

Stock Code:6485



點序科技股份有限公司  
ASolid Technology Co., Ltd.

2023 Annual Shareholders' Meeting  
Meeting Agenda  
(Translation)

Date : 9:00 a.m., June 20, 2023

Venue: No. 2, Zhanye 1st Rd., East Dist., Hsinchu City (Room 202)

## TABLE OF CONTENTS

I 、 Meeting Agenda.....	1
II 、 Report Items .....	2
III 、 Acknowledged matters.....	3
IV 、 Matters for Discussion and Elections.....	5
V 、 Extemporary Motions.....	6
VI 、 Adjournment.....	6
VII 、 Attachment	
1.Business Report.....	7
2.Audit Committee’s Review Report.....	9
3.Report on employees' and directors' remuneration.....	10
4. 2022 Audit Report and Individual Financial Statements.....	11
5. 2022 Audit Report and Consolidated Financial Statements.....	19
VIII 、 Appendix	
1.Articles of Incorporation.....	28
2.Rules and Procedures of Shareholders’ Meeting.....	32
3.Procedures for Election of Directors.....	37
4.Shareholdings of All Directors.....	39

ASolid Technology Co., Ltd.

2023 Annual Shareholders' Meeting Agenda

I、Meeting Agenda

1.Date : 9:00 a.m., June 20,2023

2.Venue: No. 2, Zhanye 1st Rd., East Dist., Hsinchu City (Room 202)

3.Means of Meeting Convention: Physical shareholders meeting

4.Call Meeting to Order

5.Chairman's report

6.Report Items

(1) 2022 Business report

(2) Audit Committee's review of the 2022 annual final accounting books and statements

(3) Report on 2022 employees' and directors' remuneration

7.Acknowledged matters

(1) Acknowledgment of the 2022 Business Report and Financial Statements

(2) Acknowledgment of the 2022 Earnings Distribution

8.Matters for Discussion and Elections

(1) Election for Directors and Independent Directors.

(2) Removal of non-compete restrictions on new directors and their representatives

9.Extemporary Motions

10.Adjournment

## II、Report Items

### 1.2022 Business Report.

Explanatory Notes : Please refer Attachment 1 of this handbook.

### 2.Audit Committee's review of the 2022 annual final accounting books and statements.

Explanatory Notes : Please refer Attachment 2 of this handbook.

### 3.Report on 2022 employees' and directors' remuneration.

Explanatory Notes : Please refer Attachment 3 of this handbook.

### III 、 Acknowledged matters

#### 1.Acknowledgment of the 2022 Business Report and Financial Statements.

(Proposed by the Board of Directors)

##### Explanatory Notes :

- (1)The 2022 financial statements include balance sheet, consolidated income statement, statement of changes in equity, and cash flow statement, which will be verified and certified by accountants Su-Li Fang and accountants Tung-Hui Yeh of Deloitte & Touche Joint Accounting Firm, and an audit report sufficient for fair expression will be issued.
- (2)The above-mentioned form and business report have been approved by the board of directors of the company. It has been sent to the audit committee members for verification and completed, and an audit report has been issued.
- (3) Please refer to the 2022 Business Report and the Financial Statements on Attachments 1 , 4 and 5 of this handbook (Attachments 1 , 4 and 5).
- (4)Ask for acknowledgment.

Resolution: :

#### 2.Acknowledgment of the 2022 Earnings Distribution.

(Proposed by the Board of Directors)

##### Explanatory Notes :

- (1)The company's net profit after tax in 2022 was NT\$426,640,267, and 10% of the statutory surplus reserve was allocated according to law, totaling NT\$42,664,027. After adding the undistributed surplus at the beginning of the period of NT\$321,930,239, the distributable surplus for the year was NT\$705,906,479, the undistributed surplus at the end of the period is NT\$527,202,447 after the proposed distribution of cash dividends to shareholders of NT\$178,704,032 (\$4 per share) from the distributable earnings.
- (2)The 2022 cash dividend will be allocated NT\$4 per share. After the resolution of the shareholders' meeting is passed, the board of directors will be authorized to set the ex-dividend base date and related distribution matters. If the number of outstanding shares is affected due to the repurchase of the company's shares, the transfer or cancellation of treasury shares, or the implementation of employee stock option certificates to convert new shares, the shareholders' dividend rate will change accordingly, and the chairman is authorized to adjust the dividend rate and related matters.
- (3) The cash dividends will be calculated to the nearest NT dollar. The remainder will be transferred into the account of the company's other income.

(4) 2022 Earning Distribution Statement :

ASolid Technology Co., Ltd.  
2022 Earnings Allocation Table

Unit: NT\$

Beginning of the period	321,930,239
Add : 2022 Net Profit	426,640,267
Minus : Appropriated as legal reserve 10%	42,664,027
Earnings available for appropriation	705,906,479
Assign items :	
Cash dividends(Per share cash dividend distribution NT\$4)	178,704,032
Unappropriated retained earnings	527,202,447

Chairman :



President :



Accounting Director :



(5) Ask for acknowledgment.

Resolution: :

#### IV 、Matters for Discussion and Elections

##### 1. Election for Directors and Independent Directors. (Proposed by the Board of Directors)

###### Explanatory Notes :

- (1)The term of the current directors and independent directors of the company expires on June 18, 2023, and it is planned to be re-elected at the current general meeting of shareholders.
- (2)According to Articles 15 and 18 of the company's articles of association, there are 8 directors to be elected (including 3 independent directors). The term of office of the new director is 3 years, from June 20, 2023 to June 19, 2026. Re-election is possible, and the new director will take office immediately after the shareholders meeting.
- (3)Directors and independent directors adopt a candidate nomination system, and shareholders are elected from the list of candidates.
- (4)This election is handled in accordance with the company's "Procedures for Election of Directors".
- (5)Candidates for directors and independent directors were reviewed and approved by the board of directors on March 16, 2023. The list of candidates is as follows :

Identity	Candidate name	number of shares	study (experience)
Directors	Kevin Liu Investment Co., Ltd. Representative:Kevin Liu	375,000	M.S. in Electronics, National Chiao Tung University EMBA, National Cheng Chi University Chairman of MMCA Technical Committee Chief Technology Officer, InCOMM Technologies Co., Ltd. Chairman, Advanced Memory Technology (incumbent) President, ASolid Technology Co., Ltd. (incumbent)
Directors	Andy Yen	608,268	M.S. in Electrical and Control Engineering, National Chiao Tung University Director of IC Design Department, InCOMM Technologies Co., Ltd Director of Advanced Memory Technology (incumbent) Senior Vice President, ASolid Technology Co., Ltd. (incumbent)
Directors	Jeremy Lin	896,270	M.S. in Electrical Engineering, San Jose State University Senior Engineer of IC Design Department, InCOMM Technologies Co., Ltd Director of Research & Development Department, ASolid Technology Co., Ltd. (incumbent)
Directors	Kingston Technology Corporation	2,175,000	-
Directors	YANN YUAN INVESTMENT CO., LTD.	100,000	-
Independent Directors	Victor Tsan	-	Ph.D. in Information Management, National Central University M.S. in Business Administration, National Cheng Chi University B.S. in Electrical Engineering, National Central University Chairman, Asia Pacific Industrial Analysis Association (APIAA) member of the Executive Yuan National Development Fund Investment Review Conference Electronic information industry, industry Layout Group Review Committee Director,Market Intelligence & Consulting Institute Director,Information Technology Total Services(incumbent) Independent Directors ,Chunghwa Precision Test Tech. Co., Ltd.(incumbent) Independent Directors , CTCI Advanced Systems Inc.(incumbent) Independent Directors , Partner Tech Corp. (incumbent)
Independent Directors	Toshiba Cheng	-	M.S. in Electrical Engineering, National Taiwan University B.S. in Electrical Engineering, National Taiwan University Director of System Integration, Advanced Taiwan Ltd (ADB) General Manager, Taiwan Nagra Vision Ltd.

Identity	Candidate name	number of shares	study (experience)
			Chief Technology Officer, China Network Systems(CNS) (incumbent) Chairman, Telefirst Cable Communication Co.,LTD(incumbent) Chairman, Twinstar CATV Co.,Ltd (incumbent) Chairman, Suncrown CATV Co.,Ltd (incumbent)
Independent Directors	Emily Wu	-	M.S. in Materials Science and Engineering, Stanford University B.S. in Materials Science and Engineering, National Tsing-Hua University Director, Yayatech Co. Ltd. Director, WinWay Technology Co., Ltd. Senior Project Manager, ITE Tech. Inc. Senior Account Manager, UNITED MICROELECTRONICS CORP. IDT (NASDAQ:IDTI) Wafer Product Engineer Partner/Director,Darwin Venture Management(incumbent) Director, Sino Applied Technology Taiwan Co., Ltd. (incumbent) Corporate Director,Smart Ageing Tech Co., Ltd.(incumbent) Corporate Director, Spirit Scientific Co., Ltd.(incumbent) Director, Sino Applied Technology Taiwan Co., Ltd.(incumbent) Supervisor ,Yayatech Co. Ltd.(incumbent) Representative of corporate director,Spirit Scientific Co., Ltd. (incumbent) Supervisor , Dajun Asset Management Co., Ltd.(incumbent) Director, Darjun Venture Corp.(incumbent) Director, WISON Technology Corp. (incumbent)

(6)Election.

Voting Results :

2.Removal of non-compete restrictions on new directors and their representatives.

(Proposed by the Board of Directors)

Explanatory Notes :

- (1)According to Article 209 of the Company Law, A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
- (2) In order to draw on the expertise and relevant experience of the directors, it is proposed to apply for consent to lift the non-compete restriction on newly elected directors and their representatives. Supplementary explanation of the content of its competition before the discussion at the shareholders' meeting.
- (3)Ask for acknowledgment.

Resolution: :

V 、 Extemporary Motions.

VI 、 Adjournment.



## Attachment 1 : Business Report

### 2022 Business Report

#### 1.2022 Business Results

The operating income in 2022 is NT\$1.92 billion, the gross profit margin is 59%, and the EPS is NTD\$9.71. Due to the impact of the Ukrainian-Russian War and inflation, the operating income will decrease slightly by 1.50% compared with 2021. Operating results and profits the ability analysis is as follows :

Unit: NTD\$ thousand

Items		2022	2021
Business plan implementation results	Operating Revenue	1,921,551	1,950,755
	Gross Profit	1,140,228	1,180,088
	Profit Before Income Tax	545,529	624,350
	Net Income For The Year	426,640	498,759
Profitability Analysis	Return On Assets (%)	18.54%	28.77%
	Return On Equity (%)	22.89%	36.59%
	Earnings Per Share (NTD)	9.71	12.2

#### 2. Management policy and implementation overview

The company focuses on the research and development of high-quality, high-performance "flash memory control chips" to respond to the growing global demand for flash memory products. The company's products include "SD memory card controller chip", "USB flash drive controller chip", "embedded eMMC controller chip" and "SSD controller chip". In terms of memory card control chips, the company's products have won the trust and adoption of many customers with their superior performance and high-quality reputation, and are sold by customers all over the world, whether in Taiwan, mainland China, Asia, America, Europe, and Africa.

The company's SD memory card controller chip, in addition to supporting C10/U1/U3 and other speeds for general consumer products, V30 level for high-definition audio and video, and A1 standard that supports mobile application implementation, also provides A2 standard high random storage. The high-speed transmission mode of high performance and DDR200 provides the best control chip solution for today's high-capacity and high-performance memory card market. In addition to the existing consumer customer base for SD products, the company is also actively expanding new industrial control applications. In the market, it is expected that the company's market share in SD memory card control chips will continue to grow in the future.

In terms of UFD flash drive controller chip, the USB 3.2 Gen1 controller chip developed by our company has supported the latest 3D process flash memory of major flash memory manufacturers, and is excellent in both yield and performance. With the increasing capacity of 3D flash memory, the high-speed USB3.2 Gen1 interface can improve the data transmission efficiency and greatly shorten the data copy time, so the USB3.2 Gen1 controller chip will gradually become the mainstream. The company's USB3.2 Gen1 controller chip has been certified and adopted by major international manufacturers, and has been introduced into mass production. With the gradual increase in the market penetration of USB3.2 Gen1 flash drives, the company's USB3.2 Gen1 controller chip will be able to improve company revenue.

The company's embedded eMMC5.1 control chip can support the latest generation of 3D process TLC NAND Flash with flash memory, and is equipped with enhanced error correction

codes, which can increase the stability of eMMC products and prolong the service life of products. , At present, various consumer products such as TV boxes, tablet computers, game consoles, learning laptops, smart TVs and mobile phones have been introduced into mass production. The company's SATA SSD master controller has built-in SDRAM and adopts dual-channel design, so that SSD creating high-speed performance of sequential and random read and write. Built-in a new generation of LDPC error correction engine, which can improve the accuracy of data transmission and enhance data reliability, providing the highest standard of stable performance..

The Asolid R&D team continues to focus on developing the latest process NAND Flash firmware, responding to customer needs in real time, providing customers with the best solutions, and creating maximum profits for customers. It also provides instant services to meet the needs of each customer, and provides customers with customized solutions, pays close attention to the market supply and demand status, and formulates SSD strategies in advance to make all-round preparations for the market.

Looking forward to the future, the company will continue to invest in R&D manpower, develop new process control chips with higher performance, and actively expand sales customers to achieve the best production and sales operation model. It is estimated that the NAND Flash market will be affected by manufacturers' production reduction and inventory reduction. It is estimated that supply and demand will gradually restore balance in 2023, and revenue and sales volume may increase compared with previous years..

### 3. The impact of the external competitive environment, regulatory environment and overall business environment

Facing the operating environment of rising prices such as inflation, the company needs to gradually adjust the product structure, and use new products to increase product profits and improve overall operating efficiency.

In response to the rapid changes in the technology industry and the application trend of Flash products, the company will continue to invest in the research and development of innovative, highly integrated and cost-effective products in order to expand the company's product line and strengthen the company's competitiveness. Actively develop new customers and new markets to expand sales territory. At the same time, strengthen the implementation of corporate governance and internal control, provide customers with more complete product services, extend toward a diversified territory, improve growth momentum, and allow shareholders and employees to share business results.

Thanks to all shareholders for their support.

Best wishes to you all,

Chairman and President Kevin Liu



## Attachment 2 : Audit Committee's Review Report

### Audit Committee's Review Report

The Board of Directors has prepared the Company's 2022 Business Report, Financial Statements(Contains consolidated and individual financial statements) and proposal for distribution earnings. Of which, the Financial Statements have been audited by accountants Su-Li Fang and accountants Tung-Hui Yeh of Deloitte & Touche Taiwan. The Financial Statements, Business Report and proposal for distribution of earnings have been audited by us as Audit Committee of the Company. We deem no inappropriateness on these documents. Pursuant to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report. Please review.

ASolid Technology Co., Ltd.

Chairman of the Audit Committee : Victor Tsan

2023/03/16

### Attachment 3 : Report on 2022 employees' and directors' remuneration

1. The company has passed the resolution of the board of directors on March 16, 2023, and plans to distribute the remuneration of directors and employees in 2022 as follows

(1) Remuneration of directors NTD 5,500,000.

(2) Remuneration of employees NTD 52,710,259.( Disbursement in cash, the recipients are limited to the full-time employees of the company)

2. Explanation of the above amount and annual estimated amount of recognition expense:

(1) Number of differences: none.

(2) Reason: Not applicable.

(3) Handling: Not applicable.

## Attachment 4 : 2022 Audit Report and Individual Financial Statements

### INDEPENDENT AUDITORS' REPORT

ASolid Technology Co., Ltd.

#### **Opinion**

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Corporation's financial statements for the year ended December 31, 2022 is stated as follows:

##### Key Audit Matters – The authenticity of sales revenue

The sales amount of integrated circuits is significant, the relevant revenue recognition policies and information please refer Note 19. Sales revenue in 2022 will decrease significantly compared with the previous year. For specific customers with significant sales growth and significant transaction amount in this year, the risk of authenticity of sales revenue is relatively high. Thus, the authenticity of sales revenue has been identified as a key audit matter.

Our audit procedure for this includes checking above customers' orders, sales invoices and account receipts and other relevant documents for the sale transactions of the aforementioned customers and sending correspondence to confirm the authenticity of the occurrence of income.

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

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

In preparing the financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the Audit Committee, are responsible for overseeing the Corporation's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the 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 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 Corporation'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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Su-Li Fang and Tung-Hui Yeh

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 16, 2023

Notice to Readers

*The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with 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.*

*For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.*

# ASOLID TECHNOLOGY CO., LTD.

## BALANCE SHEETS

DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2022		December 31, 2021		LIABILITIES AND EQUITY	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%		Amount	%	Amount	%
<b>CURRENT ASSETS</b>					<b>CURRENT LIABILITIES</b>				
Cash and cash equivalents (Note 4、6 and 28)	\$ 1,350,970	56	\$ 1,399,919	64	Contract liability-current (Note 19)	\$ 1,955	-	\$ 4,806	-
Financial assets at amortized cost-current (Note 4、7、28 and 30)	25,112	1	25,066	1	Accounts payable (Note 15 and 28)	171,238	7	144,797	7
Net accounts Receivable (Note 4、8、19 and 28)	165,948	7	339,586	15	Other payables (Note 16 and 28)	176,168	7	195,234	9
Inventories (Note 4、5 and 9)	538,480	22	283,220	13	Tax payable (Note 4 and 21)	61,520	3	118,320	5
Prepayments (Note 29)	37,103	2	10,787	1	Other current liabilities (Note 16)	2,937	-	949	-
Other current assets (Note 14)	10,308	-	423	-	Total current liabilities	413,818	17	464,106	21
Total current assets	2,127,921	88	2,059,001	94					
<b>NON-CURRENT ASSETS</b>					<b>NON-CURRENT LIABILITIES</b>				
Investments accounted for using the equity method (Note 4 and 10)	263	-	215	-	Deferred tax liabilities (Note 4 and 21)	4,849	-	2,928	-
Property, plant and equipment (Note 4、11 and 30)	212,834	9	85,821	4	Guarantee deposits received (Note 28)	114	-	114	-
Intangible assets (Note 4 and 13)	50,044	2	36,947	1	Investment loan balance using the equity method (Note 4 and 10)	-	-	11	-
Deferred tax assets (Note 4 and 21)	19,590	1	16,392	1	Total non-current liabilities	4,963	-	3,053	-
Guarantee deposits paid (Note 28)	1,636	-	1,591	-					
Total non-current assets	284,367	12	140,966	6	Total liabilities	418,781	17	467,159	21
<b>TOTAL ASSETS</b>	<b>\$ 2,412,288</b>	<b>100</b>	<b>\$ 2,199,967</b>	<b>100</b>	<b>EQUITY (Note 4 and 18)</b>				
					Capital				
					Common shares	441,520	19	430,365	20
					Capital collected in advance	5,240	-	-	-
					Total capital	446,760	19	430,365	20
					Capital surplus				
					Additional paid-in capital	682,068	28	634,690	29
					Employee share options	7,972	1	17,713	1
					Total capital surplus	690,040	29	652,403	30
					Retained earnings				
					Legal reserve	108,122	4	58,456	2
					Unappropriated earnings	748,570	31	591,569	27
					Total retained earnings	856,692	35	650,025	29
					Other equity	15	-	15	-
					Total equity	1,993,507	83	1,732,808	79
					<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 2,412,288</b>	<b>100</b>	<b>\$ 2,199,967</b>	<b>100</b>

The accompanying notes are an integral part of the parent company only financial statement.  
(With Deloitte & Touche report dated March 16, 2023)



## ASOLID TECHNOLOGY CO., LTD.

### STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE (Note 4,19 and 29)	\$ 1,921,551	100	\$ 1,935,320	100
OPERATING COSTS(Note 9,20and29)	( 781,323)	( 41)	( 762,583)	( 39)
GROSS PROFIT	<u>1,140,228</u>	<u>59</u>	<u>1,172,737</u>	<u>61</u>
OPERATING EXPENSES (Note 20 and 29)				
Selling and marketing	( 88,060)	( 5)	( 90,584)	( 5)
General and administrative	( 100,615)	( 5)	( 83,897)	( 4)
Research and development	( 428,932)	( 22)	( 371,121)	( 19)
Expected credit loss (Note 8)	-	-	( 10,000)	( 1)
Total operating expenses	( 617,607)	( 32)	( 555,602)	( 29)
OPERATING INCOME	<u>522,621</u>	<u>27</u>	<u>617,135</u>	<u>32</u>
NON-OPERATING INCOME AND EXPENSES (Note 20 and 29)				
Interest income	4,561	-	474	-
Other income	4,343	-	2,980	-
Other gains and losses	15,648	1	( 811)	-
Financial costs	( 1,703)	-	( 1,151)	-
Share of losses of subsidiaries and associates	59	-	3,600	-
Total non-operating income and expenses	<u>22,908</u>	<u>1</u>	<u>5,092</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	\$ 545,529	28	\$ 622,227	32
INCOME TAX (EXPENSE) (Note 4 and 21)				
BENEFIT	( 118,889)	( 6)	( 125,567)	( 6)
NET INCOME FOR THE YEAR	<u>426,640</u>	<u>22</u>	<u>496,660</u>	<u>26</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 426,640</u>	<u>22</u>	<u>\$ 496,660</u>	<u>26</u>
EARNINGS PER SHARE (Note 22)				
Basic	<u>\$ 9.71</u>		<u>\$ 12.20</u>	
Diluted	<u>\$ 9.44</u>		<u>\$ 11.55</u>	

The accompanying notes are an integral part of the parent company only financial statements.  
(With Deloitte & Touche report dated March 16, 2023)

**ASOLID TECHNOLOGY CO., LTD.**  
**STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation							Other Equity		Total Equity
	Share Capital		Capital collected in advance	Capital surplus		Retained Earnings		Exchange Differences on Translating the Financial Statements of Foreign Operations	Foreign Operations	
	Shares (In thousands)	Amount		Additional Paid-in Capital	Employee Share Options	Legal Reserve	Foreign Operations			
BALANCE, JANUARY 1, 2021	39,384	\$ 393,835	\$ -	\$ 390,344	\$ 27,549	\$ 55,219	\$ 118,230	\$ 10	\$ 985,187	
Appropriations of 2020 earnings										
Legal capital reserve	-	-	-	-	-	3,237	( 3,237 )	-	-	
Cash dividends to shareholders	-	-	-	-	-	-	( 19,692 )	-	( 19,692 )	
Net profit for the year ended December 31, 2021	-	-	-	-	-	-	496,660	-	496,660	
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	-	-	-	-	
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	-	496,660	-	496,660	
Cash capital increase	2,175	21,750	-	200,970	-	-	-	-	222,720	
Issue of ordinary shares under employee share options	1,478	14,780	-	43,376	( 11,156 )	-	-	-	47,000	
Proceeds from disposal of subsidiaries	-	-	-	-	-	-	-	( 11 )	( 11 )	
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	( 392 )	16	( 376 )	
Other changes in capital surplus :										
Recognition of employee share options by the Company	-	-	-	-	1,320	-	-	-	1,320	
BALANCE, DECEMBER 31, 2021	43,037	430,365	-	634,690	17,713	58,456	591,569	15	1,732,808	
Appropriations of 2021 earnings										
Legal capital reserve	-	-	-	-	-	49,666	( 49,666 )	-	-	
Cash dividends to shareholders	-	-	-	-	-	-	( 219,973 )	-	( 219,973 )	
Net profit for the year ended December 31, 2022	-	-	-	-	-	-	426,640	-	426,640	
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	-	-	-	-	
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	-	426,640	-	426,640	
Issue of ordinary shares under employee share options	1,115	11,155	5,240	47,378	( 12,492 )	-	-	-	51,281	
Other changes in capital surplus :										
Recognition of employee share options by the Company	-	-	-	-	2,751	-	-	-	2,751	
BALANCE, DECEMBER 31, 2022	44,152	\$ 441,520	\$ 5,240	\$ 682,068	\$ 7,972	\$ 108,122	\$ 748,570	\$ 15	\$ 1,993,507	

The accompanying notes are an integral part of the parent company only financial statements.  
(With Deloitte & Touche report dated March 16, 2023)

**ASOLID TECHNOLOGY CO., LTD.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(In Thousands of New Taiwan Dollars)

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income (Loss) before income tax	\$ 545,529	\$ 622,227
Adjustments for :		
Depreciation expenses	7,840	7,240
Amortization expense	27,878	22,948
Expected credit losses	-	10,000
Finance costs	1,703	1,151
Interest income	( 4,561 )	( 474 )
Compensation cost of employee share options	2,751	1,320
Share of losses of subsidiaries	( 59 )	( 3,600 )
Loss for market price decline and obsolete and slow-moving inventories	48,642	13,000
Net loss (gain) on foreign currency exchange	( 13,992 )	725
Net changes related to operating assets and liabilities		
Accounts receivable	173,668	( 72,991 )
Inventories	( 303,902 )	10,140
Other current assets	( 26,316 )	( 6,088 )
Prepayments	( 9,885 )	( 91 )
Contract liabilities	( 2,851 )	( 2,271 )
Notes payable	-	( 1,181 )
Accounts payable	29,506	74,206
Other payables	( 19,066 )	134,226
Other current liabilities	1,988	( 833 )
Cash generated from operations	458,873	809,654
Interest paid	( 1,703 )	( 1,151 )
Income tax paid	( 176,966 )	( 12,177 )
Net cash (used in) generated from operating activities	280,204	796,326
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at amortized cost	( 46 )	( 17 )
Net cash outflow from acquiring subsidiaries	-	( 348 )
Payment for property, plant and equipment	( 134,853 )	( 4,496 )

(Continued)

	<u>2022</u>	<u>2021</u>
(Increase) Decrease in refundable deposits	( 45 )	255
Payment for intangible assets	( 40,975 )	( 23,166 )
Interest received	<u>4,561</u>	<u>474</u>
Net cash used in investing activities	<u>( 171,358 )</u>	<u>( 27,298 )</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term loans	\$ 322,283	\$ 461,971
Decrease in short-term loans	( 322,283 )	( 590,515 )
Cash dividends paid	( 219,973 )	( 19,692 )
Cash capital increase	-	222,720
Exercise of employee share options	<u>51,281</u>	<u>47,000</u>
Net cash generated from (used in) financing activities	<u>( 168,692 )</u>	<u>121,484</u>
<b>EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>		
	<u>10,897</u>	( <u>1,292</u> )
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>( 48,949 )</b>	<b>889,220</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u><b>1,399,919</b></u>	<u><b>510,699</b></u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u><b>\$ 1,350,970</b></u>	<u><b>\$ 1,399,919</b></u>

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

## Attachment 5 : 2022 Audit Report and Consolidated Financial Statements

### **INDEPENDENT AUDITORS' REPORT**

ASolid Technology Co., Ltd.

#### **Introduction**

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and 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 our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

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

The key audit matter of the Group’s consolidated financial statements for the year ended December 31, 2022 is stated as follows:

##### Key Audit Matters — The authenticity of sales revenue

The sales amount of integrated circuits is significant, the relevant revenue recognition policies and information please refer Note 4 and Note 20. Sales revenue in 2022 will decrease compared with the previous year. For specific customers with significant sales growth and significant transaction amount in this year, the risk of authenticity of sales revenue is relatively high. Thus, the authenticity of sales revenue has been identified as a key audit matter.

Our audit procedure for this includes checking above customers’ orders, sales invoices and account receipts and other relevant documents for the sale transactions of the aforementioned customers and sending correspondence to confirm the authenticity of the occurrence of income.

## **Other Matter**

We have also audited the parent company only financial statements of ASolid Technology Co., Ltd as of and for the years ended December 31, 2022 and 2021 on which we have issued an unmodified opinion with emphasis of matter paragraph.

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

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

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

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

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

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

As part of an audit in accordance with the 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 disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Su-Li Fang and Tung-Hui Yeh.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 16, 2023

*Notice to Readers*

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with 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 consolidated financial statements are those generally accepted and applied in the Republic of China.*

*For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language auditors' report and consolidated financial statements shall prevail.*

**ASOLID TECHNOLOGY CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**  
(In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2022		December 31, 2021		LIABILITIES AND EQUITY	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%		Amount	%	Amount	%
<b>CURRENT ASSETS</b>					<b>CURRENT LIABILITIES</b>				
Cash and cash equivalents (Note4、6 and 29)	\$ 1,356,582	56	\$ 1,400,541	64	Contract liability-current ( Note 20 )	\$ 1,955	-	\$ 4,806	-
Financial assets at amortized cost-current ( Note4、7、29 and 31 )	25,112	1	25,066	1	Accounts payable ( Note 16 and 29 )	171,238	7	144,797	7
Accounts Receivable Non-related parties ( Note 4、8、210and 29 )	165,948	7	339,586	15	Other payables (Note 17 and 29)	180,450	8	195,770	9
Inventories (Note4、5 and 9)	538,480	22	283,220	13	Tax payable (Note 4 and 22)	61,520	3	118,320	5
Prepayments	36,382	2	11,113	1	Other current liabilities (Note 17)	3,219	-	1,088	-
Other current assets (Note 15)	10,319	-	433	-	Total current liabilities	418,382	18	464,781	21
Total current assets	2,132,823	88	2,059,959	94	<b>NON-CURRENT LIABILITIES</b>				
<b>NON-CURRENT ASSETS</b>					Deferred tax liabilities (Note 4 and 22)	4,849	-	2,928	-
Property, plant and equipment (Note4、11 31)	212,834	9	85,821	4	Guarantee deposits received(Note 29)	114	-	114	-
Intangible assets (Note 4 and 14)	50,044	2	36,947	1	Total non-current liabilities	4,963	-	3,042	-
Deferred tax assets (Note 4 and 22)	19,590	1	16,392	1	Total liabilities	423,345	18	467,823	21
Guarantee deposits paid (Note 29)	1,907	-	1,858	-	<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Notes 4 and 19)</b>				
Total non-current assets	284,375	12	141,018	6	Capital				
					Common shares	441,520	18	430,365	20
					Capital collected in advance	5,240	-	-	-
					Total capital	446,760	18	430,365	20
					Capital surplus				
					Additional paid-in capital	682,068	28	634,690	29
					Employee share options	7,972	1	17,713	1
					Total capital surplus	690,040	29	652,403	30
					Retained earnings				
					Legal reserve	108,122	4	58,456	2
					Unappropriated earnings	748,570	31	591,569	27
					Total retained earnings	856,692	35	650,025	29
					Other equity	15	-	15	-
					Total equity attributable to owner of the company	1,993,507	82	1,732,808	79
					<b>NON-CONTROLLING INTERESTS</b>	346	-	346	-
					Total equity	1,993,853	82	1,733,154	79
<b>TOTAL ASSETS</b>	<b>\$ 2,417,198</b>	<b>100</b>	<b>\$ 2,200,977</b>	<b>100</b>	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 2,417,198</b>	<b>100</b>	<b>\$ 2,200,977</b>	<b>100</b>

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

(With Deloitte & Touche report dated March 16, 2023)



**ASOLID TECHNOLOGY CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**  
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE (Note 4 and 20)	\$ 1,921,551	100	\$ 1,950,755	100
OPERATING COSTS (Note 9 and 21)	( 781,323)	( 41)	( 770,667)	( 39)
GROSS PROFIT	<u>1,140,228</u>	<u>59</u>	<u>1,180,088</u>	<u>61</u>
OPERATING EXPENSES (Note 21)				
Marketing	( 88,060)	( 5)	( 91,498)	( 5)
General and administrative	( 124,262)	( 6)	( 89,615)	( 5)
Research and development	( 405,286)	( 21)	( 366,585)	( 19)
Reversal of expected credit losses (Note 8)	<u>-</u>	<u>-</u>	<u>( 10,000)</u>	<u>-</u>
Total operating expenses	( 617,608)	( 32)	( 557,698)	( 29)
OPERATING INCOME	<u>522,620</u>	<u>27</u>	<u>622,390</u>	<u>32</u>
NON-OPERATING INCOME AND EXPENSES (Note 21)				
Interest income	4,575	-	483	-
Other income	4,389	-	3,988	-
Other gains and losses	15,648	1	( 1,360)	-
Financial costs	( 1,703)	-	( 1,151)	-
Total non-operating income and expenses	<u>22,909</u>	<u>1</u>	<u>1,960</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	545,529	28	624,350	32
INCOME TAX EXPENSE (Note 4 and 22)	( 118,889)	( 6)	( 125,591)	( 6)
NET PROFIT FOR THE YEAR	<u>426,640</u>	<u>22</u>	<u>498,759</u>	<u>26</u>

( Continued )

	2022		2021	
	Amount	%	Amount	%
<b>OTHER COMPREHENSIVE INCOME</b>				
Items likely to be reclassified to profit or loss in subsequent period :				
Exchange differences on translation of foreign financial statements				
Total other comprehensive income	\$ -	-	(\$ 1)	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR (AFTER TAX)</b>	<u>-</u>	<u>-</u>	<u>( 1)</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>\$ 426,640</u>	<u>22</u>	<u>\$ 498,758</u>	<u>26</u>
<b>NET PROFIT(LOSS) ATTRIBUTED TO:</b>				
Owners of the Corporation	\$ 426,640	22	\$ 496,660	26
Non-controlling interests	<u>-</u>	<u>-</u>	<u>2,099</u>	<u>-</u>
	<u>\$ 426,640</u>	<u>22</u>	<u>\$ 498,759</u>	<u>26</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTED TO:</b>				
Owners of the Corporation	\$ 426,640	22	\$ 496,660	26
Non-controlling interests	<u>-</u>	<u>-</u>	<u>2,098</u>	<u>-</u>
	<u>\$ 426,640</u>	<u>22</u>	<u>\$ 498,758</u>	<u>26</u>
<b>EARNINGS PER SHARE ; NEW TAIWAN DOLLARS (Note 23)</b>				
Basic	<u>\$ 9.71</u>		<u>\$ 12.20</u>	
Diluted	<u>\$ 9.44</u>		<u>\$ 11.55</u>	

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche report dated March 16, 2023)

**ASOLID TECHNOLOGY CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

**(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Owners of the Corporation							Other Equity		Total Equity
	Share Capital		Capital collected in advance	Capital surplus		Retained Earnings		Exchange	Differences	
	Shares (In thousands)	Amount		Additional Paid-in Capital	Employee Share Options	Legal Reserve	Foreign Operations	Foreign Operations	on Translating the Financial Statements of	
BALANCE, JANUARY 1, 2021	39,384	\$ 393,835	\$ -	\$ 390,344	\$ 27,549	\$ 55,219	\$ 118,230	\$ 10	(\$ 3,446)	\$ 981,741
Appropriations of 2020 earnings										
Legal capital reserve	-	-	-	-	-	3,237	( 3,237 )	-	-	-
Cash dividends to shareholders	-	-	-	-	-	-	( 19,692 )	-	-	( 19,692 )
Net profit for the year ended December 31, 2021	-	-	-	-	-	-	496,660	-	2,099	498,759
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	-	-	-	( 1 )	( 1 )
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	-	496,660	-	2,098	498,758
Cash capital increase	2,175	21,750	-	200,970	-	-	-	-	-	222,720
Issue of ordinary shares under employee share options	1,478	14,780	-	43,376	( 11,156 )	-	-	-	-	47,000
Proceeds from disposal of subsidiaries	-	-	-	-	-	-	-	( 11 )	1,666	1,655
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	( 392 )	16	28	( 348 )
Other changes in capital surplus :										
Recognition of employee share options by the Company	-	-	-	-	1,320	-	-	-	-	1,320
BALANCE, DECEMBER 31, 2021	43,037	430,365	-	634,690	17,713	58,456	591,569	15	346	1,733,154
Appropriations of 2021 earnings										
Legal capital reserve	-	-	-	-	-	49,666	( 49,666 )	-	-	-
Cash dividends to shareholders	-	-	-	-	-	-	( 219,973 )	-	-	( 219,973 )
Net profit for the year ended December 31, 2022	-	-	-	-	-	-	426,640	-	-	426,640
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	-	-	-	-	-
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	-	426,640	-	-	426,640
Issue of ordinary shares under employee share options	1,115	11,155	5,240	47,378	( 12,492 )	-	-	-	-	51,281
Other changes in capital surplus :										
Recognition of employee share options by the Company	-	-	-	-	2,751	-	-	-	-	2,751
BALANCE, DECEMBER 31, 2022	44,152	\$ 441,520	\$ 5,240	\$ 682,068	\$ 7,972	\$ 108,122	\$ 748,570	\$ 15	\$ 346	\$ 1,993,853

The accompanying notes are an integral part of these consolidated financial statements.  
(With Deloitte & Touche report dated March 16, 2023)

**ASOLID TECHNOLOGY CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

**(In Thousands of New Taiwan Dollars)**

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income (Loss) before income tax	\$ 545,529	\$ 624,350
Adjustments for :		
Depreciation expenses	7,840	7,244
Amortization expense	27,878	16,962
Expected credit losses	-	10,000
Finance costs	1,703	1,151
Interest income	( 4,575 )	( 483 )
Compensation cost of employee share options	2,751	1,320
Loss for market price decline and obsolete and slow-moving inventories	48,642	13,416
Net loss (gain) on foreign currency exchange	( 13,992 )	725
Net changes related to operating assets and liabilities		
Accounts receivable	173,668	( 111,431 )
Inventories	( 303,902 )	28,007
Other current assets	( 25,269 )	1,474
Prepayments	( 9,886 )	( 64 )
Contract liabilities	( 2,851 )	( 2,271 )
Notes payable	-	( 1,181 )
Accounts payable	29,506	74,157
Other payables	( 15,320 )	133,758
Other current liabilities	<u>2,131</u>	<u>( 780 )</u>
Cash generated from operations	463,853	796,354
Interest paid	( 1,703 )	( 1,151 )
Income tax paid	<u>( 176,966 )</u>	<u>( 12,177 )</u>
Net cash (used in) generated from operating activities	<u>285,184</u>	<u>783,026</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at amortized cost	( 46 )	( 17 )
Net cash outflow from acquiring subsidiaries	-	( 348 )
Payment for property, plant and equipment	( 134,853 )	( 4,496 )
(Increase) Decrease in refundable deposits	( 49 )	267
Payment for intangible assets	( 40,975 )	( 23,166 )
Interest received	<u>4,575</u>	<u>483</u>
Net cash used in investing activities	<u>( 171,348 )</u>	<u>( 27,277 )</u>

( Continued )

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term loans	\$ 322,283	\$ 461,971
Decrease in short-term loans	( 322,283)	( 590,515)
Cash dividends paid	( 219,973)	( 19,692)
Cash capital increase	-	222,720
Exercise of employee share options	<u>51,281</u>	<u>47,000</u>
Net cash generated from (used in) financing activities	( <u>168,692</u> )	<u>121,484</u>
<b>EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>	<u>10,897</u>	( <u>1,295</u> )
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	( 43,959)	875,938
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u>1,400,541</u>	<u>524,603</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u>\$ 1,356,582</u>	<u>\$ 1,400,541</u>

The accompanying notes are an integral part of these consolidated financial statements.  
(With Deloitte & Touche report dated March 16, 2023)

## Appendix 1: Articles of Incorporation

### **ASolid Technology Co., Ltd.**

#### Articles of Incorporation

#### Section I - General Provisions

Article 1 : The Corporation shall be incorporated, as a company limited by shares, under the Company Law, and its name shall be ASolid Technology Co., Ltd.

Article 2 : The scope of business of the Corporation shall be as follows :

1. CC01080 Electronic Parts and Components Manufacturing
2. F119010 Wholesale of electronic materials
3. F401010 International trade
4. I301010 Information software service
5. I301020 Data processing services
6. I501010 Product design
7. ZZ99999 In addition to licensed businesses, businesses that are not prohibited or restricted by laws and regulations may be operated

Article 3 : The company has a head office in the Hsinchu City. When necessary, it can set up branches at home and abroad after a resolution of the board of directors.

Article 4 : Public announcements of the Corporation shall be made in accordance with the Company Law Article 28.

Article 5 : The Corporation may provide endorsement and guarantee and act as a guarantor.

#### Section II - Capital Stock

Article 6 : The total capital stock of the Corporation shall be in the amount of 1,000,000,000 New Taiwan Dollars, divided into 100,000,000 shares, at 10 New Taiwan Dollars each, and authorized board paid-up in installments. A total of 100,000,000 New Taiwan Dollars among the above total capital stock should be reserved for issuing employee stock options, 10,000,000 shares in total, at 10 New Taiwan Dollars each, and authorized board paid-up in installments.

Article 7 : The share certificates of the Company shall all be name-bearing share certificates and signed or sealed by directors. The share certificates shall be issued after being certified by authority concerned or its approved certificate organizations. After the company issued shares in public, the Company may not print share certificates for the new issuance. Registers of share certificates shall contact the share certificates' depository and clearing organizations.

Article 8 : Changes recorded in the shareholder register shall be suspended within 30 days before the ordinary shareholders' meeting, within 15 days before the extraordinary shareholders' meeting, or within 5 days before the base day before the company decides to distribute dividends, bonuses or other benefits.

After the company issued shares in public, Changes recorded in the shareholder register shall be suspended within 60 days before the ordinary shareholders' meeting, within 30 days before the extraordinary shareholders' meeting, or within 5 days before the base day before the company decides to distribute dividends, bonuses or other benefits.

#### Section III –Shareholders meeting

Article 9 : Shareholders' meetings of the Corporation are of two types, regular meetings and special meetings. Regular meeting is held once a year. Regular meetings shall be convened, by the Board of Directors, within six months after the close of each fiscal year. Special meetings shall be convened in accordance with the relevant laws. When convening a shareholders' meeting, it shall be conducted electronically, and voting rights may be exercised in writing, and the exercise method shall be handled in accordance with relevant laws and regulations.

- Article 10 : A shareholder who is unavailable to attend a shareholders' meeting may duly issue a power of attorney expressly bearing the scope of the authorized power to appoint a proxy to attend the meeting on behalf. The use of the power of attorney shall be handled in accordance with the provisions of Article 177 of the Company Law and the " Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies "
- Article 11 : Shareholders of the company, except for the circumstances stipulated in Article 157, Paragraph 3 and Article 179 of the Company Law, have one vote per share.
- Article 12 : Unless otherwise stipulated by the Company Law, the resolution of the shareholders' meeting shall be attended by shareholders representing more than half of the total issued shares in person or by proxy, with the consent of more than half of the voting rights of the shareholders present.
- Article 12-1 : The shareholders' meeting is convened by the board of directors, with the chairman as the chairman. If the chairman requests leave or is unable to exercise his powers for some reason, the chairman shall designate a director to act as an agent. The convening authority shall be convened by a person other than the board of directors, and the chairman shall be the convening authority.
- Article 13 : The resolutions of the shareholders' meeting shall be made into minutes, which shall be signed or sealed by the chairman of the shareholders' meeting, and the minutes shall be distributed to all shareholders within 20 days after the meeting. The production and distribution of minutes of proceedings may be done electronically.  
After the company's shares were publicly issued, the proceedings are distributed in a public announcement.
- Article 14 : After the company's public offering, if it intends to cancel the public offering, there should be a shareholders' meeting representing more than two-thirds of the total number of issued shares, with the consent of more than half of the voting rights of the shareholders present.

#### Section IV - Directors

- Article 15 : The company has five to ten directors, of which the number of independent directors shall not be less than three, and shall not be less than one-third of the number of directors. The term of directors is three years, and the candidate nomination system is adopted. The shareholders meeting have the ability to choose and appoint, and they can be re-elected. During their term of company, directors shall purchase liability insurance for their legal liabilities for the execution of their business scope.  
The company may set up functional committees, and the establishment, powers and compliance of relevant committees shall be handled in accordance with the relevant regulations issued by the competent authority.
- Article 16 : When the vacancy of the board of directors reaches one-third, the board of directors shall hold an extraordinary general meeting of shareholders within 30 days for election. After the company's public offering, the board of directors shall hold an extraordinary general meeting of shareholders within 60 days for election.
- Article 17 : When the term of a director expires and is not due for re-election, his/her executive duties shall be extended until the re-elected director takes office. However, the competent authority, in accordance with its functions and powers, will order the company to re-elect within a time limit; if the re-election is not made within the time limit, the company will be dismissed of course when the time limit expires.
- Article 18 : The professional qualifications, shareholding, part-time restrictions, nomination and selection methods, and other matters to be followed by independent directors shall be handled in accordance with the relevant laws and regulations of the competent authority.
- Article 18-1 : In accordance with the provisions of Article 14-4 of the Securities and Exchange Act, the company has established an audit committee, which is composed of all independent directors. Matters such as the number, term of office, powers, and rules of procedure of the audit

committee shall be handled in accordance with the organizational regulations of the audit committee and the relevant laws and regulations of the competent authority.

Article 19 : The board of directors shall be organized by the directors, with more than two-thirds of the directors present and more than half of the directors present agree to recommend a chairman, who will represent the company externally.

Article 20 : When the chairman asks for leave or is unable to exercise his powers for some reason, his agent shall handle it in accordance with the provisions of Article 208 of the Company Law. The board of directors shall be convened by the chairman of the board, and the directors shall attend the board of directors in person. Any director who is unable to attend a Board of Directors' meeting shall appoint another director as his proxy by a power of attorney listing the scope of empowerment. A director may serve as proxy for only one absent director. For the convening of the board of directors, the reasons shall be stated and the directors shall be notified seven days in advance. However, in the event of an emergency, they may be called at any time. The convening of the board of directors of the company may be notified to the directors in writing, electronically or by fax.

Article 21 : The remuneration of the directors of the company is authorized to the board of directors, according to the level of their participation in the company's operations and the value of their contributions, and the usual level of the industry.

## Section V - Management of the Corporation

Article 22 : The Company shall have managers whose appointment, discharge and remuneration shall be in accordance with the Article 29 of the Company Law.

## Section VI - Financial Reports

Article 23 : After the close of each fiscal year, the following reports (1) Business Report, (2) Financial Statements, (3) Proposal Concerning Appropriation of Earnings or Covering of Losses, shall be prepared by the Board of Directors, and submitted to the regular shareholders' meeting for acceptance:

Article 24 : If the company has a profit in the year (profit refers to the profit before tax deducting the profit before the distribution of employee remuneration and director's remuneration), 7-17% should be allocated as employee's remuneration and no more than 5% as director's remuneration. However, when the company still has accumulated losses (including adjustment of undistributed surplus balance), it should reserve the amount in advance to make up. Employee remuneration may be in stock or cash, and may include subordinate employees who meet the conditions set by the board of directors. Directors' remuneration is in cash only. Employee remuneration and director remuneration shall be implemented by the board of directors with the attendance of more than two-thirds of the directors and a resolution approved by more than half of the directors present, and shall be reported to the shareholders' meeting. When the company issues the following, the recipients of the issue may include employees of controlling or subordinate companies who meet certain conditions, and the certain conditions shall be determined by the board of directors. 1. Transfer of treasury shares to employees 2. Employee stock option certificates 3. Issuance of new shares to be purchased by employees 4. Restricting employees' rights to new shares.

If there is a net profit after tax for the current period in the annual final accounts, the accumulated losses (including the adjustment of the undistributed surplus amount) shall be made up first, and 10% shall be allocated as statutory surplus reserve according to law. However, when the statutory surplus reserve has reached the total paid-in capital of the company, this limitation is not applicable. The special surplus reserve shall be allocated or reversed according to the decree or the regulations of the competent authority. For the remaining surplus, together with the undistributed surplus at the beginning of the same period (including the adjustment of the undistributed surplus amount), the board of directors shall



formulate a surplus distribution proposal and submit it to the shareholders' meeting for resolution of distribution.

The company's dividend policy, according to the current and future development plans, considering the investment environment, capital needs and domestic and foreign competition conditions, shareholders' interests and other factors, cash or stock dividends shall not be less than 10% of the distributable amount of the current year's earnings. The proportion of cash dividends distributed to shareholders shall not be less than 10% of the total dividends to shareholders. The company may adjust the distribution principles of cash dividends and stock dividends when necessary depending on factors such as economic conditions, industrial development and capital needs.

## Section VII - Supplementary Provisions

Article 25 : A company may reinvest as necessary for business operations, and may become a limited liability shareholder of another company upon a resolution of the board of directors, and its reinvestment may exceed 40% of the paid-in capital.

Article 26 : In regard to all matters not provided for in these Articles of Incorporation, the Company Law of the Republic of China shall govern.

Article 27 : This articles of incorporation is established on February 29, 2008.

The 1st amendment on February 29, 2008.

The 2st amendment on March 02, 2009.

The 3st amendment on January 04, 2010.

The 4st amendment on September 15, 2011.

The 5st amendment on December 31, 2013.

The 6st amendment on June 23, 2014.

The 7st amendment on June14, 2016.

The 8st amendment on August 26, 2021.

ASolid Technology Co., Ltd.

Kevin Liu

## Appendix 2: Rules and Procedures of Shareholders' Meeting

### 1.Revision History:03

### 2.Purpose

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

### 3.Scope

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

### 4.Responsibility:No.

### 5.Definition: No.

### 6.Operation Content

6.1. Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.

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

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

Election or dismissal of directors or supervisors, amendments to the articles of incorporation, capital reduction, withdraw public offering, non-competition restrictions for directors, capital increase by earnings and by capital surplus, the dissolution, merger, or demerger of the corporation, or any matter under Article 185,paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extraordinary motion. The content shall be placed on the website designated by the securities regulatory authority or the company, and the website address shall be stated in the notice. The reasons for convening the shareholders' meeting have stated the general re-election of directors and supervisors, and the date of their inauguration. A shareholder holding 1 percent or more of the total number of issued shares may submit to this Corporation a written proposal for discussion at a regular shareholders' meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. Shareholders' proposals are proposals to urge the company to promote public interests or fulfill its social responsibilities, and the board of directors may include them in the proposal. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

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

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders'

meeting and shall deliver the proxy form to this Corporation before 5 days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

6.4. The venue for a shareholders' meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

6.5. The Corporation shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation 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.

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

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair. It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one independent director. The attendance shall be recorded in the meeting minutes. If a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

6.7. This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

6.8. Attendance at shareholders' meeting shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically. The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such

postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

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

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

- 6.9. If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Relevant motions (including extraordinary meetings and amendments to the original motions) shall be voted on a case-by-case basis. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting. The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote, and provide enough voting time.

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

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

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation. When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

- 6.11. Voting at a shareholders' meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares. When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

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

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented

by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

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

When this Corporation holds a shareholders' meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means (in accordance with the proviso of Article 177-1 of the Company Act regarding companies that shall adopt electronic voting: When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence). When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

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

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

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

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

- 6.13. The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the

conclusion of the litigation.

6.14. Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions (including counting votes) were adopted, when directors and supervisors are elected, the number of votes obtained by each candidate shall be disclosed, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of this Corporation.

6.15. On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.

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

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

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

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

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

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

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

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

7.Reference:No.

8.Application Form : No.

9.Announcement

The formulation and amendment of these rules of procedure shall be approved by the board of directors and implemented after the approval of the shareholders' meeting.

Board approval date : May 19,2014.

Shareholders' meeting approval date : June 23,2014.

Board approval date (first revision): March 16,2015.

Shareholders' meeting approval date (first revision): June 22,2015.

Board approval date (second revision): August 10,2020.

Shareholders' meeting approval date (second revision):August 26,2021.

## Appendix 3: Procedures for Election of Directors

1.Revision History:02

2.Purpose

For fair, just and open election of directors, this procedure is formulated in accordance with Articles 21 and 41 of the "Code of Governance Practices"

3.Scope:

The election and appointment of directors of the company shall be handled in accordance with these procedures, unless otherwise stipulated by laws and regulations or bylaws.

4.Responsibility: None

5.Definition: None

6.Operation Content

6.1 The election of the Company's directors should be held with the considerations of the overall configuration of the Board and the diversification of the Board members. Board members should possess the necessary knowledge, skills, and literacy for performing duties, which include: :

- (1)Operating judgment
- (2)Accounting and financial analysis
- (3)Management capability
- (4)Crisis management capabilities
- (5)Industry knowledge
- (6)International market viewpoint
- (7)Leadership
- (8)Decision-making ability

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

6.2 The qualifications for the independent directors of the Company shall comply with Articles 2, 3, and 4 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."

The election of independent directors of the Company shall comply with Articles 5, 6, 7, 8, and 9 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies," and shall be conducted in accordance with Article 24 of the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies."

6.3 The election of directors of the company shall be conducted in accordance with the procedures of the candidate nomination system stipulated in Article 192-1 of the Company Law.

If the dismissal of any director for any reason causes the board with less than five directors in service, an election of directors should be held in the most recent shareholders' meeting. However, if the vacancy of board director is one thirds of the chairs designated, the Company shall have an extraordinary shareholders' meeting held within 60 days from the date of the event occurred.

If the number of independent directors does not meet the requirements of the proviso in Article 14-2, Subparagraph 1 of Securities Exchange Act, an election of directors should be held in the most recent shareholders' meeting. When all independent directors were dismissed, the Company shall have an extraordinary shareholders' meeting held within 60 days from the date of the event occurred.

6.4 The Company's election of directors should be handled in accordance with the cumulative suffrage system. Each stock share contains the suffrage equivalent to the number of directors to be elected, which can be distributed to one or more than one candidate.

6.5 The Board of Directors shall prepare 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.

6.6 The Company's directors are elected as independent directors and non-independent directors in that order in accordance with the number of chairs designated in the Articles of Incorporation from top down. If there are two or more candidates received the same votes of suffrage resulting more candidates elected than the chairs designated, the candidates who received the same votes of suffrage are to take a

draw for a solution; also, the Chairman is to take a draw on behalf of the absentees.

6.7 Before the election commences, the chairman shall appoint several persons to be voting supervisors and vote counters each to perform relevant duties respectively. The voting supervisors may be appointed from among the shareholders present. The ballot boxes shall be prepared by the Board of Directors and publicly checked by the voting supervisors before voting commences.

6.8 Allots are invalid in any of the following circumstances:

- (1) Ballot papers prepared by the right holder are not required
- (2) Blank ballots that are casted in the ballot box.
- (3) Unidentifiable ballot due to illegible or incomplete corrections.
- (4) The filled candidate does not match the list of director candidates.
- (5) In addition to filling in the number of voting rights, include other words.

6.9 After the voting is completed, the ballots will be counted on the spot, and the chairman or designated emcee will announce the list of elected directors on the spot.

6.10 The board of directors of the Company will issue an elected notice to each elected director.

7. Reference: None

8. Application Form : None

9. Announcement

The formulation and amendment of these rules of procedure shall be approved by the board of directors and implemented after the approval of the shareholders' meeting.

Board approval date : May 19, 2014.

Shareholders' meeting approval date : June 23, 2014.

Board approval date (first revision) : August 10, 2020.

Shareholders' meeting approval date (first revision): August 26, 2021.



## Appendix 5: Shareholdings of All Directors

### ASolid Technology Co., Ltd.

#### Shareholdings of All Directors

Unit: Shares

Title	Name	Shareholdings as of April 21, 2023	
		Current Shareholding	%
Chairman	Kevin Liu	1,923,022	4.30%
Director	Andy Yen	608,268	1.36%
Director	Jeremy Lin	896,270	2.01%
Director	Kingston Technology Corporation	2,175,000	4.87%
Independent Director	Victor Tsan	-	-
Independent Director	Toshiba Cheng	-	-
Independent Director	Emily Wu	-	-
Total		5,602,560	12.54%

Note :

1. All directors of the company are legally required to hold 3,600,000 shares.
2. The company has set up an audit committee, so the number of shares that supervisors should hold is not applicable