to the shareholders' meeting.

## **Chapter 7 Supplementary Rules**

- Article 22: The Company shall make warranties to the outside.
- Article 22-1: The Company's total amount of outbound investments shall not be subject to the limit specified under Article 13 of the Company Act.
- Article 23: All other matters unmentioned in these Articles of Incorporation shall be handled according to the Company Act.
- Article 24: The Articles of Incorporation were drafted on June 11, 1981.  
The 1st amendment was made on April 1, 1983.  
The 2nd amendment was made on June 15, 1984.  
The 3rd amendment was made on December 20, 1985.  
The 4th amendment was made on February 25, 1987.  
The 5th amendment was made on March 24, 1987.  
The 6th amendment was made on November 10, 1987.  
The 7th amendment was made on November 24, 1987.  
The 8th amendment was made on May 1, 1989.  
The 9th amendment was made on May 30, 1989.  
The 10th amendment was made on November 20, 1990.  
The 11th amendment was made on May 15, 1991.  
The 12th amendment was made on June 10, 1993.  
The 13th amendment was made on June 30, 1993.  
The 14th amendment was made on November 20, 1994.  
The 15th amendment was made on June 19, 1995.  
The 16th amendment was made on December 28, 1995.  
The 17th amendment was made on August 29, 1997.  
The 18th amendment was made on June 5, 1998.  
The 19th amendment was made on March 25, 1999.  
The 20th amendment was made on April 24, 2000.  
The 21st amendment was made on April 24, 2000.  
The 22nd amendment was made on June 18, 2001.  
The 23rd amendment was made on June 24, 2002.  
The 24th amendment was made on June 15, 2004.  
The 25th amendment was made on June 14, 2005.  
The 26th amendment was made on June 14, 2006.  
The 27th amendment was made on June 11, 2008.  
The 28th amendment was made on June 18, 2010.  
The 29th amendment was made on June 9, 2011.  
The 30th amendment was made on June 21, 2012.  
The 31st amendment was made on June 10, 2013.  
The 32nd amendment was made on June 12, 2015.  
The 33rd amendment was made on June 13, 2016.  
The 34th amendment was made on December 28, 2017.  
The 35th amendment was made on May 29, 2019.  
The 36th amendment was made on June 16, 2020.  
The 37th amendment was made on August 20, 2021.  
The 38th amendment was made on June 17, 2022.



## Appendix II Regulations on Election of Directors

- Article 1: In order to improve the regulations on election of directors of the Company, these regulations are hereby established for implementation.
- Article 2: The election of directors of the Company shall be made in accordance with these regulations, except as otherwise provided by laws or bylaws.
- Article 3: The election of the directors of the Company shall take into account the overall composition of the Board of Directors. More than half of the seats among the directors shall not be held by those with spousal relationship or a familial relationship within the second degree of kinship.
- Article 4: The election of the directors of the Company shall adopt the candidate nomination system in accordance with the provisions of Article 192-1 of the Company Law.  
The qualifications and election of independent directors shall be handled in accordance with the provisions of the Company Law and the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.
- Article 5: The election of the directors of the Company shall be held at the shareholders' meeting.
- Article 6: When the number of directors falls below five due to the dismissal of a director for any reason, the company shall hold a by-election for director at the next following shareholders' meeting. When the number of directors falls short by one-third of the total number prescribed, the Company shall convene an extraordinary shareholders' meeting within 60 days of the occurrence of that fact to hold a by-election for directors.  
Where the number of independent directors falls under the number prescribed by the relevant provisions of the Securities and Exchange Act and the Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings, the Company shall hold a by-election for director at the next following shareholders' meeting. When all independent directors have been dismissed, the Company shall convene an extraordinary shareholders' meeting to hold a by-election within 60 days from the date on which the situation arose.
- Article 7: In the process of electing directors of the Company at a shareholders' meeting, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates.  
The election for independent directors and non-independent directors shall be conducted at the same time, and the list of elected members shall be calculated separately.
- Article 8: The Board of Directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders' meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 9: The number of directors will be as specified in the Company's Articles of Incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chairman drawing lots on behalf of any person not in attendance.
- Article 10: Before the election begins, the chairman shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the Board of Directors and publicly checked by the vote monitoring personnel before voting commences.

- Article 11: If the candidate is a shareholder, the candidate shall write the candidate's account name and shareholder account number in the candidate columns of the ballots; if the candidate is not a shareholder, the candidate's name and identification number shall be written. However, if the candidate is a shareholder who is the government or legal person, the name of the government or legal person shall be written in the candidate columns of the ballots, and the name of its representative shall also be written. If there are several representatives, the names of the representatives shall be written separately.
- Article 12: A ballot is invalid under any of the following circumstances:
- I. The ballot was not put into the ballot box.
  - II. The ballot was not prepared by the Board of Directors.
  - III. A blank ballot is placed in the ballot box.
  - IV. The writing is unclear and indecipherable or has been altered.
  - V. If the candidate is a shareholder, his account name and shareholder account number do not match with the shareholders' registry; if the candidate is not a shareholder, his name and identity document number do not match the actual document upon checking.
  - VI. Other words or marks are entered in addition to filling in the elector's account name (name) and shareholder account number (identification document number) and the number of voting rights allocated.
  - VII. The name of the candidate written whose name is the same as that of another shareholder but whose shareholder account number or identification document number is not written for identification.
- Article 13: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chairman on the site.  
The ballots for the election referred to in the preceding paragraph shall be kept in proper custody for at least one year.
- Article 14: The Board of Directors of the Company shall issue notifications to the persons elected as directors.
- Article 15: These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders' meeting.

## Appendix III Directors' Shareholding

The Company's paid-in capital amounts to NT\$1,144,888,570, with 114,488,857 shares, and according to Article 26 of the Securities Exchange Act, all directors shall hold 8,000,000 shares at minimum.

As of the date on which share transfer was ceased at this shareholders' meeting, all directors had actually held 51,609,986 (45.08% of the Company's total shares) as registered on the members' register of the Company. Specific details on directors' shareholding are as follows:

Date of ceasing share transfer: April 2, 2023

Identity	Name	Number of Shares Held	Shareholding Ratio
Chairman	Chi-Hung Chen (Representative of Qisda Corporation)	51,609,986	45.08
Deputy Chairman	Chang-Hung Li (Representative of Qisda Corporation)	51,609,986	45.08
Directors	Chia-Hung Su (Representative of Qisda Corporation)	51,609,986	45.08
Directors	Ming-Shan Li	0	-
Independent Director	Kuang-Jen Chou	0	-
Independent Director	Te-Chang Yeh	0	-
Independent Director	Chih-Hao Chu	0	-
<b>Total</b>		<b>51,609,986</b>	<b>45.08</b>