



Stock Code:3531

**Shian Yih Electronic Industry Co., Ltd.**

**2023 Shareholders' Meeting**

**Agenda Handbook**

**Time: June 12, 2023 (physical meeting)**

**Location: No. 22, Gongyequ 24th Rd., Nantun Dist.,  
Taichung City**

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**Shian Yih Electronic Industry Co., Ltd.**

**Procedure of 2023 Shareholders' Meeting**

**I. Call Meeting to Order**

**II. Chairman's Address**

**III. Report Items**

**IV. Matters for Acknowledgement**

**V. Questions and Motions**

**VI. Meeting Adjourned**

**Shian Yih Electronic Industry Co., Ltd.**  
**Agenda of 2023 Shareholders' Meeting**

- I. Method: Physical Meeting**
- II. Time: 9 A.M., Monday, June 12, 2023**
- III. Location: No. 22, Gongyequ 24th Rd., Nantun Dist., Taichung City**
- IV. Call Meeting to Order**
- V. Chairman's Address**
- VI. Subject of the Meeting:**
  - (I) Report item:
    - 1. 2022 Business Report of the Company
    - 2. 2022 Audit Committee's review report
    - 3. 2022 Employee Compensation and Remuneration of Directors distribution
    - 4. 2022 Earnings Distribution in Cash Dividends
    - 5. Amendments to the "Procedures for Ethical Management and Guidelines for Conduct" and "Code of Ethical Conducts"
  - (II) Matter for acknowledgement:
    - 1. 2022 Business Report and Financial Statements.
    - 2. 2022 Earnings Distribution
  - (III) Questions and Motions
  - (IV) Meeting Adjourned

## **(I) Report Items**

### Proposal 1

Subject: 2022 Business Report of the Company

Description: Please refer to pages 6-9 of the Handbook for the 2022 Business Report.

### Proposal 2

Subject: 2022 Audit Committee's review report

Description: Please refer to page 10 of the Handbook for the 2022 Audit Committee's review report.

### Proposal 3

Subject: 2022 Employee Compensation and Remuneration of Directors distribution

Description: The Company plans to distribute NT\$15,023,253 as employee compensation and NT\$5,007,751 as remuneration of directors in cash in 2022 in accordance with the Articles of Incorporation.

### Proposal 4

Subject: 2022 earnings distribution in cash dividend

Description:

1. Pursuant to Article 25-1 of the Articles of Incorporation of the Company, the Company authorizes the Board of Directors to distribute dividends or bonus in whole or in part in cash and to report to the shareholders' meeting.
2. The Company plans to distribute cash dividends of NT\$122,350,022 to shareholders, with NT\$2 per share. The cash dividend is rounded to the dollar. The sum of the fractional amount is transferred to the Employee Benefits

Committee.

3. This proposal has been approved by the Board of Directors. The Chairman is authorized to determine the record date and other matters related to the distribution. Where the total number of outstanding shares and distribution ratio are changed resulting from the repurchase of shares or approval by the competent authority or de facto demand, the Chairman is authorized to dispose such matter with full authorization.

#### Proposal 5

**Subject:** Amendments to the “Procedures for Ethical Management and Guidelines for Conduct” and “Code of Ethical Conducts”

**Description:** Given the establishment of the Audit Committee and pursuant to the current regulations, the Company plans to amend the “Procedures for Ethical Management and Guidelines for Conduct” and “Code of Ethical Conducts.” Please refer to pages 28-37 of this Handbook for the Comparison Table of the Amended Articles.

### **(II) Matters for Acknowledgement**

#### Proposal 1 (by the Board of Directors)

**Subject:** Acknowledgement of 2022 Business Report and Financial Statements.

**Description:**

1. The 2022 financial statements of the Company have been audited by CPA Chen, Yen-Hui and CPA Wu, Chun-Yuan from

KPMG Taiwan, and the unqualified audit report and the business report have been submitted to the Audit Committee of the Company, who completed the review and confirmed the consistency.

2. Please refer to pages 6-26 of the Handbook for the 2022 Business Report, Audit Report, and the aforementioned financial statements.

Resolution:

Proposal 2 (by the Board of Directors)

Subject: Acknowledgement of 2022 earnings distribution.

Description:

1. Please refer to page 27 of this Handbook for the 2022 earnings distribution of the Company.
2. Pursuant to Article 25-1 of the Articles of Incorporation of the Company, the Board of Directors is authorized to resolve the distribution of cash dividend and report to the shareholders' meeting.
3. Please acknowledge the proposals.

Resolution:

### **(III) Questions and Motions**

### **(IV) Meeting Adjourned**

## 2022 Business Report

Dear shareholders:

Under the pressure of war in Ukraine and inflation in the past year, all companies in the world have strived to operate. We are afraid of the return of the financial crisis. The Company is no exception to these pressures and impacts. However, with the efforts of all employees and the advantage of exchange rate, the 2022 consolidated revenue reached NT\$2.24 billion. The net profit after tax was NT\$184 million, and the earnings per share after tax was NT\$3.02.

We predict that the costs incurred from inflation and the uncertainty of market demand will still have an impact on the profit of the Company. However, with the lean management and economic recovery in the industry, the Company will certainly be able to reach the goal of expected revenue and profit. The Company hereby reports the 2022 business condition, summary of 2023 business plan, Company forecast, external market competition, laws and regulations, and the impact of the macroeconomy to the shareholders:

### I. 2022 Business Report

#### (I) Result of the Business Plan

Unit: Thousand NTD

Item	2022	2021	Variation rate (%)
Consolidated revenue	2,240,839	2,062,548	8.64
Net profit after tax	184,344	77,287	138.52
Net profit after tax attributed to:			
Owner of the parent company	184,957	84,613	118.59
Non-controlling equity	(613)	(7,326)	91.63
Profit margin	8.23%	3.74%	

Due to the increase of orders from customers in Taiwan and China for vehicle mounted products, the overall 2022 consolidated revenue increased by 8.64% compared to 2021. Despite the costs increased due to the increase of costs of materials, the operating costs is maintained at 83% under the effort of controlling the expenses by all employees.

(II) Financial balance and profitability analysis

1. Financial balance

Unit: Thousand NTD

Item	2022		2021	
	Amount	%	Amount	%
Operating revenue	2,240,839	100	2,062,548	100
Operating Costs	1,863,696	83	1,716,118	83
Gross profit	377,143	17	346,430	17
Operating expenses	271,426	12	260,362	13
Operating income	105,717	5	86,068	4
Net profit before tax	241,457	11	88,467	5

2. Profitability analysis

Item	2022	2021
Return on Assets (%)	6.81%	2.95%
Return on Equity (%)	10.08%	4.40%
Net operating profit to the paid-in capital (%)	17.28%	14.06%
Net profit before tax to paid-in capital (%)	39.47%	14.46%
Net profit margin (%)	8.22%	3.74%
Earnings per share (NTD)	3.02	1.38

(III) Research technology and equipment investment

The plants in Taiwan have entered the stage of mass production of vehicle mounted LCM modules and repeaters. It is expected that the equipment for optimization of Automated Optical Inspection (AOI) and automatic assembly lines will be added in 2023. The production capacity will be doubled by then.

II. Summary of 2023 Business Plan

(I) Annual operation strategy

1. New products and new customers

The internal devices in either electric cars or fuel cars have been focused on large size. The Company invested large amounts of capital in advance to replace the old equipment with the new one. The Company is expected to produce middle and large size of vehicle mounted backlight module in 2023, and the market share will increase accordingly. In addition to the backlight module, the Company also enhances the application LED lighting electronic products and devices, such as headsets. The Company has verified that it can enter mass production and has promoted this new product to new customers.

## 2. Comprehensive lean management

All automatic assembly equipment that have been the focus of investment in the past few years have gradually come into play. Key equipment has been changed from manual inspection to automatic inspection, which not only reduces the human error, but also shortens the manufacturing process. Establish Company technology and knowledge learning through electronic equipment and Company cloud to reduce the number of human resources required and shorten the time for management.

## 3. Reduce the impact of risks from external economic and political environment

It is expected that the economics of international major economic entities will slightly decline due to inflation and political war. The Company will reduce the risks through decentralizing supply chains and foreign exchange management.

## 4. Innovative products that meet the demand of energy saving and carbon reduction

Under the concept of health, environmental protection, and carbon reduction, the demand for bicycles and electric motorcycles in developed countries in Europe and America will increase. The Company has successfully development massively produced "LED car light module," which is the key component of LED headlights of cars and motorcycles that the Company invested in. The Company will extend the successful development experience to the headlights of electric cars, aiming at expanding the market share in LED headlight module.

### (II) Significant production and marketing policies

1. Increase the ratio of automatic production and reduce the dependency on human resources on the production line.
2. Expand the overseas market and provide customers with comprehensive and diverse sales plan through strategic alliance.
3. Increase the competitiveness of market quotation, reduce the costs through internal lean management, and march towards the goal of low cost with high quality.
4. Provide customers with the option of technology development and strive for the opportunity of jointly development of module with customers.

### (III) Forecast

1. Inspire the cohesion and innovation of employees to bring the new energy to the Company.
2. Connect the Internet of Things and MES to march toward to goal of visualized intelligent production and management.
3. Enhance the industry cohesion and reach the goal of resources sharing and growth opportunities in technologies through the shared resource platform.
4. Accelerate the product development speed and increase the market share of

innovative products.

(IV) Policy in response to the external market competition and the change of the macroeconomic environment

The recent inflation and raise of wage result in the continuous increase in costs. The Company will adjust the production lines with local raw material suppliers and reduce the risks with a more flexible global operation level supply chain strategy. Apart from that, due to the rapid growth in electric cars in the world and China, the Company will invest actively in innovative research and development and updating production equipment in 2023, aiming to generate maximum profits for shareholders in the severe international environment.

The Company sincerely appreciates the continuous support of all shareholders and we wish all shareholders

Good health and prosperity

Chairman: Wang, Wei-Sih

Manager: Yao, Pai-Chou

Accounting Officer: Chen, Jui-Sui

**Shian Yih Electronic Industry Co., Ltd.  
Audit Committee's review report**

The Board of Directors has prepared the Company's 2022 Business Report and Financial Statements. The financial statements have been audited by CPA Chen, Yen-Huei Liang and CPA Wu, Jun-Yuan from KPMG Taiwan who submitted the audit report. The Business Report and Financial Statements have been reviewed and determined to be in compliance with provisions of the Securities and Exchange Act and the Company Act by the Audit Committee members. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 and Article 228 of the Company Act, we hereby submit this report.

To

2023 Shareholders' Meeting of Shian Yih Electronic Industry Co., Ltd.

Shian Yih Electronic Industry Co., Ltd.

Chairman of the Audit Committee: Chang,  
Chia-Hsing

March 20, 2023

## **Independent Auditors' Report**

### **To the Board of Directors of Shian Yih Electronic Industry Co., Ltd:**

#### **Opinion**

We have audited the financial statements of Shian Yih Electronic Industry Co., Ltd( "the Company" ), which comprise the balance sheets as of December 31, 2022 and 2021, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

#### **Basis for Opinion**

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

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent-company-only financial statements of the current period. These matters were addressed in the context of our audit of the parent-company-only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

##### **1. Revenue recognition**

For accounting policies on revenue recognition, please refer to note 4(13) to the parent-company-only financial statements. For revenue recognition, please refer to note 6(20).

Description of key audit matter:

The Company' s revenue is recognized when the control over a product has been transferred as specified in each sales contract. Due to various terms and conditions of the contracts, it is a highly complicated task to identify whether the control has been transferred and recognize revenue accordingly. Therefore, we have determined the timing of inventory valuation to be a key audit matter.

How the matter was addressed in our audit:

Our audit procedures in this area included:

- Testing the design, execution and effectiveness of internal control over revenue;
- reviewing significant new contracts and obtaining understanding of contractual terms; and
- sampling sales transactions before and after the reporting date, so as to assess whether revenues recognized in the correct period.

## 2. Inventory valuation

Please refer to note 4(7) Inventories in the parent-company-only financial statements for accounting policies for inventories, note 5 for uncertainties over accounting estimation and assumptions for inventory valuation, and note 6(5) Inventories for inventory write-downs.

Description of key audit matter:

Inventories are measured at the lower of costs and net realizable values. Due to the uncertainties over inventory values that arise from market demand fluctuations and rapid technological changes, there is risk that the costs of inventories may exceed the net realizable values thereof. Therefore, we considered inventory valuation to be a key audit matter.

How the matter was addressed in our audit:

Our audit procedures in this area included:

- reviewing inventory aging reports and analyzing the changes in inventory ages during each period;
- assessing whether inventory valuation is in compliance with the Company's accounting policies;
- obtaining understanding of both the selling prices adopted by the Company's management and the changes in inventory market prices, so as to evaluate the reasonableness of net realizable values of inventories; and
- looking into the sales of older inventories in the subsequent period and assessing the basis of net realizable values, with a view to verifying the accuracy of allowance inventory loss estimated by management.

### **Responsibilities of Management and Those Charged with Governance for the parent-company-only Financial Statements**

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

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

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

## **Auditors' Responsibilities for the Audit of the parent-company-only Financial Statements**

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

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

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Yen-hui Chen and Chun-Yuan Wu.

KPMG

Taipei, Taiwan (Republic of China)

March 15, 2023

#### **Notes to Readers**

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

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

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

## SHIAN YIH ELECTRONIC INDUSTRY CO., LTD

## Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2022		December 31, 2021				December 31, 2022		December 31, 2021	
		Amount	%	Amount	%			Amount	%	Amount	%
<b>Assets</b>											
<b>Current assets:</b>											
30	Cash and cash equivalents (note 6(1))	\$ 524,876	22	419,497	18	2100	Short-term borrowings (note 6(11) and 8)	\$ -	-	60,000	3
70	Accounts receivable, net (note 6(3))	288,245	12	362,812	16	2130	Contract liabilities-current (note 6(20))	3,150	-	2,900	-
30	Other receivables (note 6(4))	6,076	-	3,038	-	2170	Accounts payable	18,341	1	14,592	1
10	Other receivables from related parties (note 6(4) and 7)	110,369	5	816	-	2180	Accounts payable to related parties (note 7)	117,333	5	105,819	5
30	Inventories (note 6(5))	134,316	6	84,698	4	2200	Other payables (note 6(23))	47,030	2	44,453	2
10	Prepayments	5,986	-	4,275	-	2220	Other payables to related parties (notes 7)	34,770	1	21,150	1
70	Other current assets	84	-	190	-	2230	Current tax liabilities	29,029	1	12,057	1
76	Other financial assets-current (note 6(10),7 and 8)	16,471	-	133,681	6	2280	Lease liabilities-current (notes 6(14))	5,809	-	5,673	-
		<u>1,086,423</u>	<u>45</u>	<u>1,009,007</u>	<u>44</u>	2300	Other current liabilities (notes 6(12))	5,490	-	4,233	-
						2313	Deferred revenue (notes 6(15))	1,967	-	2,364	-
						2320	Long-term borrowings, current portion (notes 6(13) and 8)	<u>65,814</u>	<u>3</u>	<u>20,280</u>	<u>1</u>
								<u>328,733</u>	<u>13</u>	<u>293,521</u>	<u>14</u>
<b>Non-current assets:</b>											
21	Non-current financial assets at fair value through other comprehensive income (note 6(2))	15,406	1	12,549	-		<b>Non-Current liabilities:</b>				
51	Investments accounted for using equity method (notes 6(6) and 7)	741,925	31	707,161	31	2540	Long-term borrowings (notes 6(13) and 8)	180,711	8	244,161	10
30	Property, plant and equipment (notes 6(7) and 8)	116,878	5	133,523	6	2570	Deferred tax liabilities (note 6(17))	12,848	1	6,095	-
55	Right-of-use assets (note 6(8))	8,937	-	14,582	1	2580	Lease liabilities-non-current (notes 6(14))	3,420	-	9,229	-
22	Intangible assets (note 6(9))	37	-	263	-	2630	Long-term deferred revenue (notes 6(15))	1,796	-	3,763	-
40	Deferred tax assets (note 6(17))	1,085	-	9,471	-			<u>198,775</u>	<u>9</u>	<u>263,248</u>	<u>10</u>
30	Other non-current assets	198	-	687	-		<b>Total liabilities</b>	<u>527,508</u>	<u>22</u>	<u>556,769</u>	<u>24</u>
30	Other financial assets-non current (note 6(10))	433,008	18	406,829	18		<b>Equity attributable to owners of parent (notes 6(18)):</b>				
		<u>1,317,474</u>	<u>55</u>	<u>1,285,065</u>	<u>56</u>	3100	Share capital	611,750	25	611,750	27
						3200	Capital surplus	669,678	28	669,678	29
						3300	Retained earnings	725,043	30	613,496	27
						3400	Other equity	(130,082)	(5)	(157,621)	(7)
							Total equity attributable to owners of parent:	<u>1,876,389</u>	<u>78</u>	<u>1,737,303</u>	<u>76</u>
							<b>Total equity</b>	<u>1,876,389</u>	<u>78</u>	<u>1,737,303</u>	<u>76</u>
							<b>Total liabilities and equity</b>	<u>\$ 2,403,897</u>	<u>100</u>	<u>2,294,072</u>	<u>100</u>
	<b>Total assets</b>	<u>\$ 2,403,897</u>	<u>100</u>	<u>2,294,072</u>	<u>100</u>						

See accompanying notes to parent company only financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

**SHIAN YIH ELECTRONIC INDUSTRY CO., LTD**

**Statements of Comprehensive Income**

**For the years ended December 31, 2022 and 2021**

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

	2022		2021	
	Amount	%	Amount	%
4000 <b>Operating revenue</b> (note 6(20) and 7)	\$ 1,208,991	100	1,366,697	100
5000 <b>Operating costs</b> (notes 6(5),(16) and (7))	1,016,955	84	1,187,609	87
5950 <b>Gross profit from operations</b>	192,036	16	179,088	13
<b>Operating expenses</b> (notes 6(3),(7),(8),(9),(16) and (21)) :				
6100 Selling expenses	44,625	4	46,260	3
6200 Administrative expenses	53,062	4	46,253	3
6300 Research and development expenses	13,225	1	14,276	1
6450 Reversal of expected credit loss	-	-	(1,551)	-
	110,912	9	105,238	7
6900 <b>Net operating income</b>	81,124	7	73,850	6
7000 <b>Non-operating income and expenses:</b>				
7100 Interest income (note 6(22) and 7)	13,908	1	1,844	-
7010 Other income (note 6(15) and (22))	4,312	-	3,794	-
7020 Other gains and losses, net (notes 6(22))	125,335	10	(24,771)	(2)
7775 Share of profit (losses) of associates accounted for using equity method	8,797	1	47,935	4
7050 Finance costs (notes 6(14) and (22))	(3,120)	-	(2,842)	-
	149,232	12	25,960	2
7900 <b>Profit before income tax</b>	230,356	19	99,810	8
7950 <b>Less: Income tax expenses</b> (note 6(17))	45,399	3	15,197	1
8200 <b>Profit for the period</b>	184,957	16	84,613	7
8300 <b>Other comprehensive income:</b>				
8310 <b>Items that may not be reclassified subsequently to profit or loss:</b>				
8316 Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (notes 6(18))	2,857	-	1,574	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (notes 6(17))	-	-	-	-
	2,857	-	1,574	-
8360 <b>Items that may be reclassified subsequently to profit or loss:</b>				
8361 Exchange differences on translation of foreign financial statements (note 6(18))	24,682	2	(9,296)	(1)
8399 Income tax related to items that will be reclassified to profit or loss (notes 6(17))	-	-	-	-
	24,682	2	(9,296)	(1)
8300 <b>Other comprehensive income (after tax)</b>	27,539	2	(7,722)	(1)
8500 <b>Total comprehensive income for the period</b>	<b>\$ 212,496</b>	<b>18</b>	<b>76,891</b>	<b>6</b>
<b>Earnings per share</b> (note 6(19))				
9750 <b>Basic earnings per share</b> (NT dollars)	<b>\$ 3.02</b>		<b>1.38</b>	
9850 <b>Diluted earnings per share</b> (NT dollars)	<b>\$ 2.97</b>		<b>1.37</b>	

See accompanying notes to parent company only financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

SHIAN YIH ELECTRONIC INDUSTRY CO., LTD

Statements of Changes in Equity

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings					Other equity				Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total	
<b>Balance at January 1, 2021</b>	\$ 611,750	669,678	216,115	126,753	247,190	590,058	(135,539)	(14,360)	(149,899)	1,721,587
Profit for the year ended December 31, 2021	-	-	-	-	84,613	84,613	-	-	-	84,613
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	-	-	(9,296)	1,574	(7,722)	(7,722)
Comprehensive income for the year ended December 31, 2021	-	-	-	-	84,613	84,613	(9,296)	1,574	(7,722)	76,891
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	5,397	-	(5,397)	-	-	-	-	-
Special reserve	-	-	-	23,146	(23,146)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(61,175)	(61,175)	-	-	-	(61,175)
<b>Balance at December 31, 2021</b>	<b>\$ 611,750</b>	<b>669,678</b>	<b>221,512</b>	<b>149,899</b>	<b>242,085</b>	<b>613,496</b>	<b>(144,835)</b>	<b>(12,786)</b>	<b>(157,621)</b>	<b>1,737,303</b>
<b>Balance at January 1, 2022</b>	\$ 611,750	669,678	221,512	149,899	242,085	613,496	(144,835)	(12,786)	(157,621)	1,737,303
Profit for the year ended December 31, 2022	-	-	-	-	184,957	184,957	-	-	-	184,957
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	-	-	24,682	2,857	27,539	27,539
Comprehensive income for the year ended December 31, 2022	-	-	-	-	184,957	184,957	24,682	2,857	27,539	212,496
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	8,461	-	(8,461)	-	-	-	-	-
Special reserve	-	-	-	7,722	(7,722)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(73,410)	(73,410)	-	-	-	(73,410)
<b>Balance at December 31, 2022</b>	<b>\$ 611,750</b>	<b>669,678</b>	<b>229,973</b>	<b>157,621</b>	<b>337,449</b>	<b>725,043</b>	<b>(120,153)</b>	<b>(9,929)</b>	<b>(130,082)</b>	<b>1,876,389</b>

See accompanying notes to parent company only financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

**SHIAN YIH ELECTRONIC INDUSTRY CO., LTD**

**Statements of Cash Flows**

**For the years ended December 31, 2022 and 2021**

**(Expressed in Thousands of New Taiwan Dollars)**

	<u>2022</u>	<u>2021</u>
<b>Cash flows from operating activities:</b>		
<b>Profit before income tax</b>	\$ 230,356	99,810
<b>Adjustments:</b>		
Adjustments to reconcile profit (loss):		
Depreciation expense	39,660	33,515
Amortization expense	226	440
Reversal of expected credit loss	-	(1,551)
Interest expense	3,120	2,842
Interest income	(13,908)	(1,844)
Share of loss (profit) of subsidiaries accounted for using equity method	(8,797)	(47,935)
Gain from disposal of property, plant and equipment	(1,385)	(1,100)
<b>Total adjustments to reconcile profit (loss)</b>	<u>18,916</u>	<u>(15,633)</u>
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
Decrease (increase) in accounts receivable	74,567	(16,401)
(Increase) decrease in other receivable include related parties	(1,668)	2,254
Increase in inventories	(49,618)	(3,342)
(Increase) decrease in prepayments	(1,711)	897
Decrease (increase) in other current assets	106	(159)
<b>Total changes in operating assets</b>	<u>21,676</u>	<u>(16,751)</u>
<b>Changes in operating liabilities:</b>		
Increase in accounts payable include related parties	15,263	27,317
Increase in other payables include related parties	19,752	7,221
Increase in other current liabilities	1,507	1,171
<b>Total changes in operating liabilities</b>	<u>36,522</u>	<u>35,709</u>
<b>Total changes in operating assets and liabilities</b>	<u>58,198</u>	<u>18,958</u>
<b>Total adjustments</b>	<u>77,114</u>	<u>3,325</u>
Cash inflow generated from operations	307,470	103,135
Interest received	11,088	1,703
Interest paid	(3,104)	(2,853)
Income taxes paid	(13,288)	(25,877)
<b>Net cash flows from operating activities</b>	<u>302,166</u>	<u>76,108</u>
<b>Cash flows from investing activities:</b>		
Acquisition of property, plant and equipment	(20,941)	(29,617)
Disposal of property, plant and equipment	100	3,012
Decrease in refundable deposits	41	-
Increase in other receivables include from related parties	(108,103)	-
Decrease in other financial assets	90,990	39,752
Decrease (increase) in other non-current assets	489	(581)
Dividends received	-	138,750
<b>Net cash flows from investing activities</b>	<u>(37,424)</u>	<u>151,316</u>
<b>Cash flows from financing activities:</b>		
Decrease in short-term borrowings	(60,000)	(50,000)
Proceeds from long-term borrowings	-	85,612
Repayments of long-term borrowings	(20,280)	(1,177)
Payment of lease liabilities	(5,673)	(5,558)
Cash dividends paid	(73,410)	(61,175)
<b>Net cash used in from financing activities</b>	<u>(159,363)</u>	<u>(32,298)</u>
<b>Net increase in cash and cash equivalents</b>	105,379	195,126
<b>Cash and cash equivalents at beginning of period</b>	419,497	224,371
<b>Cash and cash equivalents at end of period</b>	<u>\$ 524,876</u>	<u>419,497</u>

See accompanying notes to parent company only financial statements.

## **Independent Auditors’ Report**

### **To the Board of Directors of Shian Yih Electronic Industry Co., Ltd:**

#### **Opinion**

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

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

#### **Basis for Opinion**

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

#### **Key Audit Matters**

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

##### **1. Revenue recognition**

For accounting policies on revenue recognition, please refer to note 4(14) to the consolidated financial statements. For revenue recognition, please refer to note 6(22).

Description of key audit matter:

The Group’ s revenue is recognized when the control over a product has been transferred as specified in each sales contract. Due to various terms and conditions of the contracts, it is a highly complicated task to identify whether the control has been transferred and recognize revenue accordingly. Therefore, we have determined the timing of inventory valuation to be a key audit matter.

How the matter was addressed in our audit:

Our audit procedures in this area included:

- Testing the design, execution and effectiveness of internal control over revenue;
- reviewing significant new contracts and obtaining understanding of contractual terms; and
- sampling sales transactions before and after the reporting date, so as to assess whether revenues recognized in the correct period.

## 2. Inventory valuation

Please refer to note 4(8) Inventories in the consolidated financial statements for accounting policies for inventories, note 5 for uncertainties over accounting estimation and assumptions for inventory valuation, and note 6(5) Inventories for inventory write-downs.

Description of key audit matter:

Inventories are measured at the lower of costs and net realizable values. Due to the uncertainties over inventory values that arise from market demand fluctuations and rapid technological changes, there is risk that the costs of inventories may exceed the net realizable values thereof. Therefore, we considered inventory valuation to be a key audit matter.

How the matter was addressed in our audit:

Our audit procedures in this area included:

- reviewing inventory aging reports and analyzing the changes in inventory ages during each period;
- assessing whether inventory valuation is in compliance with the Group's accounting policies;
- obtaining understanding of both the selling prices adopted by the Group's management and the changes in inventory market prices, so as to evaluate the reasonableness of net realizable values of inventories; and
- looking into the sales of older inventories in the subsequent period and assessing the basis of net realizable values, with a view to verifying the accuracy of allowance inventory loss estimated by management.

### **Other Matter**

Shian Yih Electronic Industry Co., Ltd has prepared its parent-company-only financial statements as of and for the years ended December 31, 2022 and 2021, on which we have issued an unmodified opinion.

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

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

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

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

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

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

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Yen-hui Chen and Chun-Yuan Wu.

KPMG

Taipei, Taiwan (Republic of China)  
March 15, 2023

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

The engagement partners on the audit resulting in this independent auditors' report are Yen-hui Chen and Chun-Yuan Wu.

KPMG

Taipei, Taiwan (Republic of China)  
March 15, 2023

#### **Notes to Readers**

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
SHIAN YIH ELECTRONIC INDUSTRY CO., LTD AND SUBSIDIARIES

**Consolidated Balance Sheets**

**December 31, 2022 and 2021**

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2022		December 31, 2021		Liabilities and Equity		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%			Amount	%	Amount	%
<b>Current assets:</b>						<b>Current liabilities:</b>					
1100	Cash and cash equivalents (note 6(1))	\$ 804,195	29	576,030	21	2100	Short-term borrowings (note 6(12) and 8)	\$ 84,775	3	157,352	6
1170	Accounts receivable, net (note 6(3))	651,139	24	656,412	23	2130	Contract liabilities-current (note 6(22))	3,215	-	3,091	-
1200	Other receivables (note 6(4))	7,065	-	3,737	-	2170	Accounts payable	329,429	12	409,493	15
130X	Inventories (note 6(5))	397,413	14	382,041	14	2200	Other payables (note 7)	138,705	5	145,062	5
1410	Prepayments	64,354	2	70,025	3	2230	Current tax liabilities	38,994	1	16,816	-
1470	Other current assets	1,901	-	2,570	-	2280	Lease liabilities-current (notes 6(15))	7,819	-	7,586	-
1476	Other financial assets-current (note 6(11) and 8)	16,471	1	233,792	8	2300	Other current liabilities (notes 6(13))	6,961	-	4,802	-
		<u>1,942,538</u>	<u>70</u>	<u>1,924,607</u>	<u>69</u>	2313	Deferred revenue (notes 6(16))	1,967	-	2,364	-
<b>Non-current assets:</b>						2320	Long-term borrowings, current portion (notes 6(14),(16) and 8)	<u>65,814</u>	<u>3</u>	<u>20,280</u>	<u>1</u>
1521	Non-current financial assets at fair value through other comprehensive income(note 6(2))	15,406	-	12,549	-			<u>677,679</u>	<u>24</u>	<u>766,846</u>	<u>27</u>
1600	Property, plant and equipment (notes 6(7) and 8)	325,364	12	368,678	13	<b>Non-Current liabilities:</b>					
1755	Right-of-use assets (notes 6(8))	37,497	1	45,398	2	2540	Long-term borrowings (notes 6(14),(16) and 8)	180,711	7	244,161	9
1760	Investment property, net (note 6(9) and (17))	2,206	-	3,072	-	2570	Deferred tax liabilities (note 6(19))	12,848	-	6,095	-
1822	Intangible assets (note 6(10))	1,097	-	1,323	-	2580	Lease liabilities – non-current (notes 6(15))	7,550	-	15,369	1
1840	Deferred tax assets (note 6(19))	22,047	1	30,433	1	2630	Long-term deferred revenue (notes 6(16))	1,796	-	3,763	-
1900	Other non-current assets	544	-	687	-	2670	Other non-current liabilities	1,033	-	1,121	-
1980	Other financial assets-non current (note 6(11))	433,387	16	410,604	15			<u>203,938</u>	<u>7</u>	<u>270,509</u>	<u>10</u>
		<u>837,548</u>	<u>30</u>	<u>872,744</u>	<u>31</u>		<b>Total liabilities</b>	<u>881,617</u>	<u>31</u>	<u>1,037,355</u>	<u>37</u>
<b>Total assets</b>		<u>\$ 2,780,086</u>	<u>100</u>	<u>2,797,351</u>	<u>100</u>	<b>Equity attributable to owners of parent:</b>					
						3100	Share capital	611,750	22	611,750	22
						3200	Capital surplus	669,678	24	669,678	24
						3300	Retained earnings	725,043	26	613,496	22
						3400	Other equity	(130,082)	(4)	(157,621)	(6)
							Total equity attributable to owners of parent:	<u>1,876,389</u>	<u>68</u>	<u>1,737,303</u>	<u>62</u>
						36XX	Non-controlling interests	22,080	1	22,693	1
							<b>Total equity</b>	<u>1,898,469</u>	<u>69</u>	<u>1,759,996</u>	<u>63</u>
							<b>Total liabilities and equity</b>	<u>\$ 2,780,086</u>	<u>100</u>	<u>2,797,351</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
SHIAN YIH ELECTRONIC INDUSTRY CO., LTD AND SUBSIDIARIES

**Consolidated Statements of Comprehensive Income**

For the years ended December 31, 2022 and 2021

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

	2022		2021	
	Amount	%	Amount	%
4000 <b>Operating revenue</b> (note 6(22))	\$ 2,240,839	100	2,062,548	100
5000 <b>Operating costs</b> (notes 6(5), (18))	1,863,696	83	1,716,118	83
5950 <b>Gross profit from operations</b>	<u>377,143</u>	<u>17</u>	<u>346,430</u>	<u>17</u>
<b>Operating expenses</b> (notes 6(10),(15),(18),(23) and 7) :				
6100 Selling expenses	72,924	3	72,701	4
6200 Administrative expenses	136,216	6	123,167	6
6300 Research and development expenses	62,286	3	66,045	3
6450 Reversal of expected credit loss (note 6(3))	-	-	(1,551)	-
	<u>271,426</u>	<u>12</u>	<u>260,362</u>	<u>13</u>
6900 <b>Net operating income</b>	<u>105,717</u>	<u>5</u>	<u>86,068</u>	<u>4</u>
7000 <b>Non-operating income and expenses:</b>				
7100 Interest income (note 6(24))	16,061	1	3,549	-
7010 Other income (note 6(16),(17) and (24))	11,095	-	31,035	2
7190 Other gains and losses, net (notes 6(24))	1,423	-	(88)	-
7630 Foreign exchange gain (loss), net	114,208	5	(28,326)	(1)
7050 Finance costs (notes 6(15) and (24))	(7,047)	-	(3,771)	-
	<u>135,740</u>	<u>6</u>	<u>2,399</u>	<u>1</u>
7900 <b>Profit before income tax</b>	<u>241,457</u>	<u>11</u>	<u>88,467</u>	<u>5</u>
7950 <b>Less: Income tax expenses</b> (note 6(19))	<u>57,113</u>	<u>3</u>	<u>11,180</u>	<u>1</u>
8200 <b>Profit for the period</b>	<u>184,344</u>	<u>8</u>	<u>77,287</u>	<u>4</u>
8300 <b>Other comprehensive income:</b>				
8310 <b>Items that may not be reclassified subsequently to profit or loss:</b>				
8316 Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (notes 6(20))	2,857	-	1,574	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	<u>2,857</u>	<u>-</u>	<u>1,574</u>	<u>-</u>
8360 <b>Items that may be reclassified subsequently to profit or loss:</b>				
8361 Exchange differences on translation of foreign financial statements (note 6(20))	24,682	1	(9,296)	-
8399 Income tax related to items that will be reclassified to profit or loss	-	-	-	-
	<u>24,682</u>	<u>1</u>	<u>(9,296)</u>	<u>-</u>
8300 <b>Other comprehensive income (after tax)</b>	<u>27,539</u>	<u>1</u>	<u>(7,722)</u>	<u>-</u>
8500 <b>Total comprehensive income for the period</b>	<u><b>\$ 211,883</b></u>	<u><b>9</b></u>	<u><b>69,565</b></u>	<u><b>4</b></u>
<b>Profit (loss), attributable to:</b>				
8610 Owners of parent	\$ 184,957	8	84,613	4
8620 Non-controlling interest	(613)	-	(7,326)	-
	<u><b>\$ 184,344</b></u>	<u><b>8</b></u>	<u><b>77,287</b></u>	<u><b>4</b></u>
<b>Comprehensive income attributable to:</b>				
8710 Owners of parent	\$ 212,496	9	76,891	4
8720 Non-controlling interest	(613)	-	(7,326)	-
	<u><b>\$ 211,883</b></u>	<u><b>9</b></u>	<u><b>69,565</b></u>	<u><b>4</b></u>
<b>Earnings per share</b> (note 6(21))				
9750 <b>Basic earnings per share</b> (NT dollars)	<u><b>\$ 3.02</b></u>		<u><b>1.38</b></u>	
9850 <b>Diluted earnings per share</b> (NT dollars)	<u><b>\$ 2.97</b></u>		<u><b>1.37</b></u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
SHIAN YIH ELECTRONIC INDUSTRY CO., LTD AND SUBSIDIARIES

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

	Equity attributable to owners of parent											
	Retained earnings					Other equity				Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total			
<b>Balance at January 1, 2021</b>	\$ 611,750	669,678	216,115	126,753	247,190	590,058	(135,539)	(14,360)	(149,899)	1,721,587	30,019	1,751,606
Profit for the year ended December 31, 2021	-	-	-	-	84,613	84,613	-	-	-	84,613	(7,326)	77,287
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	-	-	(9,296)	1,574	(7,722)	(7,722)	-	(7,722)
Comprehensive income for the year ended December 31, 2021	-	-	-	-	84,613	84,613	(9,296)	1,574	(7,722)	76,891	(7,326)	69,565
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	5,397	-	(5,397)	-	-	-	-	-	-	-
Special reserve	-	-	-	23,146	(23,146)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(61,175)	(61,175)	-	-	-	(61,175)	-	(61,175)
<b>Balance at December 31, 2021</b>	<b>\$ 611,750</b>	<b>669,678</b>	<b>221,512</b>	<b>149,899</b>	<b>242,085</b>	<b>613,496</b>	<b>(144,835)</b>	<b>(12,786)</b>	<b>(157,621)</b>	<b>1,737,303</b>	<b>22,693</b>	<b>1,759,996</b>
<b>Balance at January 1, 2022</b>	\$ 611,750	669,678	221,512	149,899	242,085	613,496	(144,835)	(12,786)	(157,621)	1,737,303	22,693	1,759,996
Profit for the year ended December 31, 2022	-	-	-	-	184,957	184,957	-	-	-	184,957	(613)	184,344
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	-	-	24,682	2,857	27,539	27,539	-	27,539
Comprehensive income for the year ended December 31, 2022	-	-	-	-	184,957	184,957	24,682	2,857	27,539	212,496	(613)	211,883
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	8,461	-	(8,461)	-	-	-	-	-	-	-
Special reserve	-	-	-	7,722	(7,722)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(73,410)	(73,410)	-	-	-	(73,410)	-	(73,410)
<b>Balance at December 31, 2022</b>	<b>\$ 611,750</b>	<b>669,678</b>	<b>229,973</b>	<b>157,621</b>	<b>337,449</b>	<b>725,043</b>	<b>(120,153)</b>	<b>(9,929)</b>	<b>(130,082)</b>	<b>1,876,389</b>	<b>22,080</b>	<b>1,898,469</b>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
SHIAN YIH ELECTRONIC INDUSTRY CO., LTD AND SUBSIDIARIES

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

	2022	2021
<b>Cash flows from operating activities:</b>		
<b>Profit before income tax</b>	\$ 241,457	88,467
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (loss):</b>		
Depreciation expense	99,890	94,701
Amortization expense	226	440
Reversal of expected credit loss	-	(1,551)
Interest expense	7,047	3,771
Interest income	(16,061)	(3,549)
Loss (gain) from disposal of property, plant and equipment	(1,423)	88
Property, plant and equipment transfer expenses	-	129
<b>Total adjustments to reconcile profit (loss)</b>	89,679	94,029
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
Decrease (increase) in accounts receivable	5,273	(126,977)
(Increase) decrease in other receivables	(283)	585
Increase in inventories	(15,372)	(60,046)
Decrease (increase) in prepayments	5,810	(13,082)
Decrease (increase) in other current assets	669	(1,274)
<b>Total changes in operating assets</b>	(3,903)	(200,794)
<b>Changes in operating liabilities:</b>		
(Increase) decrease in accounts payable	(80,064)	56,896
(Increase) decrease in other payables include related parties	(4,538)	12,981
Decrease (increase) in other current liabilities	2,283	(12,303)
<b>Total changes in operating liabilities</b>	(82,319)	57,574
<b>Total changes in operating assets and liabilities</b>	(86,222)	(143,220)
<b>Total adjustments</b>	3,457	(49,191)
Cash inflow generated from operations	244,914	39,276
Interest received	13,096	3,777
Interest paid	(6,445)	(3,679)
Income taxes paid	(19,951)	(35,845)
<b>Net cash flows from operating activities</b>	231,614	3,529
<b>Cash flows from investing activities:</b>		
Acquisition of property, plant and equipment	(42,387)	(58,103)
Disposal of property, plant and equipment	3,455	144
Decrease (increase) in refundable deposit	3,437	(3,393)
Decrease in other financial assets	191,101	181,202
Increase in other non-current assets	(5,065)	(2,196)
<b>Net cash flows from investing activities</b>	150,541	117,654
<b>Cash flows from financing activities:</b>		
Increase in short-term borrowings	151,259	154,180
Decrease in short-term borrowings	(232,496)	(112,828)
Proceeds from long-term borrowings	-	84,435
Repayments of long-term borrowings	(20,280)	-
(Decrease) increase in guarantee deposits received	(88)	149
Payment of lease liabilities	(7,586)	(7,437)
Cash dividends paid	(73,410)	(61,175)
<b>Net cash flows (used in) from financing activities</b>	(182,601)	57,324
<b>Effect of exchange rate changes on cash and cash equivalents</b>	28,611	(8,362)
<b>Net increase in cash and cash equivalents</b>	228,165	170,145
<b>Cash and cash equivalents at beginning of period</b>	576,030	405,885
<b>Cash and cash equivalents at end of period</b>	\$ 804,195	576,030

See accompanying notes to consolidated financial statements.

**Shian Yih Electronic Industry Co., Ltd.**  
**2022 Earnings Distribution Table**

Unit: Thousand NTD

Item	Amount	
	Subtotal	Total
<b>Undistributed earnings at January 1, 2022</b>		<b>152,491,537</b>
Add (less):		
Income after tax of the current year	184,957,521	
The current remeasurement variation of the defined benefit plan	0	
Current net profit after tax and the items other than the current net profit are added to the current amount of undistributed earnings		184,957,521
Set aside surplus reserve		(18,495,752)
reverse special capital reserve in accordance with relevant laws or regulations		27,538,121
<b>Current distributable earnings</b>		<b>346,491,427</b>
Distribution items:		
Shareholder bonus – cash (NT\$2 per share)		(122,350,022)
<b>Undistributed earnings by December 31, 2022</b>		<b>224,141,405</b>

Note: 1. The cash dividend per share is NT\$2, and the number is rounded to the dollar. The sum of the fractional amount less than 1 dollar will be distributed to the Employees Benefit Committee of the Company.

2. Where the total number of outstanding shares and the dividend distribution ratio are changed resulting from the transfer application for the employee stock option certificate, the proposal is proposed to the Shareholders' Meeting for approval, and the Board of Directors is to be authorized to conduct the related work and make adjustment.

3. The Chairman is authorized to determine the record date for this cash dividend distribution.

4. The 2022 net profit after tax will be first distributed in the current year earnings distribution.

5. The cash dividend is resolved by the Board of Directors and reported to the shareholders' meeting.

Chairman: Wang, Wei-Sih

Manager: Yao, Pai-Chou

Accounting Officer: Chen, Jui-Sui

Procedures for Ethical Management and Guidelines for Conduct  
Comparison Table of the Amended Articles

Articles before the amendments	Articles after the amendments	Description
<p>Article 2 Applicable subjects For the purposes of these Procedures and Guidelines, the term “personnel of the Company” refers to any director, <u>supervisor</u>, managerial officer, employee, mandatary or person having substantial control, of the Company.</p> <p>Any provision, promise, request, or acceptance of money, gratuity, gift, commissions, positions, services, preferential treatment, rebates, facilitation payments, dining, entertainment, and other benefits by any personnel of the Company through a third party will be presumed to be an act by the personnel of the Company.</p>	<p>Article 2 Applicable subjects For the purposes of these Procedures and Guidelines, the term “personnel of the Company” refers to any <u>director, managerial officer</u>, employee, mandatary or person having substantial control, of the Company.</p> <p>Any provision, promise, request, or acceptance of money, gratuity, gift, commissions, positions, services, preferential treatment, rebates, facilitation payments, dining, entertainment, and other benefits by any personnel of the Company through a third party will be presumed to be an act by the personnel of the Company.</p>	<p>Cope with the regulations and establish the Audit Committee</p>
<p>Article 5 Responsible unit The Company <u>shall</u> designate the Management Department as the solely responsible unit (hereinafter, “responsible unit”) to <u>be in charge of</u> the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall submit regular reports to the Board of Directors on a regular basis.</p>	<p>Article 5 Responsible unit The Company designates the Management Department as the solely responsible unit (hereinafter, “responsible unit”) and <u>provides it with sufficient resources and competent personnel</u> to be in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall submit regular reports to the Board of Directors on a regular basis.</p>	<p>Amended in accordance with the current laws and regulations.</p>
<p>Article 11 Recusal When a director, supervisor, officer or other stakeholder of the Company attending or present at a board meeting, or the juristic person represented thereby, has a stake in a matter under discussion in the meeting, that director, supervisor, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not</p>	<p>Article 11 Recusal When a director, supervisor, officer or other stakeholder of the Company attending or present at a board meeting, or the juristic person represented thereby, has a stake in a matter under discussion in the meeting, that director, supervisor, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any</p>	<p>Amended in accordance with the current laws and regulations.</p>

Articles before the amendments	Articles after the amendments	Description
<p>exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.</p> <p style="text-align: center;"><u>This Article is newly added</u></p>	<p>discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.</p> <p><u>Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.</u></p>	<p>Amended in accordance with the current laws and regulations.</p>
<p>Article 12 Special unit in charge of confidentiality regime and its responsibilities The Company has already set up an intellectual property rights unit that handles the trade secrets of the Company, which is in charge of formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of the Company's trade secrets, trademarks, patents, works and other intellectual properties and it shall also conduct periodical reviews on the results of implementation to ensure the sustained effectiveness of the confidentiality procedures.</p>	<p>Article 12 Special unit in charge of confidentiality regime and its responsibilities The Company has already set up an intellectual property rights unit that handles the trade secrets of the Company, which is in charge of formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of the Company's trade secrets, and it shall also conduct periodical reviews on the results of implementation to ensure the sustained effectiveness of the confidentiality procedures.</p>	<p>Amended in accordance with the current laws and regulations.</p>
<p style="text-align: center;"><u>This Article is newly added</u></p>	<p><u>All personnel of the Company shall faithfully follow the operational directions pertaining to intellectual properties as mentioned in the preceding paragraph and may not disclose to any other party any trade secrets, trademarks, patents, works, and other intellectual properties of this Corporation of which they have learned, nor may they inquire about or collect any trade secrets, trademarks, patents, and other intellectual properties of this Corporation unrelated to their individual duties.</u></p>	<p>Amended in accordance with the current laws and regulations.</p>
<p>Article 13 Prohibition against <u>leaking the trade secrets</u> <u>The personnel of the Company shall firmly abide by the regulations on the trade secrets of the Company. They shall not leak the</u></p>	<p>Article 13 Prohibition <u>against unfair competition</u> <u>The Company shall follow the Fair Trade Act and applicable competition laws and regulations when engaging in business</u></p>	

Articles before the amendments	Articles after the amendments	Description
<p><u>Company's trade secrets they know to others and shall not inquire about or collect the Company's trade secrets that are not related to their positions.</u></p> <p>Article 16 <u>Public</u> announcement of policy of ethical management <u>This Article is newly added</u></p> <p>The Company shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.</p> <p>Article 23 <u>Establishment of a system for rewards, penalties, and complaints, and related disciplinary measures</u> <u>This Article is newly added</u></p> <p>The Company shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints. If any personnel of the Company seriously violates ethical conduct, the Company shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the</p>	<p><u>activities, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.</u></p> <p>Article 16 <u>Compliance and</u> announcement of policy of ethical management <u>The Company shall request its directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.</u></p> <p>The Company shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.</p> <p>Article 23 <u>Internal awareness sessions and</u> establishment of a system for rewards, penalties, and complaints, and related disciplinary measures <u>The responsible unit of the Company shall organize awareness sessions each year to communicate the importance of ethics to its employees, and mandataries.</u></p> <p>The Company shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints. If any personnel of the Company seriously violates ethical conduct, the Company shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and</p>	<p>Cope with the regulations and establish the Audit Committee</p>

Articles before the amendments	Articles after the amendments	Description
<p>personnel policy and procedures of the Company. The Company shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response.</p> <p>Article 24 Enforcement These Procedures and Guidelines, and any amendments hereto, shall be implemented after adoption by resolution of the <u>Board of Directors</u>, and shall be delivered to each supervisor and reported to the shareholders' meeting.</p> <p style="text-align: center;"><u>This Article is newly added</u></p>	<p>regulations or the personnel policy and procedures of the Company. The Company shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response.</p> <p>Article 24 Enforcement These Procedures and Guidelines, and any amendments hereto, <u>shall be implemented after adoption by resolution approved by more than 50% of the members of the Audit Committee</u> and by the resolution of the Board of Directors.</p> <p><u>Where the proceeding paragraph is not approved by more than 50% of all members of the Audit Committee, it may be implemented by the resolution approved by 2/3 of all directors. The resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.</u></p>	

Code of Ethical Conducts  
Comparison Table of the Amended Articles

Articles before the amendments	Articles after the amendments	Description
<p>I. Purpose of and basis for adoption In recognition of the necessity to assist the Company in the establishment of codes of ethical conduct, these Guidelines are adopted for the purpose of encouraging directors, <u>supervisors</u>, and managerial officers the Company (including general managers or their equivalents, assistant general managers or their equivalents, deputy assistant general managers or their equivalents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of a company) to act in line with ethical standards, and to help interested parties better understand the ethical standards of the Company.</p>	<p>I. Purpose of and basis for adoption In recognition of the necessity to assist the Company in the establishment of codes of ethical conduct, these Guidelines are adopted for the purpose of encouraging <u>directors and managerial officers</u> the Company (including general managers or their equivalents, assistant general managers or their equivalents, deputy assistant general managers or their equivalents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of a company) to act in line with ethical standards, and to help interested parties better understand the ethical standards of the Company.</p>	<p>Cope with the regulations and establish the Audit Committee</p>
<p>II. Content of the code Taking its individual circumstances and needs into consideration, the Company shall adopt a code of ethical conduct that addresses at least the following eight matters: Where the following events occur, the relevant unit of the Company shall submit the report to the Chairman for approval. Where the violation is significant, the report shall be submitted to the Board of Directors for approval. (I) Prevention of conflicts of interest: Conflicts of interest occur when personal interest intervenes or is likely to intervene in the overall interest of the company, as for example when a director, <u>supervisor</u>, or managerial officer of the company is unable to perform their duties in an objective and efficient manner, or when a person in such a position takes advantage of their position in the company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the second</p>	<p>II. Content of the code Taking its individual circumstances and needs into consideration, the Company shall adopt a code of ethical conduct that addresses at least the following eight matters: Where the following events occur, the relevant unit of the Company shall submit the report to the Chairman for approval. Where the violation is significant, the report shall be submitted to the Board Of Directors for approval. (I) Prevention of conflicts of interest: Conflicts of interest occur when personal interest intervenes or is likely to intervene in the overall interest of the company, as for example when a <u>director or managerial officer</u> of the company is unable to perform their duties in an objective and efficient manner, or when a person in such a position takes advantage of their position</p>	

Articles before the amendments	Articles after the amendments	Description
<p>degree of kinship. The company shall pay special attention to loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which the aforementioned person works. The management of the Company is responsible for establishing a policy aimed at preventing conflicts of interest, and shall offer appropriate means for directors, <u>supervisors</u>, and managerial officers to voluntarily explain whether there is any potential conflict between them and the company.</p>	<p>in the company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the second degree of kinship. The company shall pay special attention to loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which the aforementioned person works. The management of the Company is responsible for establishing a policy aimed at preventing conflicts of interest, and shall offer appropriate means for <u>directors and managerial officers</u> to voluntarily explain whether there is any potential conflict between them and the company.</p>	
<p>(II) Minimizing incentives to pursue personal gain: The management of the Company shall prevent its directors, <u>supervisors</u>, or managerial officers from engaging in any of the following activities: (1) Seeking an opportunity to pursue personal gain by using Company property or information or taking advantage of their positions. (2) Obtaining personal gain by using company property or information or taking advantage of their positions. (3) Competing with the Company. When the Company has an opportunity for profit, it is the responsibility of the directors, <u>supervisors</u>, or managerial officers to maximize the reasonable and proper benefits that can be obtained by the Company.</p>	<p>(II) Minimizing incentives to pursue personal gain: The management of the Company shall prevent its <u>directors or managerial officers</u> from engaging in any of the following activities: (1) Seeking an opportunity to pursue personal gain by using Company property or information or taking advantage of their positions. (2) Obtaining personal gain by using company property or information or taking advantage of their positions. (3) Competing with the Company. When the Company has an opportunity for profit, it is the responsibility of the <u>directors or managerial officers</u> to maximize the reasonable and proper benefits that can be obtained by the Company.</p>	
<p>(III) Confidentiality:</p>	<p>(III) Confidentiality:</p>	

Articles before the amendments	Articles after the amendments	Description
<p>The directors, <u>supervisors</u>, or managerial officers of the Company shall be bound by the obligation to maintain the confidentiality of any information, including any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the company or the suppliers and customers, regarding the company itself or its suppliers and customers, except when authorized or required by law to disclose.</p>	<p>The <u>directors or managerial officers</u> of the Company shall be bound by the obligation to maintain the confidentiality of any information, including any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the company or the suppliers and customers, regarding the company itself or its suppliers and customers, except when authorized or required by law to disclose.</p>	
<p>(IV) Fair trade: The directors, <u>supervisors</u>, or managerial officers of the Company shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.</p>	<p>(IV) Fair trade: The <u>directors or managerial officers</u> of the Company shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.</p>	<p>Cope with the regulations and establish the Audit Committee</p>
<p>(V) Safeguarding and proper use of company assets: The directors, <u>supervisors</u>, or managerial officers of the Company have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the company's profitability.</p>	<p>(V) Safeguarding and proper use of company assets: The <u>directors or managerial officers</u> of the Company have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the company's profitability.</p>	
<p>(VI) Legal compliance: The management of the Company shall strengthen its compliance with the Securities and</p>	<p>(VI) Legal compliance: The management of the Company shall strengthen its compliance with the</p>	

Articles before the amendments	Articles after the amendments	Description
<p>Exchange Act and other applicable laws, regulations, and bylaws.</p> <p>(VII) Encouraging reporting on illegal or unethical activities: The Company shall raise awareness of ethics internally and encourage employees to report to a Company <u>supervisor</u>, managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. To encourage employees to report illegal conduct, the Company shall <u>make employees</u> aware that the company will use its best efforts to ensure the safety of informants and protect <u>them</u> from reprisals based on the relevant procedure or mechanism.</p> <p>(VIII) Disciplinary measures: When a director, <u>supervisor</u>, or managerial officer of the company violates the Code of Ethical Conduct, the Company shall handle the matter in accordance with the disciplinary measures prescribed in the code, and shall, if necessary, disclose on the Market Observation Post System (MOPS) the date of the violation by the violator, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken. The Company shall establish a relevant complaint system to provide the violator with remedies.</p> <p>III. Procedures for exemption</p>	<p>Securities and Exchange Act and other applicable laws, regulations, and bylaws.</p> <p>(VII) Encouraging reporting on illegal or unethical activities: The Company shall raise awareness of ethics internally and encourage employees to report to a Company <u>member of the Audit Committee</u>, managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. To encourage employees to report illegal conduct, the Company shall <u>make employees</u> aware that the company will use its best efforts to ensure the safety of informants and protect <u>them</u> from reprisals based on the concrete whistle-blowing procedure or mechanism.</p> <p>(VIII) Disciplinary measures: When a director or managerial officer of the company violates the Code of Ethical Conduct, the Company shall handle the matter in accordance with the disciplinary measures prescribed in the code, and shall, if necessary, disclose on the Market Observation Post System (MOPS) the date of the violation by the violator, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken. The Company shall establish a relevant complaint system to provide the violator with remedies.</p> <p>III. Procedures for exemption</p>	

Articles before the amendments	Articles after the amendments	Description
<p>Where any exemption for directors, <u>supervisors</u>, or managerial officers from compliance with the Code is applicable, such exemption shall be adopted by a resolution of the board of directors, and that information on the date on which the Board of Directors adopted the resolution for exemption, objections or reservations of independent directors, and the period of, reasons for, and principles behind the application of the exemption be disclosed without delay on the MOPS, in order that the shareholders may evaluate the appropriateness of the board resolution to forestall any arbitrary or dubious exemption from the code, and to safeguard the interests of the company by ensuring appropriate mechanisms for controlling any circumstance under which such an exemption occurs.</p> <p>IV. Method of disclosure The Company <u>shall</u> disclose the Code of Ethical Conduct it has adopted, and any amendments to it, on the Company website, in the annual reports and prospectuses and on the MOPS.</p> <p>V. Enforcement The Company's Code of Ethical Conduct, and any amendments to it, shall enter into force after it has been adopted <u>by the Board of Directors, delivered to each supervisor, and</u> submitted to a shareholders' meeting.</p> <p style="text-align: center;"><u>This Article is newly added</u></p>	<p>Where any exemption for <u>directors or managerial officers</u> from compliance with the Code is applicable, such exemption shall be adopted by a resolution of the board of directors, and that information on the date on which the Board of Directors adopted the resolution for exemption, objections or reservations of independent directors, and the period of, reasons for, and principles behind the application of the exemption be disclosed without delay on the MOPS, in order that the shareholders may evaluate the appropriateness of the board resolution to forestall any arbitrary or dubious exemption from the code, and to safeguard the interests of the company by ensuring appropriate mechanisms for controlling any circumstance under which such an exemption occurs.</p> <p>IV. Method of disclosure The Company <u>shall</u> disclose the Code of Ethical Conduct it has adopted, and any amendments to it, on the Company website, in the annual reports and prospectuses and on the MOPS.</p> <p>V. Enforcement The Company's Code of Ethical Conduct, and any amendments to it, shall enter into force after it has been adopted <u>by more than 50% of the members of the Audit Committee and by the Board of Directors, delivered to each supervisor, and</u> submitted to a shareholders' meeting. <u>Where the proceeding paragraph is not approved by more than 50% of all members of the Audit Committee, it may</u></p>	

Articles before the amendments	Articles after the amendments	Description
	<u>be implemented by the resolution</u> <u>approved by 2/3 of all directors. The</u> <u>resolution of the Audit Committee shall be</u> <u>recorded in the minutes of the Board of</u> <u>Directors meeting.</u>	

**Shian Yih Electronic Industry Co., Ltd.**  
**Article of Incorporation**  
**Chapter I General Provisions**

- Article I: The Company shall be organized in accordance with the provisions of the Company Act, and shall be named “先益電子工業股份有限公司.” Its English name shall be “Shian Yih Electronic Industry Co., Ltd.”
- Article II: The Company operates the following businesses:
- I. C805050 Industrial Plastic Products Manufacturing
  - II. CC01080 Electronics Components Manufacturing.
  - III. CC01110 Computer and Peripheral Equipment Manufacturing.
  - IV. CE01030 Optical Instruments Manufacturing.
  - V. CQ01010 Mold and Die Manufacturing.
  - VI. F106030 Wholesale of Molds.
  - VII. F113030 Wholesale of Precision Instruments.
  - VIII. F113050 Wholesale of Computers and Clerical Machinery Equipment
  - IX. F119010 Wholesale of Electronic Materials.
  - X. F401010 International Trade.
  - XI. I501010 Product Designing.
  - XII. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article III: The Company’s head office is located in Taichung City, and branch offices or sales offices may be set up inside and outside of the country when necessary upon a resolution of the Board of Directors.

**Chapter II Shares**

- Article IV: The aggregate capital of the Company shall be One Billion New Taiwan Dollars (NT\$1,000,000,000), divided into One Hundred Million (100,000,000) shares at Ten New Taiwan Dollars (NT\$10) per share, which are issued in batches. One Hundred Million New Taiwan Dollars (NT\$100,000,000) in the aggregate capital of the Company prescribed in Paragraph 1 are preserved for the issuance of stock option, preferred shares with warrants, or corporate bonds with equity warrants, divided into Ten Million (10,000,000) shares at Ten New Taiwan Dollars (NT\$10) per share, which may be issued in batches in accordance with the resolution by the Board of Directors.
- Where the Company repurchases the Company’s shares, the Board of Directors is authorized to repurchase the shares in accordance with laws and regulations.
- Article IV-I: To transfer shares to employees at less than the average actual share repurchase price or issue the stock option at the price less than the market price (net value per share), the Company must have obtained the consent of at least two-thirds of the voting rights present at the most recent shareholders’ meeting attended by shareholders representing a majority of total issued shares
- Article IV-II: The recipient of the treasury shares repurchased by the Company in

accordance with the Company Act may include the employees of affiliate companies who meet certain criteria.

The recipient of the stock options may include the employees of affiliate companies who meet certain criteria.

When the Company issues new shares, the subscribers may include the employees of affiliate companies who meet certain criteria.

The recipient of the restricted employee shares may include the employees of affiliate companies who meet certain criteria.

- Article V: The Company may be exempted from printing any share certificate for the shares issued. However, the Company shall register the issued shares with a centralized securities depository enterprise.
- Article VI: The disposition of stock matters shall be conducted in accordance with the Company Act and “Regulations Governing the Administration of Shareholder Services of Public Companies” promulgated by the competent authority.
- Article VII: The name change and transfer of shares shall not be conducted within thirty days prior to the convening date of a regular shareholders’ meeting, or within fifteen days prior to the convening date of a special shareholders’ meeting, or within five days prior to the target date fixed by the issuing company for distribution of dividends, bonus or other benefits.

### **Chapter III Shareholders’ Meeting**

- Article VIII: The shareholders’ meetings of the Company are divided into ordinary shareholders’ meetings and special shareholders’ meetings. The ordinary shareholders’ meeting will be duly convened within six months following the close of each fiscal year by the Board of Directors in accordance with Article 172 of the Company Act. Special shareholders’ meetings may be convened when necessary in accordance with laws and regulations. The notice may be effected by means of electronic transmission, after obtaining a prior consent from the recipient(s) thereof.

The shareholders’ meeting may, upon the resolution of the Board of Directors, be in physical meeting and assisted by the video conference, virtual-only shareholders’ meetings, or other means promulgated by the central competent authority. The requirements for the Company, operation procedure, and other compliance matters shall be conducted in accordance with the securities competent authority.

- Article IX: A shareholder unable to personally attend the shareholders’ meeting for whatever cause may vote by proxy with a duly executed appointment form specifying the authorized powers in accordance with Article 177 of the Company Act. Unless otherwise provided in the Company Act, shareholders attending the shareholders’ meeting by proxy shall also be governed by “Regulations Governing the Use of Proxies for Attendance at Shareholders’ Meetings of Public Companies.”
- Article X: A shareholders’ meeting shall be convened by the Board of Directors and be chaired by the Chairman. In case the Chairman is on leave or absent for any cause, the Vice Chairman shall act on his behalf. In case the Vice Chairman is

also on leave or absent for any cause, the Chairman shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chairman. For a shareholders' meeting convened by any person having the convening right other than the Board of Directors, the Chair shall be determined in accordance with Article 182-1 of the Company Act.

Article XI: 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 of the Company Act.

Article XII: Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Company Act, be adopted by a majority vote of the shareholders or proxies present, who represent more than one-half of the total number of voting shares. When the Company holds a shareholders' meeting, it may adopt exercise of voting rights by electronic means. A shareholder exercising voting rights by electronic means will be deemed to have attended the meeting in person. The relevant matters shall be conducted in accordance with laws and regulations.

Article XIII: 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 twenty days after the conclusion of the meeting.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results. The minutes shall be retained for the duration of the existence of the Company.

The attendance book and proxies shall be preserved for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, they shall be retained until the conclusion of the litigation.

## **Chapter IV Directors and Audit Committee**

Article XIV: The Board of Directors of the Company shall have five to nine directors, and the Board of Directors is authorized to determine the number of directors. The term of service is three years, and the directors shall be elected by the shareholders' meeting from the list of candidates and may be re-elected. After the election, the Company may purchase liability insurance for directors during their term of service.

The combined shareholding ratio of all directors shall comply with the regulations of the competent authority.

The cumulative voting method is adopted for the voting of directors. In the process of electing directors at a shareholders' meeting, the number of votes exercisable in respect of one share shall be the same as the number of directors

to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a director elect.

Article XIV-I: The Company shall establish three independent directors from the number of directors set forth in the preceding paragraph in accordance with Article 14-2 of the Securities and Exchange Act.

The Company adopts the candidate nomination system for election of the directors of the Company stipulated in Article 192-1 of the Company Act. The professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to independent directors shall be conducted in accordance with the Securities and Exchange Act and relevant laws and regulations.

The Company shall elect the directors in accordance with Article 198 of the Company Act. Independent directors and other directors shall be elected together, and the seats are calculated respectively. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed an independent director elect and a director elect.

Article XIV-II: The Board of Directors shall elect a chairman of the board directors from among the directors by a majority vote at a meeting attended by over two-thirds of the directors, and may also elect in the same manner a vice chairman of the board if necessary. The chairman shall externally represent the Company.

Article XIV-III: When convening a Board of Directors meeting, the Company shall inform all directors (and independent directors) 7 days prior to the meeting. In the case of emergency, a meeting of the Board of Directors may be convened at any time by the Company. The notice for the meeting in the preceding paragraph may be done in writing, E-mail, or fax.

Article XIV-IV: The Company may establish the Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee shall consist of all independent directors. The Audit Committee or the members of the Audit Committee are responsible for exercising the duties of supervisors prescribed in the Company Act, Securities and Exchange Act, and other laws and regulations. The number of members of the Audit Committee, terms, exercise of duties, and other compliance matters shall be conducted in accordance with relevant laws and regulations. The Company may also establish functional committees, such as Salary and Remuneration Committee. The qualification of the members, exercise of duties, and relevant matters shall be conducted in accordance with the relevant laws and regulations and stipulated by the Board of Directors.

Article XV: When the number of vacancies in the Board of Directors of the Company equals to one third of the total number of directors or all independent directors

are dismissed, the Board of Directors shall call a special meeting of shareholders to elect succeeding directors to fill the vacancies within sixty days. The term for the newly elected directors shall be limited to the original expiry date.

- Article XVI: In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office. However, the competent authority may, ex officio, order the Company to elect new directors within a given time limit, and if no re-election is effected after expiry of the given time limit, the out-going directors shall be discharged ipso facto from such expiration date.
- Article XVII: The operation principles and other important matters of the Company shall be approved by the Board of Directors. Apart from the first Board of Directors meeting of each term that shall be convened in accordance with Article 203 of the Company Act, the rest of the meetings shall be convened by the Chairman, and he shall serve as the chair of the meeting. In case the Chairman is on leave or absent for any cause, the Vice Chairman shall act on his behalf. In case the Vice Chairman is also on leave or absent for any cause, the Chairman designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chairman.
- Article XVIII: In case the Chairman is on leave or absent for any cause that he is unable to exercise his duties, the proxy shall be conducted in accordance with Article 208 of the Company Act.
- Article XIX: Unless otherwise provided in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. Where a director is unable to attend the meeting in person, his/her proxy can only represent one director with a duly executed appointment form specifying the authorized powers. In case a meeting of the Board of Directors is proceeded via online communication network, then the directors taking part in such an online meeting shall be deemed to have attended the meeting in person.
- Article XX: Matters relating to the resolutions of a Board of Directors 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 twenty days after the conclusion of the meeting. The meeting minutes shall accurately record summary of the deliberations and their voting results. The meeting minutes, attendance book, and proxies shall be kept in the Company. The meeting minutes may be produced and distributed in electronic form.
- Article XXI: The Board of Directors of the Company is authorized to determine the remuneration of directors based on the participation level of the operation of the Company and the value of contribution while taking the general standards of the industry into consideration.
- The Company may determine a reasonable salary and remuneration that are different from the ordinary directors, for independent directors.
- Article XXII: Deleted.

## **Chapter V Managerial personnel**

Article XXIII: The Company has one president and several managerial officers, and the appointment, discharge and the remuneration of the managerial personnel shall be decided in accordance with the Company Act, Securities and Exchange Act, and the Civil Code and bylaws.

## **Chapter VI Accounting**

Article XXIV: The Board of Directors shall prepare the following documents after the end of the fiscal year for submission to the Audit Committee thirty days prior to the shareholders' meeting and to the shareholders' meeting for approval in accordance with the statutory procedure:

- i. Business Report
- ii. Financial Statements
- iii. Earnings Distribution Table or loss make-up proposal

Article XXV: Where there is profit as a result of the yearly accounting closing, the Company shall distribute no less than 2% and no more than 10% of the profit as the remuneration of employees and no more than 2% of the profits as the remuneration of directors and supervisors. However, where there are cumulative losses, the Company shall first set aside the reserve amount.

The recipient of the remuneration of employee may include the employees of affiliate companies who meet certain criteria. The remuneration may be distributed in the form of shares (treasury shares or issuance of new shares) or cash. It shall be resolved by the Board of Directors and be submitted to the shareholders' meeting.

Article XXV-I: Where the Company has earnings at the end of the fiscal year, the Company shall first pay all taxes, offset its losses in the previous years and set aside a legal capital reserve at 10% of the net profit, which may be exempted when the accumulated legal capital reserve is equal the paid-in capital of the Company; then set aside or reverse special capital reserve in accordance with operational demand of the Company and relevant laws or regulations. Where there is still remaining earnings, the Board of Directors may propose the distribution of the remaining earnings plus the undistributed earnings of the previous years in the earnings distribution proposal for approval in the shareholders' meeting.

The Company may authorize the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Article XXV-II: The Company may authorize the legal reserve (only the portion of legal reserve which exceeds 25 percent of the paid-in capital may be distributed) and capital reserve meeting the provisions of the Company in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Article XXVI: The amount of dividends is determined by the earnings of the current year and the accumulated earnings of the previous years, the profit status, capital

structure, and future operation demand. The dividend distribution will be share dividends and cash dividends based on the capital demand and delusion of earnings per share. The dividends paid in cash shall not be less than 20% of the total dividends distributed in the current year.

## **Chapter VII Supplemental Provisions**

- Article XXVII: Where the Company invests in another company and become a shareholder with limited liabilities, the total investment amount may exceed 40% of the paid-in capital of the Company.
- Article XXVIII: The Company may, upon the approval of the Board of Directors, may make endorsements and guarantees to another company due to the demand of performing business.
- Article XXVIII-I: Where the stock of the Company is to be delisted from the TWSE and TPEX, it shall be submitted to the shareholders' meeting, and this Article shall not be amended during the listing period in TPEX and TWSE.
- Article XXIX: Matters not prescribed herein shall be conducted in accordance with the Company Act and other laws and regulations.
- Article XXX: The Articles of Incorporation was stipulated on September 3, 1979. The 1st amendment was made on September 26, 1979. The 2nd amendment was made on October 30, 1981. The 3rd amendment was made on July 28, 1984. The 4th amendment was made on May 21, 1987. The 5th amendment was made on January 17, 1991. The 6th amendment was made on August 15, 1995. The 7th amendment was made on May 20, 1996. The 8th amendment was made on April 10, 2002. The 9th amendment was made on June 30, 2004. The 10th amendment was made on November 15, 2004. The 11th amendment was made on June 14, 2006. The 12th amendment was made on March 20, 2007. The 13th amendment was made on June 20, 2007. The 14th amendment was made on June 20, 2007. The 15th amendment was made on June 19, 2008.
- The 16th amendment was made on June 10, 2009. The 17th amendment was made on June 18, 2010. The 18th amendment was made on June 24, 2011. The 19th amendment was made on June 13, 2012. The 20th amendment was made on June 13, 2016. The 21st amendment was made on June 16, 2017. The 22nd amendment was made on June 13, 2018. The 23rd amendment was made on July 29, 2021. The 24th amendment was made on June 16, 2022.

**Shian Yih Electronic Industry Co., Ltd.**

**Chairman: Wang, Wei-Sih**

**Shian Yih Electronic Industry Co., Ltd.**  
**Procedures for Ethical Management and Guidelines for Conduct**

**Article I Purpose of adoption and scope of application**

The Company engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency, and in order to fully implement a policy of ethical management and actively prevent unethical conduct, these Procedures for Ethical Management and Guidelines for Conduct (hereinafter, "Procedures and Guidelines") are adopted pursuant to the provisions of the "Ethical Corporate Management Best-Practice Principles for TWSE/GTSM-Listed Companies" and the applicable laws and regulations of the places where the Company and its business groups and organizations operate, with a view to providing all personnel of the Company with clear directions for the performance of their duties.

The scope of application of these Procedures and Guidelines includes the subsidiaries of the Company, any incorporated foundation in which the Company's accumulated contributions, direct or indirect, exceed 50 percent of the total funds of the foundation, and other group enterprises and organizations, such as institutions or juristic persons, substantially controlled by the Company.

**Article II Applicable subjects**

For the purposes of these Procedures and Guidelines, the term "personnel of the Company" refers to any director, supervisor, managerial officer, employee, mandatary or person having substantial control, of the Company.

Any provision, promise, request, or acceptance of money, gratuity, gift, commissions, positions, services, preferential treatment, rebates, facilitation payments, dining, entertainment, and other benefits by any personnel of the Company through a third party will be presumed to be an act by the personnel of the Company.

**Article III Unethical conduct**

For the purposes of these Procedures and Guidelines, "unethical conduct" means that any personnel of the Company, in the course of their duties, directly or indirectly provides, promises, requests, or accepts improper benefits or commits a breach of ethics, unlawful act, or breach of fiduciary duty for purposes of acquiring or maintaining benefits.

The counterparties of the unethical conduct under the preceding paragraph include public officials, political candidates, political parties or their staff, and government-owned or private-owned enterprises or institutions and their directors, supervisors, managerial officers, employees, persons having substantial control, or other interested parties.

**Article IV Types of benefits**

For the purposes of these Procedures and Guidelines, the term "benefits" means any money, gratuity, gift, commission, position, service, preferential treatment, rebate, facilitating payment, entertainment, dining, or any other item of value in whatever form or name.

Article V Responsible unit

Company shall designate the Management Department as the solely responsible unit (hereinafter, "responsible unit") to be in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall submit regular reports to the Board of Directors on a regular basis.

Article VI Prohibition against providing or accepting improper benefits

Except under one of the following circumstances, when providing, accepting, promising, or requesting, directly or indirectly, money, gratuity, service, preferential treatment, entertainment, dining, and other benefits, the conduct of the given personnel of the Company shall comply with the provisions of the "Ethical Corporate Management Best-Practice Principles for TWSE/GTSM-Listed Companies" and these Procedures and Guidelines, and the relevant procedures shall have been carried out:

- I. The conduct is in compliance with the laws and regulations of the operation location.
- II. The conduct is undertaken to meet business needs and is in accordance with local courtesy, convention, or custom during domestic (or foreign) visits, reception of guests, promotion of business, and communication and coordination.
- III. The conduct has its basis in ordinary social activities that are attended or others are invited to hold in line with accepted social custom, commercial purposes, or developing relationships.
- IV. Invitations to guests or attendance at commercial activities or factory visits in relation to business needs, when the method of fee payment, number of participants, class of accommodations, and the time period for the event or visit have been specified in advance.
- V. Attendance at folk festivals that are open to and invite the attendance of the general public.
- VI. Rewards, emergency assistance, condolence payments, or honorariums from the management.
- VII. Other conduct that complies with the rules of the Company.

Article VII Procedures for handling the acceptance of improper benefits

Except under one of the circumstances set forth in the previous Article, when providing, accepting, promising, or requesting, directly or indirectly, money, gratuity, service, preferential treatment, entertainment, dining, and other benefits, the matter shall be handled in accordance with the following procedures:

- I. If there is no relationship of interest between the party providing or offering the benefit and the official duties of this Corporation's personnel, the personnel shall report to their immediate supervisor within three days from the acceptance of the benefit, and the responsible unit shall be notified if necessary.
- II. If a relationship of interest does exist between the party providing or offering the benefit and the official duties of this Corporation's personnel, the personnel shall return or refuse the benefit, and shall report to his or her immediate supervisor and notify the responsible unit. When the benefit cannot be returned, then within three days from the acceptance of the benefit, the personnel shall refer the matter to the responsible unit for handling.

"A relationship of interest between the party providing or offering the benefit and

the official duties of this Corporation's personnel," as referred to in the preceding paragraph, refers to one of the following circumstances:

- i. When the two parties have commercial dealings, a relationship of direction and supervision, or subsidies (or rewards) for expenses.
- ii. When a contracting, trading, or other contractual relationship is being sought, is in progress, or has been established.
- iii. Other circumstances in which a decision regarding this Corporation's business, or the execution or non-execution of business, will result in a beneficial or adverse impact.

The responsible unit of the Company shall make a proposal, based on the nature and value of the benefit under paragraph I, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after being reported to and approved by Chairman (or Vice Chairman).

#### Article VIII Prohibition of and handling procedure for facilitating payments

The Company shall neither provide nor promise any facilitating payment.

If any personnel of the Company provides or promises a facilitating payment under threat or intimidation, they shall submit a report to their immediate supervisor stating the facts and shall notify the responsible unit.

Upon receipt of the report under the preceding paragraph, the responsible unit shall take immediate action and undertake a review of relevant matters in order to minimize the risk of recurrence. In a case involving alleged illegality, the responsible unit shall also immediately report to the relevant judicial agency.

#### Article IX Procedures for handling political contributions

Political contributions by the Company shall be made in accordance with the following provisions, reported to the Chairman (or Vice Chairman) for approval, and a notification given to the responsible unit, and when the amount of a contribution is NT\$1 million or more, it shall be made only after being reported to and approved by the Board of Directors:

- I. It shall be ascertained that the political contribution is in compliance with the laws and regulations governing political contributions in the country in which the recipient is located, including the maximum amount and the form in which a contribution may be made.
- II. A written record of the decision-making process shall be kept.
- III. Account entries shall be made for all political contributions in accordance with applicable laws and regulations and relevant procedures for accounting treatment.
- IV. In making political contributions, commercial dealings, applications for permits, or carrying out other matters involving the interests of this Corporation with the related government agencies shall be avoided.

#### Article X Procedures for handling charitable donations or sponsorships

Charitable donations or sponsorships by the Company shall be provided in accordance with the following provisions and reported to the Chairman (or Vice Chairman) for approval, and a notification shall be given to the responsible unit. When the amount is NT\$1 million or more, the donation or sponsorship shall be provided only after it has been submitted for adoption by the board of directors:

- I. The donations or sponsorships are in compliance with the laws and regulations of the operation location.

- II. A written record of the decision-making process shall be kept.
- III. A charitable donation shall be given to a valid charitable institution and may not be a disguised form of bribery.
- IV. The returns received as a result of any sponsorship shall be specific and reasonable, and the subject of the sponsorship may not be a counterparty of the Company's commercial dealings or a party with which any personnel of the Company has a relationship of interest.
- V. After a charitable donation or sponsorship has been given, it shall be ascertained that the destination to which the money flows is consistent with the purpose of the contribution.

#### Article XI Recusal

When a director, supervisor, officer or other stakeholder of the Company attending or present at a board meeting, or the juristic person represented thereby, has a stake in a matter under discussion in the meeting, that director, supervisor, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner. If in the course of conducting company business, any personnel of the Company discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.

No personnel of the Company may use company resources on commercial activities other than those of the Company, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of the Company.

#### Article XII Special unit in charge of confidentiality regime and its responsibilities

The Company already set up an intellectual property rights unit that handles the trade secrets of the Company, which is in charge of formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of the Company's trade secrets, trademarks, patents, works and other intellectual properties and it shall also conduct periodical reviews on the results of implementation to ensure the sustained effectiveness of the confidentiality procedures.

#### Article XIII Prohibition against leaking the trade secrets

The personnel of the Company shall firmly abide by the regulations on the trade secrets of the Company. They shall not leak the Company's trade secrets they know to others and shall not inquire about or collect the Company's trade secrets that are not related to their positions.

#### Article XIV Prohibition against insider trading

All personnel of the Company shall adhere to the provisions of the Securities and Exchange Act, and may not take advantage of undisclosed information of which they

have learned to engage in insider trading. Personnel are also prohibited from divulging undisclosed information to any other party, in order to prevent other party from using such information to engage in insider trading.

#### Article XV Non-disclosure agreement

Any organization or person outside of the Company that is involved in any merger, demerger, acquisition and share transfer, major memorandum of understanding, strategic alliance, other business partnership plan, or the signing of a major contract by the Company shall be required to sign a non-disclosure agreement in which they undertake not to disclose to any other party any trade secret or other material information of the Company acquired as a result, and that they may not use such information without the prior consent of the Company.

#### Article XVI Public announcement of policy of ethical management

The Company shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.

#### Article XVII Ethical management evaluation prior to development of commercial relationships

Before developing a commercial relationship with another party, such as an agent, supplier, customer, or other counterparty in commercial dealings, the Company shall evaluate the legality and ethical management policy of the party and ascertain whether the party has a record of involvement in unethical conduct, in order to ensure that the party conducts business in a fair and transparent manner and will not request, offer, or take bribes.

When the Company carries out the evaluation under the preceding paragraph, it may adopt appropriate audit procedures for a review of the counterparty with which it will have commercial dealings with respect to the following matters, in order to gain a comprehensive knowledge of its ethical management:

- I. The enterprise's nationality, operation location, organizational structure, and management policy, and place where it will make payment.
- II. Whether the enterprise has adopted an ethical management policy, and the status of its implementation.
- III. Whether enterprise's business operations are located in a country with a high risk of corruption.
- IV. Whether the business operated by the enterprise is in an industry with a high risk of bribery.
- V. The long-term business condition and degree of goodwill of the enterprise.
- VI. Consultation with the enterprise's business partners on their opinion of the enterprise.
- VII. Whether the enterprise has a record of involvement in unethical conduct such as bribery or illegal political contributions.

#### Article XVIII Statement of ethical management policy to counterparties in commercial dealings

Any personnel of the Company, when engaging in commercial activities, shall make a statement to the trading counterparty about the Company's ethical management policy and related rules, and shall clearly refuse to provide, promise, request, or

accept, directly or indirectly, any improper benefit in whatever form or name, such as rebates, commissions, facilitation payments, or provide or receive any improper benefits through other means.

**Article XIX Avoidance of commercial dealings with unethical operators**

All personnel of the Company shall avoid business transactions with an agent, supplier, customer, or other counterparty in commercial interactions that is involved in unethical conduct. When the counterparty or partner in cooperation is found to have engaged in unethical conduct, the personnel shall immediately cease dealing with the counterparty and blacklist it for any further business interaction in order to effectively implement the Company's ethical management policy.

**Article XX Stipulation of terms of ethical management in contracts**

Before entering into a contract with another party, the Company shall gain a thorough knowledge of the status of the other party's ethical management, and shall make observance of the ethical management policy of the Company part of the terms and conditions of the contract, stipulating at the least the following matters:

- I. When a party to the contract becomes aware that any personnel has violated the terms and conditions pertaining to prohibition of acceptance of commissions, rebates, or other improper benefits, the party shall immediately notify the other party of the violator's identity, the manner in which the provision, promise, request, or acceptance was made, and the monetary amount or other improper benefit that was provided, promised, requested, or accepted. The party shall also provide the other party with pertinent evidence and cooperate fully with the investigation. If there has been resultant damage to either party, the party may claim from the other party 20 percent of the contract price as damages, and may also deduct the full amount of the damages from the contract price payable.
- II. Where a party is discovered to be engaged in unethical conduct in its commercial activities, the other party may terminate or rescind the contract unconditionally at any time.
- III. Specific and reasonable payment terms, including the place and method of payment and the requirement for compliance with related tax laws and regulations.

**Article XXI Handling of unethical conduct by personnel of the Company**

Where the Company finds out or is reported with the unethical conduct of the personnel of the Company, the Company shall investigate the fact immediately. If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or the Company's policy and regulations of ethical management, the Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, the Company will report to the competent authority, refer said person to judicial authority for investigation, or institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.

With respect to an unethical conduct occurred, the Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.

The responsible unit of the Company shall submit to the Board of Directors a report on the whistleblowing case, actions taken, and subsequent reviews and corrective

measures.

#### Article XXII Actions upon event of unethical conduct by others towards the Company

If any personnel of the Company discovers that another party has engaged in unethical conduct towards the Company, and such unethical conduct involves alleged illegality, the Company shall report the relevant facts to the judicial and prosecutorial authorities; where a public service agency or public official is involved, the Company shall additionally notify the governmental anti-corruption agency.

#### Article XXIII Establishment of a system for rewards, penalties, and complaints, and related disciplinary measures

The Company shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints.

If any personnel of the Company seriously violates ethical conduct, the Company shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the personnel policy and procedures of the Company.

The Company shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response.

#### Article XXIV Enforcement

These Procedures and Guidelines, and any amendments hereto, shall be implemented after adoption by resolution of the Board of Directors, and shall be delivered to each supervisor and reported to the shareholders' meeting.

## Shian Yih Electronic Industry Co., Ltd. Code of Ethical Conducts

### I. Purpose of and basis for adoption

In recognition of the necessity to assist the Company in the establishment of codes of ethical conduct, these Guidelines are adopted for the purpose of encouraging directors, supervisors, and managerial officers the Company (including general managers or their equivalents, assistant general managers or their equivalents, deputy assistant general managers or their equivalents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of a company) to act in line with ethical standards, and to help interested parties better understand the ethical standards of the Company.

Different code of ethical conducts may be stipulated for different managerial officers if necessary in accordance with the provisions set forth in Cheng-Chi-Yi-Zi Letter No. 0930005101 dated October 28, 2004 and Tai-Cheng-Shang-Zi Letter No. 0930028186 dated November 11, 2024 from Securities and Futures Bureau.

### II. Content of the code

Taking its individual circumstances and needs into consideration, the Company shall adopt a code of ethical conduct that addresses at least the following eight matters:

Where the following events occur, the relevant unit of the Company shall submit the report to the Chairman for approval. Where the violation is significant, the report shall be submitted to the Board of Directors for approval.

#### (I) Prevention of conflicts of interest:

Conflicts of interest occur when personal interest intervenes or is likely to intervene in the overall interest of the company, as for example when a director, supervisor, or managerial officer of the company is unable to perform their duties in an objective and efficient manner, or when a person in such a position takes advantage of their position in the company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the second degree of kinship. The company shall pay special attention to loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which the aforementioned person works. The management of the Company is responsible for establishing a policy aimed at preventing conflicts of interest, and shall offer appropriate means for directors, supervisors, and managerial officers to voluntarily explain whether there is any potential conflict between them and the company.

#### (II) Minimizing incentives to pursue personal gain:

The management of the Company shall prevent its directors, supervisors, or managerial officers from engaging in any of the following activities: (1) Seeking an opportunity to pursue personal gain by using Company property or information or taking advantage of their positions. (2) Obtaining personal gain by using company property or information or

taking advantage of their positions. (3) Competing with the Company. When the Company has an opportunity for profit, it is the responsibility of the directors, supervisors, or managerial officers to maximize the reasonable and proper benefits that can be obtained by the Company.

(III) Confidentiality:

The directors, supervisors, or managerial officers of the Company shall be bound by the obligation to maintain the confidentiality of any information, including any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the company or the suppliers and customers, regarding the company itself or its suppliers and customers, except when authorized or required by law to disclose.

(IV) Fair trade:

The directors, supervisors, or managerial officers of the Company shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

(V) Safeguarding and proper use of company assets:

The directors, supervisors, or managerial officers of the Company have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the company's profitability.

(VI) Legal compliance:

The management of the Company shall strengthen its compliance with the Securities and Exchange Act and other applicable laws, regulations, and bylaws.

(VII) Encouraging reporting on illegal or unethical activities:

The Company shall raise awareness of ethics internally and encourage employees to report to a Company supervisor, managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. To encourage employees to report illegal conduct, the Company shall make employees aware that the company will use its best efforts to ensure the safety of informants and protect them from reprisals based on the relevant procedure or mechanism.

(VIII) Disciplinary measures:

When a director, supervisor, or managerial officer of the company violates the Code of Ethical Conduct, the Company shall handle the matter in accordance with the disciplinary measures prescribed in the code, and shall, if necessary, disclose on the Market Observation Post System (MOPS) the date of the violation by the violator, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken. The Company shall establish a relevant complaint system to provide the violator with remedies.

### III. Procedures for exemption

Where any exemption for directors, supervisors, or managerial officers from compliance with the Code is applicable, such exemption shall be adopted by a resolution of the board of directors, and that information on the date on which the Board of Directors adopted the resolution for exemption, objections or reservations of independent directors, and the period of, reasons for, and principles behind the application of the exemption be disclosed without delay on the MOPS, in order that the shareholders may evaluate the appropriateness of the board resolution to forestall any arbitrary or dubious exemption from the code, and to safeguard the interests of the company by ensuring appropriate mechanisms for controlling any circumstance under which such an exemption occurs.

### IV. Method of disclosure

The Company shall disclose the Code of Ethical Conduct it has adopted, and any amendments to it, on the Company website, in the annual reports and prospectuses and on the MOPS.

### V. Enforcement

The Company's Code of Ethical Conduct, and any amendments to it, shall enter into force after it has been adopted by the Board of Directors, delivered to each supervisor, and submitted to a shareholders' meeting.

**Shian Yih Electronic Industry Co., Ltd.**  
**Rules of Procedure for Shareholders' Meetings**

- Article I      Basis for adoption  
To establish a strong governance system and sound supervisory capabilities for the Company's shareholders' meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article II     The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
- Article III    Convening shareholders' meetings and shareholders' meeting notices  
Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the Board of Directors.  
Changes to how the Company convenes its shareholders' meeting shall be resolved by the Board of Directors, and shall be made no later than mailing of the shareholders' meeting notice.  
The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or 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 Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS before twenty one days before the date of the regular shareholders' meeting or before fifteen days before the date of the special shareholders' meeting.  
In addition, before 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.  
The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders' meeting:
- I. For physical shareholders' meetings, to be distributed on-site at the meeting.
  - II. For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.

III. For virtual-only shareholders' meetings, electronic files shall be shared on the virtual meeting platform.

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, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Paragraph 1, Article 185 of the Company Act shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extraordinary motion. The essential content may be posted on the website designated by the securities competent authority or the Company, and the website(s) shall be specified in the notice.

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

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. Where a proposal exceeding the limit is for urging the Company to promote public interests or fulfill its social responsibilities, the Board of Directors may still include it in the meeting agenda. Where a proposal meets any circumstances stipulated in Paragraph 4, Article 172-1 of the Company Act, the Board of Directors may not include it in the meeting agenda.

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

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

Prior to the date for issuance of notice of a shareholders' meeting, the Company

shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this Article. At the shareholders' meeting the Board of Directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article IV Attendance by proxy and authorization

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

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company before five days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail. The preceding paragraph is not applicable to a declaration that is made to cancel the previous proxy appointment.

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

If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders' meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article V Principles determining the time and place of a shareholders' meeting

The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting.

The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

The restrictions on the place of the meeting in the preceding paragraph shall not apply when the Company convenes a virtual-only shareholders' meeting.

Article VI Preparation of documents of the shareholders' meeting

The attending shareholders of the Company shall turn in sign-in cards in lieu signing in.

For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform thirty minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders' meeting in person.

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

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

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

In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date. In the event of a virtual shareholders' meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least thirty minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article VI-I Convening virtual shareholders' meetings and particulars to be included in shareholders' meeting notice

To convene a virtual shareholders' meeting, the Company shall include the following particulars in the shareholders' meeting notice:

- I. How shareholders attend the virtual meeting and exercise their rights.
- II. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
  - (I) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
  - (II) Shareholders not having registered to attend the affected virtual shareholders' meeting shall not attend the postponed or resumed session.
  - (III) In case of a hybrid shareholders' meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the

virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.

(IV) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.

III. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified.

#### Article VII The chair and non-voting participants of a shareholders' meeting

If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. When the Chairman of the board is on leave or for any reason unable to exercise the powers of the Chairman, the Chairman shall appoint one of the directors to act as chair. Where the Chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.

It is advisable that a shareholders' meeting convened by the Board of Directors shall be attended by a majority of the directors. If a shareholders' meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

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

#### Article VIII Documentation of a shareholders' meeting by audio or video

The Company shall make an uninterrupted audio and video recording the whole proceedings of the shareholders' meeting and retain the recorded materials 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. Where a shareholders' meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end. The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

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

#### Article IX The calculation of the number of shares in attendance at a shareholders' meeting

and meeting

Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically. The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month. In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article VI.

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

#### Article X Discussion of proposals

If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of

the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

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

#### Article XI Shareholder speech

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 five 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.

Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs I to V do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the

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

#### Article XII Calculation of voting shares and recusal system

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

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

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

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

#### Article XIII Voting, monitoring, and counting methods

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.

When the Company holds a shareholders' 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 it is considered that a shareholder has waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail. The preceding paragraph is not applicable to a declaration that 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 or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by

the same means by which the voting rights were exercised, before two business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

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

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

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. Vote counting shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting shall be announced on-site at the meeting, and a record of the vote shall be made.

When the Company convenes a virtual shareholders' meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting. In the event of a virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

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

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

#### Article XIV Election matters

The election of directors at a shareholders' meeting shall be held in accordance with the "Regulations Governing the Election of Directors" of the Company, and the voting results shall be announced on-site immediately.

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

#### Article XV Meeting minutes and signing matters

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 twenty days after the conclusion of the meeting.

The Company 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 were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.

Where the resolution method is agreed by all shareholders unanimously after the chair inquires the shareholders' opinions, the meeting minutes shall record that "the resolution is approved unanimously after the chair inquires all attending shareholders." Where there is objections from the shareholders, the meeting minutes shall specify the voting method, and the number and ratio of the voting rights.

Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholders' meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders' meeting online.

#### Article XVI Public disclosure

On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event a virtual shareholders' meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least thirty minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

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

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

#### Article XVII Maintaining order at the meeting place

The chair may direct the proctors or security personnel to help maintain order at the meeting place.

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

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

#### Article XVIII Recess and resumption of a shareholders' meeting

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

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the

shareholders' meeting may adopt a resolution to resume the meeting at another venue.

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

**Article XIX Disclosure of information at virtual meetings**

In the event of a virtual shareholders' meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least fifteen minutes after the chair has announced the meeting adjourned.

**Article XX Location of the chair and secretary of virtual-only shareholders' meeting**

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

**Article XXI Handling of disconnection**

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

In the event of a virtual shareholders' meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Paragraph 4, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than thirty minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

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

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

During a postponed or resumed session of a shareholders' meeting held under

paragraph 2, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When the Company convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described in paragraph II, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, still meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue, and not postponement or resumption thereof under paragraph 2 is required.

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

When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Paragraph 3, Article 13 Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies, and Paragraph 2, Article 44-5, Article 44-15, and Paragraph 1, Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under paragraph 2.

Article XXII These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

**Shian Yih Electronic Industry Co., Ltd.**  
**Directors' Shareholdings**

- I. The paid-in capital of the Company is NT\$611,750,110, and the number of shares issued is 61,175,011 shares.
- II. Pursuant to Article 26 of the Securities and Exchange Act, the minimum number of shares held by all directors shall be 4,894,000 shares.
- III. As of the book closing date of this shareholders' meeting, the shareholding of individual and all directors is as follows, which meet the requirement percentage provided in Article 26 of the Securities and Exchange Act.

As of: April 14, 2023

Title	Name	Number of shares held	Note
Chairman	Wang, Wei-Sih	3,840,815	Registration number: 31
Vice Chairman	Cheng Yu Investment Co., Ltd Representative: Teng, Chia-Wen	2,729,000	Registration number: 3659
Director	Corporate power investments limited Representative: Wang, Hui-Min	2,117,952	Registration number: 34
Director	Chang, Yu-Chang	729,928	Registration number: 14
Director	Yao, Pai-Chou	438,850	Registration number: 49
Director	Wang, Jih-Chun	295,000	Registration number: 285
Independent Director	Chang, Chia-Hsing	0	Registration number:
Independent Director	Lin, Yu-Sheng	0	Registration number:
Independent Director	Huang, Lan-Ying	0	Registration number:
Total shareholding of all directors		10,151,545	

**Information of Remuneration of Directors and Employee Bonus**

The amount of remuneration of directors and employee bonus of the Company resolved in the Board of Directors meeting held on March 15, 2023 is as follows. Once the aforementioned amount is approved by the shareholders' meeting to be held on June 12, 2023, they will be distributed in accordance with the relevant regulations.

- I. Employee cash bonus of NT\$15,023,253.
- II. Remuneration of directors of NT\$5,007,751
- III. The remuneration of directors and employee cash bonus have been recognized as expenses in 2022. The recognized amount and the distribution amount does not have significant difference.

**The effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted:**

This is not applicable as the Company does not distribute any stock dividend in the current year.