

## SPEED TECH CORP.

### 2023 Annual Shareholders Meeting Meeting Agenda

Date: June 14, 2023

Location: 3F., No. 300, Sec. 1, Zhuangjing Rd., Taoyuan Dist., Taoyuan City 330008, Taiwan  
(Diamond Hall, Monarch Plaza Hotel)

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**SPEED TECH CORP.**  
**2023 Annual Shareholders Meeting Procedures**

1. Call Meeting to Order
2. Chairman's Statement
3. Company Reports
4. Matters for Ratification
5. Discussion Items
6. Extempore Motion
7. Adjournment

# **SPEED TECH CORP.**

## **2023 Annual Shareholders' Meeting Agenda**

Convention method of the shareholders' meeting: physical shareholders' meeting

Time: 10:00 a.m. Wednesday, June 14, 2023

Place: 3F., No. 300, Sec. 1, Zhuangjing Rd., Taoyuan Dist., Taoyuan City 330008, Taiwan  
(Diamond Hall, Monarch Plaza Hotel)

### **1. Commencement of meeting, report the number of shares of present in person.**

### **2. Chairman's Statement**

### **3. Company's Report**

1. 2022 Business Report
2. 2022 Audit Committee's Audit Report
3. 2022 Report on Remuneration Distribution for Employees and Directors
4. 2022 Status of Endorsement and Guarantee

### **4. Matters for Ratification**

1. To accept 2022 Business Report and Financial Statements
2. To approve the proposal for Profits Distribution for 2022

### **5. Discussion Items**

1. Amendment of partial articles of the Company's "Articles of Incorporation"

### **6. Extempore Motion**

### **7. Adjournment**

# Company Reports

## 1. To accept 2022 Business Report

Explanation: Please refer to Attachment 1, P.5-12

## 2. To accept 2022 Audit Committee's Audit Report

Explanation: Please refer to Attachment 2, P.13

## 3. To approve 2022 Remuneration Distribution for Employees and Directors

Explanation:

- (1) According to Article 19 of the Articles of Incorporation, the Company, before paying dividends or bonuses to shareholders, shall set aside not less than 1-5% as employees' remuneration and not more than 3% as directors' remuneration in accordance with the profit status of current year (after covering loss, profit before distribution of employees' remuneration and directors' and supervisors' remuneration was deducted from pre-tax benefit).
- (2) The designated directors' remuneration was NT\$ 8,084,000, 1 percent of employees' remuneration was NT\$ 9,550,324, all were distributed by cash, and there's no difference from 2022 recognized expenses.
- (3) Remuneration received by directors and remuneration policy, please refer to attachment 7 (P.43)

## 4. To accept 2022 Status of Endorsement and Guarantee

Explanation: as of December 31, 2022, ending balance of endorsement and guarantee, please refer to attachment 5 (P.40).

# Matters for Ratification

## Proposal 1

### Subject: To accept 2022 Business Report and Financial Statements (Proposed by the Board of Directors)

#### Explanatory Notes:

1. The Company's 2022 consolidated financial statements and individual financial statements was completed to audit by public certified accountants Lin, Chia-Hung and Huang, Shih-Chun of PwC Taiwan, and an audit report with unqualified opinion and other matter paragraph were issued.
2. The preceding financial statements and the business report were audited by the audit committee, and an audit report was issued. Relevant tables, please revert to attachment 1-3 (P.5-38)
3. Your approval is appreciated.

#### Resolution:

## **Proposal 2**

**Subject: To approve the proposal for distribution of 2022 earnings**

**(Proposed by Board of Directors)**

**Explanatory Notes:**

1. The Company's 2022 earnings distribution statement, please refer to attachment 4 (P.39).
2. The cash dividend was distributed NT\$ 1.84 per share, the total amount of distribution was NT\$ 314,364,920, and cash dividend shall be calculated to dollar, with amounts of less than NT\$ 1.00 unconditionally rounded down. The fractional sum of less than NT\$ 1.00, decimal point numbers shall be adjusted by descending order, and account numbers shall be adjusted in sequence, to meet the cash dividends total.
3. After the cash dividend distribution proposal is approved by the annual shareholders' meeting, the chairman shall be authorized to set ex-dividend record, distribution date and other relevant matters.
4. If the number of outstanding shares was influenced by the change of the Company's share capital afterward, and it caused that shareholder payout ratio changed and needed to revise, the shareholders' meeting authorized the chairman to conduct with full discretion.
5. Your approval is appreciated.

**Resolution:**

## **Discussion Items**

**Discussion No. 1:**

Amendments of partial articles of the Company's "Article of Incorporation". Please proceed to discuss.

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

**Explanatory Notes:**

1. To meet relevant laws and regulations and the Company's operational needs, partial articles of "Articles of Incorporation" were amended.
2. Comparison table for Article of Incorporation before and after revision, please refer to attachment 6 (P.42).
3. Please proceed to discuss.

**Resolution:**

## **Extemporany Motions**

## **Adjournment**

## Attachment I

### Business Report

Dear shareholders,

First of all, we would like to express our deepest gratitude to the shareholders for the support and encouragement over the past year of Seed Tech. We hereby present the Company's 2021 business status and operation status and future roadmap as follows:

#### I. 2022 Business Report:

##### (1) Operating Results:

In 2022, our Company made NT\$ 19,234,493 thousand in net consolidated operating revenues, compared to net consolidated operating revenues of NT\$ 18,556,817 thousand in 2021, we saw an approximately 3.65% revenue increase. The consolidated net income after tax was NT\$ 1,576,200 thousand, of which the net profit after tax attributed to the parent company was NT\$ 781,120 thousand. The earnings after tax per share was NT\$ 4.60.

##### (2) Budget Implementation:

Our company did not disclose financial forecast in 2022, there is no need to report the budget implementation.

##### (3) Revenues, Expenses and Profitability Analysis:

Unit: In Thousands of NTD; %

Items		Year	2021	2022
Revenue and Expenses	Interest income		26,376	39,394
	Interest expense		53,226	79,604
Profitability	Return on assets (%)		10.21	7.89
	Return on equity (%)		24.36	17.96
	Operating income to the paid-in capital ratio (%)		118.93	96.13
	Pre-tax net profit to paid-in capital ratio (%)		124.77	92.26
	Net profit margin (%)		8.77	8.19
	Earnings per share (Loss) / (NT\$)		5.11	4.60

##### (4) Research and Development:

Our company has invested about 6% of net sales revenue in Research and Development in the past years. There are great development achievements in various areas. The focus of Research and Development was locked on three large products, including connector pack, mechanism and injection molding, SMT and assembly are stated as below:

1. RF Switch Conn., RF Coaxial Conn., RF Cable, RF BTB Conn., USB Type C Conn.

and Fine Pitch BTB Conn., can be used in smart phones, tablet PCs, Ultrabook, wearable devices, Game Console, Netcom and information appliances and other products

2. RJ-ICM 1G/2.5G/5G/10G +30WPoE/60WPoE/90WPoE/130WPoE, etc., wired

network interface connector, can be applied to Small Cell, Switch, AP Router, PC, AIO, Game Console, Server, Workstation and other products.

3. SAS Conn., mini SAS HD Conn., Slim line SAS Conn., OCuLink Conn., Gen-Z Conn., etc., these high-speed connectors can be used in cloud computing technology.
4. Sensor Conn., Lan Transformer, glucose meter connector and other precision parts can be used in medical and consumer markets.
5. High precision products, like Pogo Pin, turned parts, etc. can be used in fields of vehicle-mounted, NetCom, health care and consumer market.
6. 5G high frequency Board to Board connector can be used in handheld device, tablet and notebook products.
7. Liquified silicon rubber manufactured through compression molding used in automotive, medical and consumer electronic products.
8. Plastic case injection product can be used in consumer market, vehicle application, and located in China and Southeast Asia nearby for supplying customer's need.
9. Use advanced equipment with steady, high quality fully automatic product lines to provide SMT service for the group and customers.
10. Development on relevant product line for system assembly FATP focused on relevant product application, such as TBT docking station, IOT equipment for enterprise, medical endoscope, E-Bike, etc.

## II. 2023 Annual Operating Plan Summary

### (1) 2023 Business Policy

1. Continue to expand production sites overseas, including expansion of Mexico and Malaysia Plants, and cooperate with Southeast Asia plant of the subsidiary.
2. Consistently increase assembly business and deepen cooperation relationship with bundle sales.
3. In the aspect of connector, constantly cooperate with important customers to develop new model products.
4. Develop more niche assembly customers appropriate to mass production in Taiwan, and we will focus on IOT equipment for enterprise, green energy transportation and storage devices, NetCom products, industrial customers and medical products.

### (2) The Expected Number of Sales and Its Basis

In the interactive influence of society, technology, economy, environment, politics, and other diverse factors, in 2020, the global major trend evolution will bring our life, work, industry and the world an enormous influence, and the huge demand business opportunities hidden behind, and technology needs to be able to satisfy human's on-demand needs, experience intellectualization application situations in food, clothing, accommodation, transportation, education and recreation. Look into 2022, the global economy and industry will still face the threat of the epidemic and other factors, Taiwan Institute of Economic Research indicates that a fresh turning point of innovative technology needs to be established on a smart city of people orientation, for example, smart government, smart transportation, smart safety, smart environment, smart building, smart home, smart education, smart entertainment and other fields.

#### 1. Internet of things application

Internet of things can be developed to many enterprises start to invest in short time, and develop application and become more popular. The kinetic energy behind is attributed to maturity of many technologies around the field of internet of things, like IoT platform, cloud, connection technology; such as permeability of infrastructure supporting internet of things, like data center, LPWAN, 5G, etc. continuously raises; plus the popularity of relevant talent, technology and tool, etc. On such this base, internet of things can acquire support in a real value of different industries, and give many applications.

Internet of things application continues to popularize, internet device and market size constantly grow, and the trend of Internet of all things is unstoppable. The report of research institution Gartner indicated that the number of internet device reached 26

billion in 2020, and created US\$ 1.9 trillion of output value. International data corporation IDC is also optimistic about the period of 2020-2024, the expenses of internet of things will keep double-digit growth. McKinsey estimates that the output value of internet of things application will reach US\$ 3.9 trillion in 2025, and even GE boldly predicts that the market size of internet of things will reach US\$ 10-15 trillion. New generation of internet of things structure starts to adopt fog edge computing, and cooperates with the cloud platform to satisfy needs of industry, government or various vertical fields. In fog edge equipment and edge computing new structure, Computer, Communication, Consumer Electronics, Car and 4C leads and drives a huge evolution and business opportunity for internet of things, it is respectively new Connect of information between internet of things equipment, new data collection of Collect between equipment and equipment, analysis of data fusion and deep Compute, and transfers collected information into new products and services for business opportunity of Create Value and interaction approach.

## 2. Augmented reality/mixed reality application

Augmented reality (AR) and mixed reality (MR) are transfer level products of new generation consumer electronics model after computer/notebook, smart phone, can be comprehensively used in cars and motorcycles, film and television entertainment, health and medicine, education, architect, news report, military and other aspects. Gigi-Capital report predicts that AR market will have 2.5 billion or more of installation capacity and near US\$ 60 billion of output value in 2024. Furthermore, Apple, Microsoft and other big factories all observed the development potential of AR/MR, and fully invested, so accelerated the pace of international industrial chain arrangement. Three main display technologies of AR/MR application, include LCD, Organic Light-Emitting Diode (OLED) and Micro Light Emitting Diode (Micro LED). Mini LED(sub-millimeter light emitting diode) display technology, although the name is similar to OLED, tends to the technology innovation of LCD in the application aspect, and makes an improvement for backlight technology of LCD panel. With the constant progress of process technology, LED size gradually marches toward to micrometer level from millimeter level, and in constant miniaturization, the current definition of Mini LED in the industry means LEC chips between the sizes of 50-100 micrometers, the dimension is similar to the diameter of human hair. As for LED chips with 30 micrometers or less, we call it Micro LED (Micro light emitting diode), no matter Micro LED or Mini LED, and the essence belongs to a kind of semiconductor. As the application scope of AR/MR is comprehensive, and the market output value is enormous, it becomes a highlight of Consumer Electronics Show (CES) in recent years, and it is the major application of 5G/beyond 5G (B5G) smart ecosystem same as automated driving (AD) and precision medicine.

## 3. Unmanned vehicle application

Unmanned vehicle can be used in the fields of land, sea and air, it divides into autonomous cars, autonomous ships and unmanned aerial vehicle (UAV). In relative terms of traditional vehicle, unmanned vehicle does not make attrition and longtime transportation, intelligence gathering and security monitoring, and completes missions under various adverse circumstances. The application scope is comprehensive, all countries and non-governmental organization invest technology development and product application plans in autonomous cars, drones, autonomous ships and other items for solving fundamental problems of manpower shortage in transportation industry and excessive costs, and the business opportunity for the future has endless possibilities. The status of unmanned vehicle in all fields and perspective explanation are as follows:

A. Autonomous cars: according to the prediction of McKinsey, estimated output value can reach US\$ 200 billion or more in 2025; IHS Markit predicts that the global mass production of autonomous cars will be launched in 2025, estimated initial sales can

reach 0.6 million; the sales can reach 21 million in 2035, and accounts for 10 percent of total car sales of the year. The proportion of automatic drive on northern America market can reach 29%, the proportion in mainland China can reach 24%, and the share ratio on Europe market can reach 20%.

B. Drones: Business insider predicts that drones on military/civilian market increased to US\$ 10 billion in 2021 from US\$ 7 billion in 2015, and the growth rate reached 40% or more. According to application categories, the highest market value can be used in aerial photography, entertainment and other fields, the secondary is graphics and drawing, prospecting and evaluation, etc., and the market value is considerable. In disaster relief, environmental monitoring and other fields, estimating to 2025, the application output value can reach US\$ 300 million. United States Department of Transportation believes that drones can bring US\$ 82 billion of economic benefits, and create 0.1 million employment opportunities, benefits are estimated to bring in commerce, photography, emergency treatment and public safety.

C. Autonomous ships: according to the research of marketing research Markets and Markets, the estimated global autonomous ships market value will reach US\$ 0.7 billion in 2022, and it will reach US\$ 1.5 billion in 2025; in the yield part, the estimated yield can reach 210 in 2020, and it can reach 450 in 2025. The major regions of autonomous ships market are North America, Europe and Asia-Pacific region, these regions make the conception of autonomous ships no longer out of reach through constant development in the past years. Except America and Europe strive for autonomous ships industry, other countries, like India, Singapore, China, Israel, United Arab Emirates, South Africa and Brazil, etc., invest in development rank one after another.

With development of autonomous driving technology and popularity of autonomous cars, global AV service market size was estimated that CAGR expanded by 60.1% from US\$ 1.14 billion in 2019, and will grow to US\$ 202.51 billion in 2030 (Frost & Sullivan in 2020), and the revenue of autonomous bus for public transport and shuttle use market is estimated to reach US\$ 74.5 billion, it is the largest economy.

#### 4. Smart manufacturing application

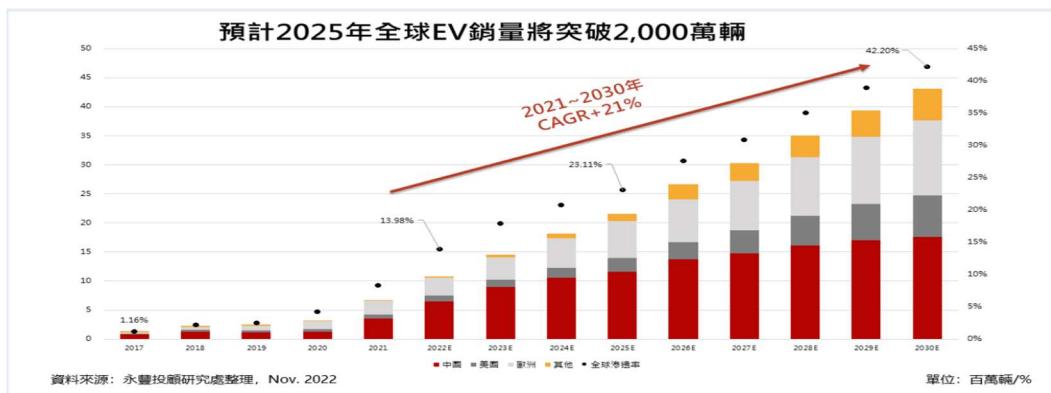
Smart manufacturing becomes a trend around the world, however, according to terminal market industry 4.0 benchmark research of global famous professional accounting firm BDO, 99% of medium manufacturers are quite familiar with industry 4.0, but only 5% of manufacturers implement industry 4.0 strategy. In the era of industry 4.0, if there's no help of data collection, compute, analysis, application and AI to implement analysis evaluation and rapid and precise decisions, the industry will likely fail in a new round of competition, and miss the opportunity of entering winner circle.

In addition, China–United States trade war spreads until now from March, 2018, it affects supply chain arrangement of Taiwanese businessmen, plus the impact of the epidemic of COVID-19, cause global many industries to be forced shutdown, the economy suffers from the impact, and enterprise digital transformation is an urgent matter. Facing the development of smart manufacturing, large domestic enterprises use merger and acquisition or alliance to expand industrial ecosystem, like Hon Hai Precision Industry Co., Ltd. acquired Metaverse Co., Ltd., and Metaverse Co., Ltd. continues to use technology appraised as capital stock and other methods to invest software and hardware integrator S&T Company of European information system and German industrial control leading brand Kontron AG, etc., and constantly integrates products in industrial automation, internet security, cloud communication, big data, handheld terminal and other fields of internet of things; ASUSTeK Computer Inc. acquired AAEON Technology Inc., and AAEON Technology Inc. bought shares of Winmate Inc., continues to strengthen business group of Artificial Intelligence of Things (AIoT), and emphasizes smart manufacturing solutions.

Looking to the future, and facing the coming of 5G era, we provide ultra-large mobile broadband, ultra-low delay and massive connection of three large communication capacities, and it's hopeful to accelerate smart manufacturing development, enterprise can cooperate to self-establish internet and develop internet for exclusive 5G vertical region use in the factory, system integrators and other specific regions. Through edge artificial intelligence projects, we make information generated in operational technology (OT) and IT can seamlessly exchange, and free transmission between device and application will effectively accelerate smart manufacturing development process.

## 5. Electric car market growth

Electric car market rapidly develops, and production capacity of global all large auto manufacturers promptly expands, including Daimler, Toyota, Volkswagen, Ford, General Motors, Hyundai, BMW and Tesla, etc.. All manufacturers actively launch transformation electric car field strategy, and the schedule of all auto manufacturers is in 2025-2035, they plan to launch 30-60 models of electric cars, and Tesla expects mid and long line will maintain the goal of shipments CAGR+50%. Electric car will become major kinetic energy source for future global car market growth, and make overall auto industry rapidly transform and upgrade. In addition, relevant infrastructure, components, etc. of electric cars will grow with production capacity of electric cars.



The epidemic was expected to ease in 2023, new turn of stimulus policy will be continuously announced, and the sales of new cards still can slightly increase.

Three large auto markets as a whole recover led by ease of material shortage and policies in 2023, new energy vehicle thereinto is the top priority of official long position, and new energy vehicle is expected to constantly become main force of leading markets to grow and industry upgrade and transformation in recent years.

## 6. Smart medical technology application

According to the estimation of Frost & Sullivan, global smart health market will continue to grow rapidly, and overall market revenue is hopeful to exceed US\$ 220 billion in 2023 from US\$ 147 billion in 2019. Market growth driving force and trend mainly include: health care industry marches toward to care based on value, and the quality and effectiveness of medical care is more emphasized; to increase medical efficiency to integrate more technology application, with the rise of internet of things technology and application, health care industry generates some changes, and usage scenarios accordingly changes. We currently start to divert application of IoMT(Internet of Medical Things) technology, it mainly collects the data of patients or clients. In addition, IoMT also plays a carrier of data collection, saving and analysis, provides chronic disease management and remote monitoring for patients and doctors, and omnipresent treatment and prevention solutions. According to statistics of research institute Markets and Market, IoMT market size is estimated to grow to US\$ 158.1 billion in 2022, and CAGR will reach 26.5% in next five years. Among those, interconnected medical equipment market of IoMT is

estimated to reach US\$ 52.2 billion in 2022. Increase of medical equipment quantity, plus improvement of system saving and data transmission capacity, create the generation of IoMT, it not only increases speed and precision of diagnosis and treatment, but also improves communication between interior of medical institutions and medical institutions, makes the rise of epidemic prevention technology, accelerates many developments of new products, services and business models, and facilitates the rise of “contactless economy”. Taiwan Institute of Economic Research indicates that industry will collaborate with research and development unit in the future, use the concept of three phases (pre-pandemic, mid-pandemic and post-pandemic) and five levels (health, prevention, diagnose, treatment and recovery), explore association needs of epidemic prevention technology and innovative application together. Through integrated digital technology, we collectively develop “zero distance innovative technology service”, provide experiential service of “Physically Separated But Virtually Connected” and emerging business model for long distance users.

In summary, technology development trend mentioned above marches toward to AIoT, application scope and development direction cover smart home, smart transportation, smart factory and smart medical care, etc., SPEED TECH CORP. actively makes industrial transformation of high stratification and centralization, marches toward to increase of positive qualitative and quantitative changes, and in response to all market regions, we constantly launch new product, and the overall industry still has growth, so performance growth can be expected.

In the situation that AIoT trend is about to take shape, 3C high frequency product is weeding out the old for creating the new, business opportunity of high speed transmission interface, like type-C and USB4 is close at hand, except notebook and PC products, needs of cell phone, game console and peripherals of all categories are also worth looking forward to; plus Europe Union has requested mobile devices shall all adopt USB Type-C of common charging specification to meet the norm of energy saving and carbon reduction in Europe Union, and it makes permeability of Type-C significantly increase. Apple Company adopting iOS system also continues to replace Type-C port for terminal product transmission interface. Except iPad and MacBook transfer to Type-C interface, partial iPhone 15 model already had reserved space for letting Type-C to control IC, and we expect traditional Lightning transfers to Type-C transmission and charging interface.

Type-C on I/O connector interface is a mainstream on the market at present, as notebook designing marches toward to light and thin, and reduction of slot connection port, the demand of peripheral expansion base Docking surges, so type-C needs to equip advantages, like simpler, lighter, small volume and easy to use, etc.; as the epidemic, global lockdown drives demand of notebook, tablet and other products, and make a significant penetration of new generation Type-C, due to faster and more data transmission, application is more comprehensive, except data transmission is fast and video signal can output, electricity support considerably increases.

AI, 5G, electric cars, autonomous cars, metaverse and other fields will continuously drive the information center and expansion needs on server market in the future, Intel, AMD and other big CPU factories started to fully support USB 4 high-speed transmission application market, and Apple joins the rank of supporting USB 4 specification, USB 4 only adopts USB Type-C connector, and USB 4 signal adopts dual-channel transmission, USB 4 equipment and interface will be actively compatible with Thunderbolt equipment in the future, ultra-speed data transmission of single cable will fulfill immediately. We will enter growth explosive phase after the second half of 2023, and estimate that connecter industry will have strong investment kinetic energy, and shipments will significantly increase.

Cloud service demand continues to rise, server market will continue to grow, under the impact of the epidemic, enterprise continue to accelerate digital transformation in the

past two years, plus people quarantine at home and online shopping and streaming video consumption increase, and further drive cloud service demand. Research information of Synergy Research shows that global cloud infrastructure market was US\$ 129 billion in 2020, increased to US\$ 178 billion in 2021; no matter Amazon, Google or Microsoft, all retain high growth, the increasing range of the latter two companies is around 45%, and Amazon has 40% growth rate. Under the rise of cloud service market continues to grow, information center demand also significantly increases, the report of Synergy Research indicates that global large information center quantity of ultra-large supplier operation exceeds 700 as of 2022.

The report of DIGITIMES Research indicates that server market will still continue to grow in 2022. No matter remote work, distance learning, streaming, video game or other online entertainment, enterprises accelerate digital transformation and it drives the demand of cloud compute service, even virtual digital world concept of Metaverse will need massive information center, and computing capacity needs a stronger server to support. Looking into the future, the demand of information center drives, plus essential components gradually returns to normal, including Intel and AMD, etc., new generation server CPU drives the demand of machine change, CAGR of global server shipments are expected to reach 6.9% from 2021 to 2026, total shipments were 170.9 billion in 2021, increased to 181.85 billion in 2022, and will grow to 238.4 billion in 2026.

### (3) The Important Marketing Policy

1. Our company will effectively utilize the Group's resources, saves costs and expand benefits, precisely master the Group's inventory and demand on the future market, in order to decrease inventory management cost and risk.
2. Our company will strengthen the divisional cooperation within the Group, and continue to improve production process, in order to effectively control costs and improve operational mechanisms in production and marketing.
3. Our company will continue to develop new products, combined with automated production, to exploit high value-added products markets, and to increase product competitiveness and gross margin.

## **III. Company's Future Development Strategy**

In the past years, our company continued to adjust strategy and direction, and has developed multiple new products and equipment investment. The "niche products", "high-frequency high-speed products", "SMT/FATP" and "automation/smart production" will be the future products. It provides not only high-level electronic components products, but also finished product assembly and OEM service, and it has shown its effectiveness now.

Our overall future strategy will be "automated production technology as the core competence", "matching technology and integrated production benefits", "integrating production resources to increase efficiency and decrease cost", and "integrating Group resources to expand the market". We will fully apply these four policies to make Taiwan as a R&D, business, and automated production base. The overseas production base will combine with local resources, to expand the local market and target customers, to expanding the economies of scale, to enhance competitiveness and increase profitability.

Climate change and infectious disease threatened human society and economic development in recent years, and the globe started to emphasize sustainable development, they hope human and environment can be symbiosis and co-prosperity, and continuous reproduction bred in an endless succession. To achieve this goal, introduce in ESG becomes a quite important performance indicator, and SPEED successfully introduced in ESG in 2022, important standards of environment, social and governance, all gave shareholders greater understanding and confidence for the Company, and it became performance indicator of enterprise's sustainably operation.

## **IV. External Competitive Environment, Regulatory Environment and the Impact on the Overall Business**

- (1) On the external competitive environment: in response to price-cutting competition in the industry, which squeeze the profit margins, our company has moved towards cloud computing applications and new development of high-order transmission interface connector. We also develop and expand the precision connectors to relevant markets, to enhance the product competition threshold, decentralized irrational IT industry competitive environment, and reduce operating risk.
- (2) On the regulatory environment: our company did not have any significant financial or business impact affected by any domestic/foreign policies or laws.
- (3) On the overall business environment: though the mainland China market is big, the competition is relatively intense. Therefore, our company will unite with the local resources of Luxshare Precision group, focus on business sales, and adjust strategy at any time, and actively develop niche products, in order to get more benefit in this wave of change.

In the past years, our company has established product positioning and business strategy by constantly adjustments -- speed up disposal of loss-making overseas subsidiaries and focus on the development of this industry connectors. Based on these policies, our company has developed multiple new products and has some remarkable achievements.

Our outlook in 2022, the company staffs will continue to make unremitting efforts, along with mass production and better management performance, the great profit improvement can be expected. Our company expect to make good achievement again, and share business results with shareholders.

We appreciate your continuous support and encouragement as our shareholders. Wish you good health and good luck respectfully.

SPEED TECH CORP.

Chairman: Zhen-Long Cai

Manager: Zhen-Long Cai Director of  
Accounting: HUNG-SHENG,LIN

## **Attachment II**

### **SPEED TECH CORP.**

#### **Audit Committee's Audit Report**

Hereby approve

The Board of Directors has prepared and submitted 2022 Business Report, Earnings Distribution Table and Consolidated Financial Statements (including Balance Sheet, Statement of Comprehensive Income, Statement of Shareholders Equity, and Statement of Cash flows) which were audited by Accountant Chia-Hung, Lin and Shih-Chun Huang of PwC Taiwan and inspected by the audit committee who affirmed that there is no violation against the law. All information was compliant with Securities Exchange Act and the Company Act.

Hereby submit it for inspection.

Sincerely,

2023 Speed Tech Corp. Annual Shareholders' Meeting

The convener of the audit committee: HO-PO CHAN

March 20, 2023

## Independent Accountant's Report

(2023) Tsai Shen Pao Tzu No. 22005572

Speed Tech Co., Ltd. Certificate of Incorporation:

### **Audit Opinion**

The consolidated balance sheets of Speed Tech Group (hereinafter referred to as "Speed Tech Group") as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity, and cash flows for the years ended December 31, 2022 and 2021, and the notes to the consolidated financial statements (including a summary of significant accounting policies) have been audited by our independent auditors.

According to our auditor's opinion, based on the results of our audit and other auditors' reports (please refer to Other Matters section), the above-mentioned consolidated financial statements have been prepared in accordance with the Financial Reporting Standards for Issuers of Securities and Credit Rating Agencies and the International Financial Reporting Standards, Interpretations, and Interpretative Bulletins recognized and issued by the Financial Supervisory Commission, and are sufficient to present the consolidated financial position of Speed Tech Group as of December 31, 2022 and 2021, and the consolidated financial performance and cash flows for the year ended on December 31, 2022 and 2021.

### **Basis for opinion**

We conducted the audit in accordance with the Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards in the Republic of China. Our responsibilities under those rules and standards are described in the section of the responsibilities of accountants auditing consolidated financial statements. The personnel of our accounting firm who are subject to independence regulations have maintained a separate and independent relationship with Speed Tech Group in accordance with the Code of Ethics for Certified Public Accountants in the Republic of China, and have fulfilled other responsibilities under the Code. Based on our audit findings and the audit reports of other auditors, we believe that we have obtained sufficient and appropriate audit evidence to serve as the basis for our opinion.

## **Key Audit Matters**

Key audit matters refer to those matters that, in the auditor's professional judgment, were of most significance in the audit of Speed Tech Group's consolidated financial statements for the year ended on December 31, 2022. These matters were addressed during the audit of the overall consolidated financial statements and in the formation of our opinion. We do not express our opinion on these matters separately.

The key audit matters for Speed Tech Group's consolidated financial statements for the year ended on December 31, 2022 are as follows:

**Existence of sales revenue.**

### **Key Audit Matters Description**

Please refer to Note 4 (33) for the accounting policy on revenue recognition, and Note 6 (23) for the explanation of the account for operating revenue.

The change in the top ten customers of Speed Tech Group resulting from business expansion; if there are new top ten customers, it may have a significant impact on the consolidated financial statements of Speed Tech Group, and the audit of sales revenue requires more audit resources to be invested. Therefore, our auditor regards the existence of sales revenue from the new top ten customers as one of the most important audit matters.

### **Corresponding audit program**

The specific procedures performed by our auditor in response to the key audit matters mentioned above are summarized as follows:

- 1.Understand the control procedures implemented by management for sales in the internal control system.
- 2.Obtain evaluation data for the top ten new sales customers and verify against significant related information.
- 3.Test the credit approval of the top ten new sales customers.
- 4.Obtain sales details for the top ten new sales customers and perform selective testing of related vouchers.
- 5.Send inquiry letters to confirm accounts receivable for a sample of the top ten new sales customers.
- 6.Obtain post-period payment details for the top ten new sales customers and perform selective testing of related vouchers.

## **Inventory evaluation**

### **Key Audit Matters Description**

The accounting policies related to inventory valuation are detailed in Note 4(14) of the consolidated financial statements. The accounting estimates and assumptions, as well as the uncertainties associated with inventory valuation, are explained in Note 5(2) of the consolidated financial statements. The account descriptions for inventory are provided in Note 6(5) of the consolidated financial statements.

Speed Tech Group's primary revenue comes from the processing, manufacturing, and sales of electronic connectors. The value of inventory is subject to change due to technological advancements, environmental changes, and sales conditions, which may affect inventory valuation. Speed Tech Group assesses the net realizable value of inventory by making judgments and estimates. It identifies the net realizable value of each inventory item and compares it with its cost, taking into account the usability of long-term inventory. Based on this, the company records inventory valuation losses. As inventory amounts are significant and the valuation process involves judgment, the auditor considers inventory valuation to be one of the most critical audit matters.

### **Corresponding audit program**

The specific procedures performed by our auditor in response to the key audit matters mentioned above are summarized as follows:

1. Obtain the inventory valuation policy, evaluate its provision policy, and confirm the adoption of the inventory valuation policy during the financial statement period.
2. Conduct end-of-period physical inventory observation to identify obsolete, damaged, or unsalable inventory.
3. Obtain the inventory aging report, perform inventory aging testing, sample and check inventory transaction records for selected inventory part numbers, and confirm the classification of inventory aging intervals and the impact on inventory value.
4. Obtain the net realizable value report of inventory, confirm the calculation logic, and sample and test related data to the relevant valuation documents. Recalculate and compare the cost and net realizable value of each item of inventory to determine the provision for inventory valuation loss.

## **Other Matters – Mention of Other Auditor's Audit**

Certain subsidiaries included in the consolidated financial statements of Speed Tech Group were audited by other auditors and not by us. Accordingly, with respect to the amounts and disclosures in

the financial statements of those subsidiaries, our opinion is based on the report of the other auditors. As of December 31, 2022 and 2021, the total assets of those subsidiaries were NTD 340,880 thousand and NTD 213,987 thousand, respectively, representing 1.53% and 1.11%, respectively, of the consolidated total assets. For the year ended on December 31, 2022 and January 1 to December 31, 2021, the operating revenues of those subsidiaries were NTD 95,510 thousand and NTD 88,194 thousand, respectively, representing 0.50% and 0.47%, respectively, of the consolidated net operating revenues.

## **Other matters- The Individual Financial statements**

Speed Tech Group has prepared the individual financial statements for the years 2022 and 2021, which have been audited by our auditor and accompanied by an unqualified opinion and other matters paragraph. They are available for reference.

## **Responsibilities of the management and the governing unit for the consolidated financial statements**

The responsibilities of management are to prepare appropriately stated consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities and with the International Financial Standards (IFRs), the international Accounting Standards (IASs), and the related interpretations and interpretative bulletins endorsed by the Financial Supervisory Commission of the Republic of China. Management is also responsible for maintaining necessary internal control relevant to the preparation of the consolidated financial statements to ensure that the consolidated financial statements are free from material misstatement by fraud or error.

In preparing the consolidated financial statements, the management is also responsible for evaluating Speed Tech Group's ability to continue as a going concern, disclosing relevant events, and using the going concern basis of accounting unless the management intends to liquidate or discontinue operations of Speed Tech Group, or unless no other feasible alternatives exist except for liquidation or discontinuation of operations.

The governance units of Speed Tech Group, including the audit committee, are responsible for overseeing the financial reporting process.

## **Account's responsibilities for the audit of consolidated financial statements**

The objectives of the accountants for auditing the consolidated financial statements are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from any material misstatement due to fraud or errors and to issue an accountant's report accordingly. Reasonable assurance refers to a high level of assurance, but there is no guarantee that an audit

performed in accordance with the auditing standards of the Republic of China can detect any material misstatement from the consolidated financial statements. Misstatements may arise from fraud or errors. A misstated dollar amount, individually or in the aggregate, that could be reasonably predicted to influence the economic decision of the user of the consolidated financial statements can be viewed as material.

Our auditor exercised professional judgment and skepticism in accordance with the auditing standards of the Republic of China. We also performed the following tasks:

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. We obtained necessary understanding of internal control related to the audit and designed appropriate audit procedures at the time. However, our objective was not to express an opinion on the effectiveness of the internal control of the Speed Tech Group.
3. We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Based on the audit evidence obtained, we concluded on the appropriateness of the management's use of the going concern basis of accounting and whether events or conditions exist that may cast significant doubt on the Speed Tech Group's ability to continue as a going concern. If we believe that such significant uncertainties exist, the auditor shall alert the financial statement users in the audit report to pay attention to the related disclosures in the consolidated financial statements, or revise the audit opinion if such disclosures are inappropriate. Our conclusions are based on the audit evidence obtained up to the date of this accountant's report. However, future events or conditions may lead to a lack of ability of the Speed Tech Group to continue as a going concern.
5. We evaluated the overall presentation, structure and content of the consolidated financial statements, including the attached notes, and whether the consolidated financial statements represent the underlying transactions and events in a fair manner.
6. We obtained sufficient and appropriate audit evidence for the financial information of the individual entities within the group to express an opinion on the consolidated financial statements. We are responsible for directing, supervising, and performing the audit of the group, and for forming an

audit opinion on the consolidated financial statements.

We have communicated with those charged with governance regarding the planned scope and the timing of the audit as well as material audit findings (including significant internal control shortcomings identified in the audit).

We have also provided those charged with governance the statement that the personnel of our accounting firm subject to the requirements of independence have complied with the requirements of independence of the code of professional ethics of certified public accountants of the Republic of China and communicate with those charged with governance relationships and other matters that may influence our independence (including related preventive measures).

We determined the key audit matters for the audit of the Speed Tech Group's consolidated financial statements for the year 2022 based on the matters communicated with the governance unit. We described these matters in the accountant's report, unless the laws and regulations prohibit such disclosure or under rare condition that we decide not to communicate a given matter because the negative impact from such communication may override its public benefits under reasonable assumption.

P w C T a i w a n

Lin, Chia-Hung  
Accountant

Huang, Shih-Chun

Financial Supervisory Commission  
Approval certificate No: Chin Kuan Cheng Shen  
Tzu No. 1080323093  
Chin Kuan Cheng Shen  
Tzu No. 1050029449

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SPEED TECH TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheet  
As of December 31, 2022 and 2021

Unit: NT\$ thousands

ASSETS	Notes	As of December 31, 2022			As of December 31, 2021								
		A	m	o	u	n	t	A	m	o	u	n	t
<b>CURRENT ASSETS</b>													
1100	Cash and Cash Equivalents	6(1)		\$	2,417,330		11	\$	2,734,364				14
1136	Financial assets at amortized cost - current, measured by the amortized cost method.	6(1) and 8			31,529		-		23,537				-
1150	Net amount of accounts receivable	6(4)			2417		-		109				-
1160	Accounts receivable - net from related parties.	6(4), 7(3) and 8			2,010,515		9		1,035,055				6
1170	Net accounts receivable	6(4)			1,678,410		8		1,459,443				8
1180	Accounts receivable - related parties	6(4) and 7(3)			5,424,423		24		4,443,131				23
1200	Other receivables				51,063		-		56,565				-
1210	Other accounts receivable - related parties	7(3)			601,503		3		96,107				1
1220	Current tax assets	6(30)			89,147		-		60,159				-
130X	Inventory	6(5)			2,332,614		10		1,995,570				10
1410	Advance payments				189,109		1		322,003				2
1470	Other current assets				4,538		-		1,911				-
11XX	<b>Total current assets</b>				14,832,598		66		12,227,954				64
<b>Non-current assets</b>													
1517	Financial assets carried at fair value through other comprehensive income - non-current	6(3)			3108		-		7328				-
1535	Financial assets at amortized cost - non-current	6(1)			63,880		-		57,438				-
1550	Acquisition of investments accounted for using the equity method	6(6) and 8			734,461		3		685,112				3
1600	Property, plant, and equipment	6(7), 7(3) and 8			4,752,447		21		4,826,899				25
1755	Right-of-use Assets	6(8) and 8			621,630		3		117,548				1
1760	Net Investment Property	6(10) and 8			142,801		1		144,198				1
1780	Intangible Assets	6(11)			797,200		4		853,753				4
1840	Deferred tax assets	6(30)			152,041		1		168,684				1
1900	Other non-current assets	6(12)			230,049		1		131,924				1
15XX	<b>Total non-current assets</b>				7,497,617		34		6,992,884				36
1XXX	<b>Total assets</b>			\$	22,330,215		100		\$	19,220,838			100

(Continued)

SPEED TECH TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheet  
As of December 31, 2022 and 2021

Liabilities and Equity	Notes	As of December 31, 2022			As of December 31, 2021		
		Amount	Unit: NT\$ thousands	%	Amount	Unit: NT\$ thousands	%
<b>Current Liabilities</b>							
2100 Short-term borrowings	6(13)	\$ 4,719,181	21	\$ 2,782,295	15		
2110 Short term notes payable		99,939	1	49,890	-		
2120 Financial liabilities at fair value through profit or loss - current	6(2)	1,060	-	180	-		
2130 Contractual liabilities - current	6(23) and 7(3)	25,758	-	6,076	-		
2150 Notes payable		458	-	11,658	-		
2170 Accounts payable		3,045,861	14	4,167,729	22		
2180 Accounts payable - related parties	7(3)	624,791	3	658,590	3		
2200 Other payables	6(14)	969,632	4	1,010,453	5		
2220 Other payables - related parties.	7(3)	294,418	1	112,707	1		
2230 Current income tax payable	6(30)	171,898	1	92,840	1		
2250 Liability reserve - current		4,440	-	3,674	-		
2280 Lease liabilities - current		73,463	-	43,641	-		
2320 Long-term liabilities due within one year or one operating cycle	6(15)(16)	1,045,315	5	56,541	-		
2399 Other current liabilities - other	7(3)	16,317	-	10,786	-		
<b>21XX Total current liabilities</b>		<b>11,092,531</b>	<b>50</b>	<b>9,007,060</b>	<b>47</b>		
<b>Non-current liabilities</b>							
2530 Corporate bonds payable	6(15)	-	-	974,075	5		
2540 Long-term borrowings	6(16)	269,709	1	316,071	2		
2570 Deferred income tax liabilities	6(30)	943,335	4	754,884	4		
2580 Lease liabilities - non-current		516,189	3	37,516	-		
2600 Other non-current liabilities	6(17)	41,635	-	47,614	-		
<b>25XX Total non-current liabilities</b>		<b>1,770,868</b>	<b>8</b>	<b>2,130,160</b>	<b>11</b>		
<b>2XXX Total liabilities</b>		<b>12,863,399</b>	<b>58</b>	<b>11,137,220</b>	<b>58</b>		
<b>Consolidated net income attributed to stockholders of the company</b>							
Share capital	6(19)						
3110 Share capital - common stock		1,708,395	8	1,702,019	9		
Capital surplus	6(20)						
3200 Capital surplus		326,931	1	277,907	1		
Retained earnings	6(21)						
3310 Legal reserve		245,911	1	159,523	1		
3320 Special reserve		115,912	1	109,659	1		
3350 Unappropriated earnings		1,862,712	8	1,599,546	8		
Other equity	6(22)						
3400 Other equity		( 26,918)	-	( 124,542)	( 1)		
<b>31XX Total equity attributable to the Stockholders of the Company</b>		<b>4,232,943</b>	<b>19</b>	<b>3,724,112</b>	<b>19</b>		
<b>36XX Non-Controlling Interest</b>		<b>5,233,873</b>	<b>23</b>	<b>4,359,506</b>	<b>23</b>		
<b>3XXX Total equity</b>		<b>9,466,816</b>	<b>42</b>	<b>8,083,618</b>	<b>42</b>		
Significant or unrecorded liabilities from contractual commitments	9						
Subsequent events of material importance	11						
<b>3X2X Total liabilities and equity</b>		<b>\$ 22,330,215</b>	<b>100</b>	<b>\$ 19,220,838</b>	<b>100</b>		

Please refer to notes of consolidated financial statements provided at the end, which is part of this consolidated financial report.

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Supervisor : Lin, Hung-Sheng

S SPEED TECH TECHNOLOGY CO., LTD. AND SUBSIDIARIES  
 Consolidated Statements of Comprehensive Income  
 For the year ended on December 31, 2022 and December 31, 2021

Unit: NT\$ thousands  
 (except earnings per share of NT\$)

Item	Notes	Y e a r 2 0 2 2			Y e a r 2 0 2 1		
		A m o u n t	%	A m o u n t	%		
4000 Revenue from operations	6(23) and 7						
	(3)	\$ 19,259,280	100	\$ 18,556,817	100		
5000 Operating cost	6(5)(28) and 7(3)	( 15,254,464)	( 80)	( 14,555,245)	( 78)		
5900 Operating gross profit		4,004,816	20	4,001,572	22		
Operating expenses	6(28) and 7(3)						
6100 Selling expenses		( 271,940)	( 2)	( 258,877)	( 1)		
6200 Management expense		( 847,282)	( 4)	( 513,910)	( 3)		
6300 Research and development expenses.		( 1,148,625)	( 6)	( 1,195,085)	( 7)		
6450 Expected credit loss	12(2)	( 69,913)	-	( 9,444)	-		
6000 Total operating expenses		( 2,337,760)	( 12)	( 1,977,316)	( 11)		
6900 Operating profit		1,667,056	8	2,024,256	11		
Non-operating income and expenses							
7100 Interest income	6(24)	39,394	-	26,376	-		
7010 Other income	6(25) and 7(3)	244,766	1	142,819	1		
7020 Other gains and losses	6(27) and 7(3)	52,299	-	( 127,089)	( 1)		
7050 Finance costs	6(27)	( 79,640)	-	( 53,226)	-		
7060 Share of profit or loss the associated associates, joint ventures accounted for using the equity method	6(6)	91,168	1	110,526	1		
7000 Total non-operating income and expenses		347,987	2	99,406	1		
7900 <b>Profit before tax</b>		2,015,043	10	2,123,662	12		
7950 Income tax expense	6(30)	( 438,843)	( 2)	( 495,713)	( 3)		
8200 <b>Net profit for the period</b>		\$ 1,576,200	8	\$ 1,627,949	9		

SPEED TECH TECHNOLOGY CO., LTD. AND SUBSIDIARIES  
 Consolidated Statements of Comprehensive Income  
 For the year ended on December 31, 2022 and December 31, 2021

Unit: NT\$ thousands

(except earnings per share of NT\$)

Item	Notes	Y e a r 2 0 2 2	Y e a r 2 0 2 1
		A m o u n t	A m o u n t
		%	%
<b>Other comprehensive income (net)</b>			
<b>Non-recurring items recognized directly in equity</b>			
8311	Defined benefit plan - remeasurement amount	\$ 4,944	- \$ 2,762
8316	Unrealized gains and losses on equity instruments at fair value through other comprehensive income.	6(3)(22) (3,692)	(324)
8320	Equity share in associates and joint ventures accounted for using equity method- items that reclassified to profit or loss	6(22) (755)	8
8349	Income tax related to items not reclassified to profit or loss	6(30) (989)	(553)
8310	Total amount of items not reclassified to profit or loss	(492)	1,893
<b>Items may be subsequently reclassified to profit/loss</b>			
8361	Exchange difference for conversion of financial statements of foreign operating institutions	6(22) 200,338	1 1,806
8370	Equity share in associates and joint ventures accounted for using equity method - items that may be reclassified to profit or loss	6(22) 9,238	(7,120)
8399	Income tax of items that may be reclassified	6(30) (27,950)	1,621
8360	Total amount of items that may be reclassified to profit or loss in the future.	181,626	(3,693)
8300	<b>Other comprehensive income (net)</b>	<u>\$ 181,134</u>	(1,800)
8500	<b>Total comprehensive income for the period</b>	<u>\$ 1,757,334</u>	9
Net income (loss) attributable to:			
8610	Owners of the parent company	\$ 781,120	5
8620	Non-control equity	\$ 795,080	4
Total comprehensive income (loss) attributable to:			
8710	Owners of the parent company	\$ 870,453	5
8720	Non-control equity	\$ 886,881	4
Basic earnings per share			
9750	Net profit for the period	\$ 4.60	5.11
Diluted earnings per share			
9850	Net profit for the period	\$ 4.34	4.81

Please refer to notes of consolidated financial statements provided at the end, which is part of the consolidated financial statements.

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Supervisor : Lin, Hung-Sheng

SPEED TECH TECHNOLOGY CO., LTD. AND SUBSIDIARIES  
Consolidated Statements of Changes in Equity  
For the year ended on December 31, 2022 and December 31, 2021

Unit: NT\$ thousands

	Consolidated net income attributed to stockholders of the company										N o n - C o n t r o l l i n g I n t e r e s t	Total equity		
	Retained earnings		of the equity		Unrealized gains (losses) on financial assets		Exchange differences measured at fair value of foreign through other comprehensive financial statements		Accrued employee compensation					
	Notes	Share capital common stock	Capital surplus	Legal reserve	Special reserve	Retained earnings	(\$)	(\$)	(\$)	(\$)				
<b>Year 2021</b>														
January 1, 2021 balance		\$ 1,693,550	\$ 200,563	\$ 85,175	\$ 105,016	\$ 1,170,280	(\$ 109,573)	(\$ 86)	(\$ 32,346)	\$ 3,112,579	\$ 2,154,032	\$ 5,266,611		
Net Current profit (loss)		-	-	-	-	861,552	-	-	-	861,552	766,397	1,627,949		
Current other comprehensive profit/loss		-	-	-	-	2,328	( 6,087 )	( 164 )	-	( 3,923 )	2,123	( 1,800 )		
Total comprehensive profit(loss) for this reporting period		-	-	-	-	863,880	( 6,087 )	( 164 )	-	857,629	768,520	1,626,149		
Appropriation of earnings and Distribution for the year 2020	6(21)	-	-	-	-	-	-	-	-	-	-	-		
Appropriation to legal reserve		-	-	74,348	-	( 74,348 )	-	-	-	-	-	-		
Appropriation to special earnings reserve		-	-	-	4,643	( 4,643 )	-	-	-	-	-	-		
Cash dividend for common stock		9,669	28,137	-	-	( 355,623 )	-	-	-	( 355,623 )	-	( 355,623 )		
Employee stock option exercise		-	-	30,500	-	-	-	-	-	-	37,806	37,806		
Issuance of convertible bonds	6(15)	-	-	-	-	-	-	-	-	-	30,500	30,500		
Cancellation of new shares with restricted employee rights.	6(19)	( 1,200 )	( 3,961 )	-	-	-	-	-	-	3,961	( 1,200 )	( 1,200 )		
Share-based payment costs of new shares with restricted employee rights.	6(18)	-	-	-	-	-	-	-	-	19,753	19,753	19,753		
Share-based payment costs of subsidiary employees' stock options.	6(18)	-	11,112	-	-	-	-	-	-	11,112	8,585	19,697		
Differences between actual acquisition or disposal price of subsidiary shares and their book values.	6(32)	-	2,524	-	-	-	-	-	-	2,524	( 48,262 )	( 45,738 )		
Recognition of capital surplus of associated companies based on percentage of ownership.		-	( 91 )	-	-	-	-	-	-	( 91 )	-	( 91 )		
The changes in the equity of associated companies from the variation in net asset value resulting from the failure to subscribe in proportion to the shareholding percentage.	6(6)	-	9,123	-	-	-	-	-	-	9,123	-	9,123		
Non-controlling interests increase - acquisition through business combination.	6(35)	-	-	-	-	-	-	-	-	-	1,559,907	1,559,907		
Non-controlling interests increase/decrease.		-	-	-	-	-	-	-	-	-	( 83,276 )	( 83,276 )		
December 31, 2021 balance		<u>\$ 1,702,019</u>	<u>\$ 277,907</u>	<u>\$ 159,523</u>	<u>\$ 109,659</u>	<u>\$ 1,599,546</u>	<u>(\$ 115,660 )</u>	<u>(\$ 250 )</u>	<u>(\$ 8,632 )</u>	<u>\$ 3,724,112</u>	<u>\$ 4,359,506</u>	<u>\$ 8,083,618</u>		
<b>Year 2022</b>														
January 1, 2022 balance		\$ 1,702,019	\$ 277,907	\$ 159,523	\$ 109,659	\$ 1,599,546	(\$ 115,660 )	(\$ 250 )	(\$ 8,632 )	\$ 3,724,112	\$ 4,359,506	\$ 8,083,618		
Net Current profit (loss)		-	-	-	-	781,120	-	-	-	781,120	795,080	1,576,200		
Current other comprehensive profit/loss		-	-	-	-	3,324	89,490	( 3,481 )	-	89,333	91,801	181,134		
Total comprehensive profit(loss) for this reporting period		-	-	-	-	784,444	89,490	( 3,481 )	-	870,453	886,881	1,757,334		
Appropriation of earnings and Distribution for the year 2021	6(21)	-	-	-	-	-	-	-	-	-	-	-		
Appropriation to legal reserve		-	-	86,388	-	( 86,388 )	-	-	-	-	-	-		
Appropriation to special earnings reserve		-	-	6,253	( 6,253 )	-	-	-	-	-	-	-		
Cash dividend for common stock		6,956	19,103	-	-	( 425,654 )	-	-	-	( 425,654 )	26,059	( 425,654 )		
Employee stock option exercise	6(19)	( 580 )	( 1,732 )	-	-	-	-	-	-	1,732	( 580 )	( 580 )		
Cancellation of new shares with restricted employee rights.	6(19)	-	-	-	-	-	-	-	-	6,900	6,900	3,334		
Share-based payment costs of new shares with restricted employee rights.	6(18)	-	-	-	-	-	-	-	-	31,641	26,952	58,593		
Share-based payment costs of subsidiary employees' stock options.	6(18)	-	31,641	-	-	-	-	-	-	-	( 42,800 )	( 42,800 )		
Subsidiary Cash dividends paid		-	-	-	-	-	-	-	-	12	-	12		
Recognition of capital surplus of associated companies based on percentage of ownership.		-	-	12	-	-	-	-	-	12	-	12		
Disposal Equity instrument with no open quotes measured at fair value in equity instruments	6(3)	-	-	-	-	-	-	-	-	-	-	-		
December 31, 2022 balance		<u>\$ 1,708,395</u>	<u>\$ 326,931</u>	<u>\$ 245,911</u>	<u>\$ 115,912</u>	<u>(\$ 2,983 )</u>	<u>(\$ 1,862,712 )</u>	<u>(\$ 26,170 )</u>	<u>(\$ 748 )</u>	<u>\$ 4,232,943</u>	<u>\$ 5,233,873</u>	<u>\$ 9,466,816</u>		

Please refer to notes of consolidated financial statements provided at the end, which is part of the consolidated financial statements.

Chairman: Tsai, Chen-Lung

Manager: Tsai, Chen-Lung

Accounting Supervisor:  
Lin, Hung-Sheng

**SPEED TECH TECHNOLOGY CO., LTD. AND SUBSIDIARIES**

**Consolidated Cash Flow Statements**

For the year ended on December 31, 2022 and December 31, 2021

Unit: NT\$ thousands

	Notes	Year 2022	Year 2021
<b>Cash flows from operating activities</b>			
Net profit before tax for the period		\$ 2,015,043	\$ 2,123,662
Adjustment item			
Revenue, expense, and loss items			
Expected credit loss	12(2)	69,913	9,444
Property, plants, and equipment depreciation	6(28)	801,065	576,175
Depreciation expense of investment properties.	6(28)	1,647	1,149
Depreciation expense of Right-of-Use Assets	6(28)	76,056	19,432
Intangible asset amortization cost	6(28)	60,442	40,348
Interest expense	6(27)	79,640	53,226
Interest income	6(24)	( 39,394 )	( 26,376 )
Gain (loss) on disposal of properties, plant, and equipment.	6(26)	9,174	5,552
Depreciation and amortization of property, plant, and equipment reclassified to cost and expense.		102,859	110,819
Share of profit (loss) of associates recognized using the equity method.	6(6)	( 91,168 )	( 110,526 )
Net gain (loss) on financial assets and liabilities at fair value through profit or loss.	6(26)	( 11,212 )	( 16,250 )
Share-based payment expenses.	6(18)	( 68,827 )	( 39,450 )
Gain (loss) on remeasurement of investments accounted for using the equity method upon obtaining control.	6(26)	- (	69,112 )
Gain (loss) on remeasurement of investments accounted for using the equity method upon loss of significant influence.	6(26)	( 370 )	( 2,526 )
Gain (loss) on lease modification.	6(26)	( 370 )	( 209 )
<b>Changes in assets/liabilities related to operating activities</b>			
Net changes in assets related to operating activities			
Financial assets and liabilities measured at fair value through profit or loss		12,092	69,445
Net amount of accounts receivable		( 2,308 )	( 109 )
Accounts receivable - net from related parties.		1,035,055	( 806,007 )
Total receivable		( 215,211 )	( 69,352 )
Total accounts Receivable - Related Parties		( 3,066,261 )	( 705,439 )
Other receivables		( 4,775 )	( 30,742 )
Other accounts receivable - related parties		( 560,758 )	( 988 )
Inventory		( 337,044 )	( 423,699 )
Advance payments		( 132,894 )	( 114,435 )
Other current assets		( 2,487 )	( 784 )
Other non-current assets		( 7,680 )	( 35,418 )
Net changes in liabilities related to operating activities			
Contractual liabilities - current		19,682	( 38,380 )
Notes payable		( 11,200 )	( 28,107 )
Accounts payable		( 1,121,868 )	748,264
Accounts payable - related parties		( 33,799 )	( 1,498,866 )
Other payables		( 41,133 )	38,242
Other payables - related parties.		( 24,392 )	( 16,221 )
Liability reserves		( 766 )	( 1,145 )
Other current liabilities - others		( 6,531 )	( 7,232 )
Other non-current liabilities		( 5,979 )	( 11,357 )
Operating cash inflows (outflows)		( 993,537 )	1,330,622
Income tax expense.		( 61,703 )	53,992
Income taxes paid		( 273,369 )	( 315,412 )
Interest received		( 39,394 )	( 26,376 )
Net cash (outflows) inflow from operating activities		( 1,165,809 )	1,095,578

(Continued on next page)

SPEED TECH TECHNOLOGY CO., LTD. AND SUBSIDIARIES  
Consolidated Cash Flow Statements  
For the year ended on December 31, 2022 and December 31, 2021

Unit: NT\$ thousands

<u>Cash flow from investing activities</u>				
In financial assets measured at amortized cost (increase)		(\$	14,434	) (\$
Decrease Investments Accounted for Using Equity Method			-	370 )
Dividends received from investments accounted for using the equity method.	6(6)		50,314	31,446
Acquisition of property, plants, and equipment	6(33)	(	1,358,715	) ( 1,318,203 )
Disposal of property, plants, and equipment			755,275	55,597
Acquisition of right-of-use assets.	6(11)	(	5,836	) ( 200 )
Acquisition of intangible assets			3,130	1,122
Disposal of intangible assets.		(	122,119	) ( 59,969 )
Increase in prepaid equipment			55,362	55,362
Increase (decrease) in other receivables - related parties.		(	6,152	) ( 5,230 )
Guarantee deposits paid (Increase)	6(3)		255	721
Return of capital related to the reduction of financial assets at fair value through other comprehensive income.			-	704,880
Cash inflows (outflows) resulting from business combination.	6(35)			
Transactions with non-controlling interests.	6(32)			
Net cash outflows from investment activities				
<u>Net cash inflow/outflow from financing activities</u>		(	642,920	) ( 776,178 )
Proceeds from short-term borrowings	6(34)		20,330,615	9,155,455
Repayment of Short-term loans	6(34)	(	18,393,729	) ( 8,866,118 )
Increase in short-term notes and bills payable	6(34)		725,049	298,344
Short term notes payable (decreased)	6(34)	(	675,000	) ( 404,215 )
Repayment of long-term loans	6(34)	(	55,900	) ( 38,148 )
Issuance of convertible bonds	6(34)		-	995,000
Increase in other accounts payable - related parties	6(34)		1,530	-
Decrease in other accounts payable - related parties	6(34)		-	( 946 )
Repayment of lease liabilities principal	6(34)	(	69,660	) ( 27,472 )
Receipts from refund of subscription price for restricted stocks to employees	6(18)		720	( 1,200 )
Interests paid		(	54,928	) ( 43,379 )
Subsidiary Cash dividends paid		(	42,800	) ( 83,276 )
Cash dividends paid	6(34)	(	425,654	) ( 355,623 )
Cash received from employees exercising stock options			26,059	37,806
Net cash inflows from financing activities				
			1,364,862	666,228
Exchange rate affected amount				
Net increase (decrease) in cash and cash equivalents for the current period				
Opening balance of cash and cash equivalents	6(1)	(	317,034	) 995,111
Closing balance of cash and cash equivalents	6(1)		2,734,364	1,739,253
		\$	2,417,330	\$ 2,734,364

Please refer to notes of consolidated financial statements provided at the end, which is part of the consolidated financial statements.

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Supervisor : Lin, Hung-Sheng

Speed Tech Co., Ltd. Certificate of Incorporation:

## Audit opinion

Balance Sheet of AUROTEK Technology Co., Ltd. as of December 31, 2022 and 2021. Comprehensive Income Statement, Statement of Changes in Equity, and Statement of Cash Flows of AUROTEK Technology Co., Ltd. for the period January 1, 2022 to December 31, 2022 and January 1, 2023 to December 31, 2023. Notes to AUROTEK Technology Co., Ltd.'s Financial Statements, including a summary of significant accounting policies, have been audited by our accountant.

Based on our audit results and the audit reports of other auditors (refer to Other Matters section), in our opinion, the individual financial statements of SPEED TECH Corporation. have been prepared in accordance with the Securities Issuance Company Financial Report Preparation Standards and are sufficient to present fairly the individual financial position of SPEED TECH Corporation as of December 31, 2022 and 2021, and the individual financial performance and cash flows for the years then ended.

## Basis of Audit Opinion

We conducted the audit in accordance with the Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards in the Republic of China. Our responsibilities under those rules and standards are described in the section of the responsibilities of accountants auditing parent company only financial statements. The personnel of our accounting firm who are subject to independence regulations have complied with the Code of Ethics for Professional Accountants in the Republic of China, maintained independence from SPEED TECH Corporation fulfilled other responsibilities stipulated by the Code. Based on our audit findings and the audit reports of other auditors, we believe that we have obtained sufficient and appropriate audit evidence to serve as the basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of SPEED TECH Corporation's individual financial statements for the year ended December 31, 2022. These matters were addressed during the audit of the overall parent company only financial statements and in the formation of our opinion. We do not express our opinion on these matters separately.

Regarding the accounting policies for investments using the equity method adopted by Speed Tech Technology Co., Ltd., please refer to Note 4(13) of the individual financial statements for details; for the accounting subject explanation of investments using the equity method, please refer to Note 6(5) of the individual financial statements. The financial condition and performance of subsidiaries directly or indirectly held by Speed Tech Technology Co., Ltd. have a significant impact on the individual financial statements of Speed Tech Technology Co., Ltd. The key audit matters related to the evaluation of

investment balances and investment gains and losses using the equity method and the impact on the existence of sales revenue and the valuation of inventory include, and the auditor will include them in the following key audit matters explanation.

The key audit matters for the individual financial statements of Speed Tech Technology Co., Ltd. for the year 111 of the Republic of China are as follows:

**Existence of sales revenue.**

### **Key Audit Matters Description**

The accounting policy for revenue recognition can be found in Note 4(30) of the individual financial statements, while the accounting subject for operating revenue is described in Note 6(21).

Any changes in the top ten customers that affect Speed Tech Technology Co., Ltd.'s business expansion could significantly impact the individual financial statements. If there are new top ten customers, the audit of sales revenue will require more audit resources. Therefore, the auditor considers the existence of sales revenue from new top ten customers to be one of the most critical audit matters.

### **Corresponding audit program**

The specific procedures performed by our auditor in response to the key audit matters mentioned above are summarized as follows:

- 1.Understand the control procedures implemented by management for sales in the internal control system.
- 2.Obtain evaluation data for the top ten new sales customers and verify against significant related information.
- 3.Test the credit approval of the top ten new sales customers.
- 4.Obtain sales details for the top ten new sales customers and perform selective testing of related vouchers.
- 5.Send inquiry letters to confirm accounts receivable for a sample of the top ten new sales customers.
- 6.Obtain post-period payment details for the top ten new sales customers and perform selective testing of related vouchers.

**Inventory evaluation**

### **Key Audit Matters Description**

For accounting policies of inventory valuation, please refer to Note 4(12) of the parent company only financial statements. For accounting estimation and assumption uncertainty of inventory valuation, please refer to Note 5(2) of the parent company only financial statements. For description of inventory, please refer to Note 6(4) of the parent company only financial statements.

Speed Tech Technology Co., Ltd.'s main source of revenue comes from the processing, manufacturing, and sales of electronic connectors. Changes in technology, environmental factors, and sales conditions can cause fluctuations in the value of inventory, which affects the inventory valuation of Speed Tech Corporation. SPEED TECH Corporation assesses the net realizable value of inventory by making

judgments and estimates. It identifies the net realizable value of each inventory item and compares it with its cost, taking into account the usability of long-term inventory. Based on this, the company records inventory valuation losses. As inventory amounts are significant and the valuation process involves judgment, the auditor considers inventory valuation to be one of the most critical audit matters.

### **Corresponding audit program**

The specific procedures performed by our auditor in response to the key audit matters mentioned above are summarized as follows:

1. Obtain the inventory valuation policy, evaluate its provision policy, and confirm the adoption of the inventory valuation policy during the financial statement period.
2. Conduct end-of-period physical inventory observation to identify obsolete, damaged, or unsalable inventory.
3. Obtain the inventory aging report, perform inventory aging testing, sample and check inventory transaction records for selected inventory part numbers, and confirm the classification of inventory aging intervals and the impact on inventory value.
4. Obtain the net realizable value report of inventory, confirm the calculation logic, and sample and test related data to the relevant valuation documents. Recalculate and compare the cost and net realizable value of each item of inventory to determine the provision for inventory valuation loss.

### **Other Matters– Mention of Other Auditor’s Audit**

Speed Tech Technology Co., Ltd. has several subsidiaries that are accounted for using the equity method and also invests in other companies using the same method. The financial statements of these subsidiaries have not been audited by the Company's auditor but rather by other auditors. Therefore, with respect to these individual financial statements, the auditor's opinion is based on the audit reports of other auditors regarding the amounts listed in the financial statements of these invested companies. As of December 31, 2022 and 2021 (i.e., 111 and 110 of the Republic of China), the Company recognized investments using the equity method in these invested companies of NT\$193,491 thousand and NT\$149,889 thousand, respectively, which represent 2.08% and 1.83% of the Company's total assets. For the year ended December 31, 2022 and 2021 and the period from January 1 to December 31, 2022 and 2021 (i.e., 111 and 110 of the Republic of China), the Company recognized comprehensive (loss) income from these invested companies of NT\$67,715 thousand and NT\$20,787 thousand, respectively, which represent 7.78% and 2.42% of the Company's comprehensive (loss) income.

### **Responsibilities of management and those charged with governance for the parent company only financial statements**

The responsibilities of management is to prepare appropriately stated parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Management is also responsible for maintaining necessary internal control relevant to the preparation of the parent company only financial statements to ensure that the parent company

only financial statements are free from material misstatement by fraud or error.

In preparing the individual financial statements, the management's responsibility also includes evaluating the ability of Speed Tech Technology Co., Ltd. to continue as a going concern, disclosure of related matters, and the adoption of the going concern basis of accounting, unless the management intends to liquidate Speed Tech Technology Co., Ltd. or cease operations, or there are no other practical alternatives to liquidation or cessation of operations.

**The governing body of Speed Tech Technology Co., Ltd. (including the audit committee) has the responsibility to oversee the financial reporting process**

The responsibility of the auditor in auditing the individual financial statements is to obtain reasonable assurance about whether the individual financial statements as a whole are free from material misstatement due to fraud or error, and to issue an audit report. Reasonable assurance is a high level of assurance, but the audit work performed in accordance with the auditing standards of the Republic of China cannot guarantee that all material misstatements due to fraud or error will be detected.

Misstatements may arise from fraud or error. If the individual amount or the aggregate amount of misstatements is reasonably expected to influence the economic decisions of users made based on the individual financial statements, they are considered to be material.

When auditing in accordance with the Generally Accepted Auditing Standards of the Republic of China, the accountant utilizes professional judgment and skepticism. The accountant also performs the following tasks:

1. Identifying and assessing significant risks of material misstatement due to fraud or error in the individual financial statements; designing and implementing appropriate responses to the assessed risks; and obtaining sufficient and appropriate audit evidence as the basis for the audit opinion. Because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal controls, the risk of material misstatement due to fraud is higher than that due to error if fraud is not detected.
2. Obtaining a necessary understanding of the internal controls related to the audit and designing appropriate audit procedures based on the circumstances at that time, but not expressing an opinion on the effectiveness of the internal controls of Advancetek Corporation.
3. Evaluating the appropriateness of the accounting policies adopted by management and the reasonableness of the accounting estimates and related disclosures made.
4. Based on the audit evidence obtained, concluding on the appropriateness of management's use of the going concern basis of accounting and whether events or conditions exist that cast significant doubt on Advancetek Corporation's ability to continue as a going concern. If the accountant believes that such events or conditions give rise to significant uncertainty, the accountant must draw attention to the relevant disclosures of the individual financial statements in the audit report or modify the audit

opinion if such disclosures are inappropriate. The accountant's conclusion is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause Advancetek Corporation to no longer have the ability to continue as a going concern.

5. Evaluate the overall expression, structure, and content of the individual financial statements (including related notes), as well as whether the individual financial statements are allowed to express related transactions and events.
6. Obtain sufficient and appropriate audit evidence for the financial information of each individual component of Inventec Corporation to express an opinion on the individual financial statements. The auditor is responsible for guiding, supervising, and executing individual audit cases, and is responsible for forming an audit opinion on the individual financial statements.

The matters that the auditor communicates with the governance unit include the planned scope and timing of the audit, as well as significant audit findings (including significant internal control deficiencies identified during the audit process).

The auditor also provides the governance unit with a statement that the personnel of the accounting firm to which the auditor belongs have followed the independence requirements in the Code of Professional Ethics for Certified Public Accountants of the Republic of China and communicates with the governance unit all relationships and other matters (including related protective measures) that may be considered to affect the independence of the auditor.

From the matters communicated with the governance unit, the auditor determines the key audit matters for the audit of the individual financial statements of Inventec Corporation for the year 2022. The auditor describes these matters in the audit report unless the law prohibits the disclosure of specific matters or in extremely rare circumstances, the auditor decides not to communicate certain matters in the audit report because it can be reasonably expected that the negative impact of such communication outweighs the public interest it enhances.

P W C T a i w a n

Lin, Chia-Hung

Accountant

Huang, Shih-Chun

Financial Supervisory Commission  
Approval certificate No:  
Tzu No. 1080323093

Tzu No.1050029449

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SPEED TECH TECHNOLOGY CO., LTD.  
Balance Sheet of the Entity  
As of December 31, 2022 and 2021

Unit: NT thousand dollar

	Assets	Notes	December 31, 2022		December 31, 2021	
			Amount	%	Amount	%
<b>current assets:</b>						
1100	Cash and cash equivalents	6(1)	\$ 295,198	3	\$ 509,882	6
1136	Financial assets at amortized cost - current	6(1) and 8	4,500	-	4,500	-
1150	Notes receivable - net	6(3)	1,741	-	-	-
1170	Accounts receivable - net	6(3)	772,398	9	782,523	10
1180	Accounts receivable - related parties - net	6(3) and 7(3)	584,582	6	379,349	5
1200	Other receivables		11,594	-	12,922	-
1210	Other receivables - related parties	7(3)	9,129	-	7,914	-
130X	Inventory	6(4)	300,035	3	318,407	4
1410	Prepayments		1,689	-	1,615	-
1470	Other current assets		3,073	-	925	-
11XX	<b>Total current assets</b>		<b>1,983,939</b>	<b>21</b>	<b>2,018,037</b>	<b>25</b>
<b>Non-current assets:</b>						
1517	Financial assets at fair value through other comprehensive income - non-current	6(2)	-	-	3,256	-
1535	Financial assets measured at amortized cost - non-current		63,880	1	57,438	1
1550	Investments accounted for using the equity method	6(5) and 7(3)	6,225,490	67	5,021,736	61
1600	Property, plant and equipment	6(6), 7(3) and 8	811,234	9	833,467	10
1755	Right-of-use assets	6(7)	6,414	-	9,431	-
1760	Net investment in property held for rental	6(9) and 8	112,434	1	113,708	1
1780	Intangible assets		3,569	-	948	-
1840	Deferred tax assets	6(28)	69,946	1	82,817	1
1900	Other non-current assets	6(10)(15)	46,663	-	64,291	1
15XX	<b>Total non-current assets</b>		<b>7,339,630</b>	<b>79</b>	<b>6,187,092</b>	<b>75</b>
1XXX	<b>Total assets</b>		<b>\$ 9,323,569</b>	<b>100</b>	<b>\$ 8,205,129</b>	<b>100</b>

(Continued)

SPEED TECH TECHNOLOGY CO., LTD.  
Balance Sheet of the Entity  
As of December 31, 2022 and 2021

Unit: NT thousand dollar

Liabilities and Equity	Notes	December 31, 2022			December 31, 2021		
		A m o u n t	%	A m o u n t	%		
<b>Current Liabilities</b>							
2100 Short-term loans	6(11)	\$ 2,101,701	22	\$ 1,548,959	19		
2110 Notes payable - short-term		99,939	1	49,889	1		
2120 Financial liabilities at fair value through profit or loss - current		1,060	-	180	-		
2130 Current portion of long-term contract liabilities	6(21)	263	-	2,141	-		
2170 Accounts payable		340,979	4	305,035	4		
2180 Accounts payable - related parties	7(3)	526,186	6	639,344	8		
2200 Other payables	6(12)	157,743	2	164,356	2		
2220 Other payables - related parties	7(3)	6,467	-	43,064	-		
2230 Current income tax liabilities	6(28)	17,082	-	14,988	-		
2280 Lease liabilities - current		3,095	-	3,043	-		
2320 Current maturities of long-term borrowings	6(13)(14)	1,016,057	11	30,000	-		
2399 Other current liabilities - others	7(3)	6,836	-	7,499	-		
<b>21XX Total current liabilities</b>		<b>4,277,408</b>	<b>46</b>	<b>2,808,498</b>	<b>34</b>		
<b>Non-current liabilities</b>							
2530 long-term notes payable	6(13)	-	-	974,075	12		
2540 long-term loans	6(14)	160,000	2	190,000	3		
2570 deferred income tax liabilities	6(28)	649,713	7	502,054	6		
2580 non-current lease liabilities		3,505	-	6,390	-		
<b>25XX Total non-current liabilities</b>		<b>813,218</b>	<b>9</b>	<b>1,672,519</b>	<b>21</b>		
<b>2XXX Total liabilities</b>		<b>5,090,626</b>	<b>55</b>	<b>4,481,017</b>	<b>55</b>		
<b>Equity</b>							
Share capital	6(17)						
3110 Share capital - common stock		1,708,395	18	1,702,019	21		
Capital surplus	6(18)						
3200 Capital surplus		326,931	3	277,907	2		
Retained earnings	6(19)						
3310 Legal reserve		245,911	3	159,523	2		
3320 Special surplus reserve		115,912	1	109,659	1		
3350 Retained earnings		1,862,712	20	1,599,546	20		
Other equity	6(20)						
3400 Other equity		( 26,918)	-	( 124,542)	( 1)		
<b>3XXX Total Equity</b>		<b>( 4,232,943)</b>	<b>45</b>	<b>3,724,112</b>	<b>45</b>		
(9) Significant Contingent Liabilities and Unrecognized Contractual Commitments	9						
Subsequent events of material importance	11						
<b>3X2X total liabilities and equity</b>		<b>\$ 9,323,569</b>	<b>100</b>	<b>\$ 8,205,129</b>	<b>100</b>		

Please refer to notes of parent company only financial statements provided at the end, which is part of this parent company only financial report.

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Supervisor : Lin, Hong-Sheng

SPEED TECH TECHNOLOGY CO., LTD.  
Income Statement of the Entity

For the year ended on December 31, 2022 and December 31, 2021

Unit: NT thousand dollar  
(except earnings per share of NT\$)

Item	Notes	Year 2022			Year 2021		
		Amount		%	Amount		%
4000 Revenue from operations	6(21) and 7						
	(3)	\$ 3,216,387	100		\$ 2,827,617	100	
5000 Operating cost	6(4)(26) and 7(3)	( 2,926,715)	( 91)	( 2,574,480)	( 91)		
5900 Operating gross profit		289,672	9		253,137	9	
5910 Unrealized gain from sales		( 15,417)	-	( 5,521)	-		
5920 Realized gain from sales		5,521	-		14,465	-	
5950 Net gross profit		279,776	9		262,081	9	
Operating expenses	6(27) and 7(3)						
6100 Selling expenses		( 58,992)	( 2)	( 64,543)	( 2)		
6200 Management expense		( 121,267)	( 4)	( 120,919)	( 4)		
6300 Research and development expenses.		( 72,362)	( 2)	( 67,575)	( 3)		
6450 Expected credit gain (loss)	12(2)	847	-	( 4,641)	-		
6000 Total operating expenses		( 251,774)	( 8)	( 257,678)	( 9)		
6900 Operating profit		28,002	1	4,403	-		
Non-operating income and expenses							
7100 Interest revenue	6(22)	3,631	-	2,415	-		
7010 Other revenue	6(23) and 7(3)	37,886	1	26,089	1		
7020 Other gains and losses	6(24) and 7(3)	17,372	-	18,947	-		
7050 Finance costs	6(25)	( 43,967)	( 1)	( 27,862)	( 1)		
7070 Share of profit or loss of subsidiaries, associates, joint ventures accounted for using the equity method	6(5)						
		893,959	28	1,008,816	36		
7000 Total non-operating income and expenses		908,881	28	1,028,405	36		
7900 <b>Profit before tax</b>		936,883	29	1,032,808	36		
7950 Income tax expense	6(28)	( 155,763)	( 5)	( 171,256)	( 6)		
8200 <b>Net profit for the period</b>		\$ 781,120	24	\$ 861,552	30		

(Continued on next page)

**SPEED TECH TECHNOLOGY CO., LTD.**  
**Income Statement of the Entity**  
For the year ended on December 31, 2022 and December 31, 2021

Unit: NT thousand dollar

(except earnings per share of NT\$)

Item	Notes	Y e a r 2 0 2 2	Y e a r 2 0 2 1
		A m o u n t	A m o u n t
		%	%
<b>Other comprehensive income (net)</b>			
<b>Items not to be reclassified into profit or loss</b>			
8311	Remeasurements of defined benefit pension plans 6(15)	\$ 4,650	\$ 2,833
8316	Unrealized gains and losses on equity instruments at fair value through other comprehensive income. 6(20)	( 2,983)	-
8330	The share of other comprehensive income recognized under the equity method for subsidiaries, affiliated companies, and joint ventures is not reclassified to items in the income statement.	( 894)	( 106)
8349	Income tax related to items not reclassified to profit or loss 6(28)	( 930)	( 563)
8310	Total amount of items not reclassified to profit or loss	( 157)	2,164
<b>Items may be subsequently reclassified to profit/loss</b>			
8361	Exchange difference for conversion of financial statements of foreign operating institutions 6(20)	83,959	3
8380	Share of other comprehensive income of subsidiaries, associates, joint ventures accounted for using equity method - may be subsequently reclassified to profit/loss	22,323	1 ( 7,120)
8399	Income tax of items that may be reclassified	( 16,792)	( 1) ( 259)
8360	Total amount of items that may be reclassified to profit or loss in the future.	89,490	3 ( 6,087)
8300	<b>Other comprehensive income (net)</b>	<u>\$ 89,333</u>	<u>3</u> <u>( \$ 3,923)</u>
8500	<b>Total comprehensive income for this reporting period</b>	<u>\$ 870,453</u>	<u>27</u> <u>\$ 857,629</u> <u>30</u>
9750	Basic earnings per share Net profit for the period 6(29)	<u>\$ 4.60</u>	<u>5.11</u>
9850	Diluted earnings per share Net profit for the period 6(29)	<u>\$ 4.34</u>	<u>4.81</u>

Please refer to notes of parent company only financial statements provided at the end, which is part of this parent company only financial report.

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Supervisor : Lin, Hong-Sheng

SPEED TECH TECHNOLOGY CO., LTD.  
Statement of Changes in Equity  
for the year ended December 31, 2022 and January 1 to December 31, 2021

Unit: NT thousand dollar

R e t a i n e d e a r n i n g s o f t h e r e q u i t y										
國外營運機構財務報表換算之兌換差額										
Unrealized gains Exchange (losses) on differences on financial assets the translation measured at fair value through statements of other comprehensive income										
	Notes	Share capital - common stock	Capital surplus	Legal reserve	Special surplus reserve	Retained earnings	Foreign operations	Comprehensive income	Employee compensation	Total equity
<b>Year 2021</b>										
January 1, 2021 balance		\$ 1,693,550	\$ 200,563	\$ 85,175	\$ 105,016	\$ 1,170,280	(\$ 109,573 )	(\$ 86 )	(\$ 32,346 )	\$ 3,112,579
Net Current profit (loss)							861,552			861,552
Current other comprehensive profit/loss	6(20)	-	-	-	-		2,328	( 6,087 )	( 164 )	( 3,923 )
Total comprehensive profit(loss) for this reporting period							863,880	( 6,087 )	( 164 )	857,629
Appropriation of earnings and Distribution for the year 2020	6(19)									
Appropriation to legal reserve		-	-	74,348	-	( 74,348 )	-	-	-	-
Appropriation to special earnings reserve		-	-	-	4,643	( 4,643 )	-	-	-	-
Cash dividend for common stock		-	-	-	-	( 355,623 )	-	-	-	( 355,623 )
Employee stock option exercise	6(17)	9,669	28,137	-	-	-	-	-	-	37,806
Issuance of convertible bonds	6(13)	-	30,500	-	-	-	-	-	-	30,500
Cancellation of new shares with restricted employee rights.	6(17)	( 1,200 )	( 3,961 )	-	-	-	-	-	3,961	( 1,200 )
Share-based payment costs of new shares with restricted employee rights.	6(16)	-	-	-	-	-	-	-	19,753	19,753
Share-based payment costs of subsidiary employees' stock options.	6(16)	-	11,112	-	-	-	-	-	-	11,112
Differences between actual acquisition or disposal price of subsidiary shares and their book values.		-	2,524	-	-	-	-	-	-	2,524
Recognition of capital surplus of associated companies based on percentage of ownership.		-	( 91 )	-	-	-	-	-	-	( 91 )
The changes in the equity of associated companies from variation in net asset value resulting from the failure to subscribe in proportion to the shareholding percentage.		-	9,123	-	-	-	-	-	-	9,123
December 31, 2021 balance		\$ 1,702,019	\$ 277,907	\$ 159,523	\$ 109,659	\$ 1,599,546	(\$ 115,660 )	(\$ 250 )	(\$ 8,632 )	\$ 3,724,112
<b>Year 2022</b>										
January 1, 2022 balance		\$ 1,702,019	\$ 277,907	\$ 159,523	\$ 109,659	\$ 1,599,546	(\$ 115,660 )	(\$ 250 )	(\$ 8,632 )	\$ 3,724,112
Net Current profit (loss)		-	-	-	-		781,120			781,120
Current other comprehensive profit/loss	6(20)	-	-	-	-		3,324	89,490	( 3,481 )	89,333
Total comprehensive income for this reporting period							784,444	89,490	( 3,481 )	870,453
Appropriation of earnings and Distribution for the year 2021	6(19)									
Appropriation to legal reserve		-	-	86,388	-	( 86,388 )	-	-	-	-
Appropriation to special earnings reserve		-	-	-	6,253	( 6,253 )	-	-	-	-
Cash dividend for common stock		-	-	-	-	( 425,654 )	-	-	-	( 425,654 )
Employee stock option exercise	6(17)	6,956	19,103	-	-	-	-	-	-	26,059
Cancellation of new shares with restricted employee rights.	6(17)	( 580 )	( 1,732 )	-	-	-	-	-	1,732	( 580 )
Share-based payment costs of new shares with restricted employee rights.	6(16)	-	-	-	-	-	-	-	6,900	6,900
Share-based payment costs of subsidiary employees' stock options.	6(16)	-	31,641	-	-	-	-	-	-	31,641
Recognition of capital surplus of associated companies based on percentage of ownership.		-	12	-	-	-	-	-	-	12
Disposal Equity instrument with no open quotes measured at fair value in equity instruments	6(2)	-	-	-	( 2,983 )	-	-	2,983	-	-
December 31, 2022 balance		\$ 1,708,395	\$ 326,931	\$ 245,911	\$ 115,912	\$ 1,862,712	(\$ 26,170 )	(\$ 748 )	\$ -	\$ 4,232,943

Please refer to notes of parent company only financial statements provided at the end, which is part of this parent company only financial report.

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Supervisor :  
Lin, Hong-Sheng

**SPEED TECH TECHNOLOGY CO., LTD.**  
**Statement of Cash Flows for an Individual Entity**  
**For the year ended on December 31, 2022 and December 31, 2021**  
**Unit: NT thousand dollar**

	Notes	Year 2022	Year 2021
<b>Cash flows from operating activities</b>			
Net profit before tax for the period		\$ 936,883	\$ 1,032,808
Adjustment item			
Revenue, expense, and lossExpected credit impairment loss items			
Expected credit impairment loss	12(2)	( 847 )	4,641
Property, plants, and equipment depreciation	6(26)	71,974	75,743
Depreciation expense of investment properties.	6(26)	1,071	909
Depreciation expense of Right-of-Use Assets	6(26)	3,025	2,966
Intangible asset amortization cost	6(26)	637	513
Interest expense	6(25)	43,967	27,862
Interest revenue	6(22)	( 3,631 )	( 2,415 )
Share-based payment expenses.	6(16)	6,900	19,753
disposal and scrapping of real estate, factories, and equipment gains (losses)	6(24)	( 209 )	( 275 )
Gain (loss) on remeasurement of investments accounted for using the equity method upon obtaining control.		- ( 21,361 )	
Gain (loss) on remeasurement of investments accounted for using the equity method upon loss of significant influence.		- ( 2,526 )	
reclassification of real estate, factories, and equipment as costs and expenses		295	2,928
Share of profit or loss of subsidiaries, associates, joint ventures accounted for using the equity method	6(5)	( 893,959 )	( 1,008,816 )
Net gain (loss) on financial assets and liabilities at fair value through profit or loss.	6(24)	880	( 120 )
unrealized (realized) benefits between affiliated companies		9,896	( 8,944 )
<b>Changes in assets/liabilities related to operating activities</b>			
Net changes in assets related to operating activities			
Net amount of accounts receivable		( 1,741 )	- ( 125,676 )
Net accounts receivable		10,972	( 122,183 )
Accounts receivable - related parties		( 205,233 )	( 6,148 )
Other receivables		1,328	( 8,022 )
Other accounts receivable - related parties		( 1,215 )	( 148,540 )
Inventory		18,372	( 1,049 )
Advance payments		( 74 )	( 372 )
Other current assets		( 2,008 )	( 2,140 )
Other non-current assets		1,973	
Net changes in liabilities related to operating activities			
Contractual liabilities - current		( 1,878 )	( 30 )
Accounts payable		35,944	( 44,214 )
Accounts payable - related parties		( 113,158 )	( 197,947 )
Other accounts payable		37,356	( 36,948 )
Other payables - related parties.		( 36,597 )	( 43,064 )
Other current liabilities		( 663 )	( 3,595 )
<b>cash outflow generated from operations</b>			
Income taxes paid		( 79,740 )	( 16,200 )
Interest received		( 10,861 )	( 7,653 )
Net cash inflows from operating activities		3,631	( 2,415 )
		( 86,970 )	( 21,438 )

(Continued on next page)

SPEED TECH TECHNOLOGY CO., LTD.  
Statement of Cash Flows for an Individual Entity  
For the year ended on December 31, 2022 and December 31, 2021  
Unit: NT thousand dollar

Cash flow from investing activities

Financial assets measured at amortized cost (increase) - acquisition of investments accounted for using the equity method, including establishment of subsidiaries and purchase from external parties	(\$	6,442 )	(\$	650 )
Financial assets measured at amortized cost (increase) - acquisition of investments accounted for using the equity method, including establishment of subsidiaries and purchase from external parties	(	250,000 )	(	128,366 )
Dividends received from investments	7(3)	67,349	41,301	
accounted for using the equity method.				
Acquisition of property, plants, and equipment		( 88,921 )	( 72,902 )	
Disposal of property, plants, and equipment		12,535	7,690	
Acquisition of right-of-use assets.		-	( 200 )	
Acquisition of intangible assets		( 2,358 )	( 56 )	
increase or decrease in advance payments for equipment		1,233	( 30,342 )	
Decrease (increase) in guarantee deposits paid		691	( 17 )	
Net cash outflows from investment activities		( 265,913 )	( 183,542 )	

Cash flows from financing activities

Proceeds from short-term borrowings	6(31)	17,887,271	7,392,350
Repayment of Short-term loans	6(31)	( 17,334,529 )	( 7,646,743 )
Increase in short-term notes and bills payable	6(31)	725,050	289,238
Short term notes payable(decreased)	6(31)	( 675,000 )	( 379,215 )
Issuance of convertible bonds	6(31)	-	995,000
Payments of long-term borrowings	6(31)	( 30,000 )	( 30,000 )
Payment of lease liabilities principal	6(31)	( 3,041 )	( 2,939 )
Cash dividends paid	6(31)	( 425,654 )	( 355,623 )
Interest paid		( 31,237 )	( 17,736 )
Cash received from employees exercising stock options	6(16)	26,059	37,806
Receipts from refund of subscription price for restricted stocks to employees		( 720 )	( 1,200 )
Net cash inflows from fundraising activities		138,199	280,938
Net increase (decrease) in cash and cash equivalents for the current period		( 214,684 )	75,958
Opening balance of cash and cash equivalents	6(1)	509,882	433,924
Closing balance of cash and cash equivalents	6(1)	\$ 295,198	\$ 509,882

Please refer to notes of parent company only financial statements provided at the end, which is part of this parent company only financial report.

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Supervisor : Lin,  
Hong-Sheng

## Attachment IV

### SPEED TECH CORP. 2022 Annual Earnings Distribution Table

Items	Amount	Unit: NT \$
Beginning retained earnings		1,081,250,686
Plus: actuarial gains and losses to changes in the current period and adjustments to other retained earnings		342,258
Plus: net income after tax this year		781,119,391
Less: 10% of legal reserve		(78,146,165)
Less: special reserves		(88,994,432)
Distributable net profit		1,695,571,738
Distributable items:		
Shareholders' Dividends-Cash (temporarily set as NT\$ 1.84 per share)		314,364,920
Unappropriated retain earnings		1,381,206,818

Note: calculated by the number of outstanding shares 170,850,500 in the end of February, 2023.

Chairman: TSAI, CHEN-LUNG    Manager: TSAI, CHEN-LUNG    Director of Accounting : LIN,  
HUNG-SHENG

## Attachment V

Speed Tech Corp.

Loans to others

Year ended December 31, 2021

Table 1

No.	(Note 1)	Creditor	Borrower	Maximum												Limit on loans	Ceiling on total loans
				General ledger	Is a related party	December 31, 2021	Balance at the year ended	Actual amount	Nature of loan	with the reason	for short-term transactions	Loss	Collateral	a single party			
1	Taihan Precision Technology Co., Ltd.	TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	Other receivables-related parties	Y	\$ 57,062	\$ 55,380	\$ -	\$ -	Short-term financing	\$ -	Operating needs	\$ -	No	-	\$ 619,626	\$ 774,532	Note 2
2	TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	Taihan Precision Technology (Dongguan) Co., Ltd.	Other receivables-related parties	Y	57,062	55,380	13,845	-	Short-term financing	-	Operating needs	-	No	-	619,626	774,532	Note 2 and 3
2	TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	TAIHAN PRECISION TECHNOLOGY (PHILIPPINES) CO., INC.	Other receivables-related parties	Y	142,655	138,450	27,690	-	Short-term financing	-	Operating needs	-	No	-	248,679	774,532	Note 2 and 4

2	TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	TAIHANLAND (PHILIPPINES) INC.	Other receivables-related parties	Y	171,186	166,140	55,380	-	Short-term financing	-	Operating needs	-	No ne	248,679	774,532	Note 2 and 4
3	Dongguan Leader Precision Industry Co., Ltd	Luxshare Precision Industry Co., Ltd.	Other receivables-related parties	Y	55,362	55,362	55,362	-	Short-term financing	587,585	-	-	No ne	424,368	424,368	Note 2 and 6

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is '0'

(2) The subsidiaries are numbered in order starting from '1'.

Note 2: According Taihan Precision Co., Ltd.'s article 5 of the Operational Procedures for Loans to Others::

(1) The Company's total lending amount must not exceed 50% of the net assets disclosed in the Company's latest audited financial statements .

(2) The loans for short-term financing purpose must not exceed 40% of the net assets disclosed in the Company's latest audited financial statements .The individual loan amount must not exceed 10% of the net assets of the company's latest audited financial statements .

When the object of the loan is a subsidiary of the company (including the subsidiary company that is indirectly reinvested), it must not exceed 40% of the company's net assets.

Note 3: The loan for the subsidiary company that directly and indirectly holds 100% of the voting rights, the individual loan amount and the total loan amount shall not exceed 40% of the net assets of the latest audited financial statement of Taihan Precision Co., Ltd.

The total loan amount shall not exceed 50% of the net assets of Taihan Precision's latest audited financial statement.

Note 4: The loans for TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD 's short-term financing purpose must not exceed 40% of the net assets disclosed in the TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD 's latest audited financial statements .

The individual loan amount must not exceed 20% of the net assets of the TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD 's latest audited financial statements .

Note 5: The above transactions are related party traders and have been eliminated in the consolidated statements.

Note 6: In accordance with Article 9 of the Operational Procedures for Loans to Others:

The company ceiling on total loans granted to all parties is 40% of the net assets value per the latest audited or reviewed financial statements .

For those who have business dealings with the company, the individual loan amount should refer to the company and its purchase or sales amount, whichever is higher when the loan in the latest year or the current year.

## Attachment VI

### SPEED TECH CORP.

### Comparison Table for the Article of Incorporation Before and After Revision

Before Amendments	After Amendments	Basis and Reasons for Revision
<p>Article 13</p> <p>The Company has 7 to 9 directors, and <u>3 supervisors</u>, and a candidates nomination system is adopted by the Company, directors and supervisors shall be elected among capable people in the board of directors, the board of shareholders elects those from among those who can act for a term of 3 years, but he/she may be eligible for re-election. During office, the Company shall be legally liable to purchase liability insurance for its business scope. The total shareholdings of all directors <u>and supervisors</u> shall be following the regulations of the competent securities authority.</p>	<p>Article 13</p> <p>The Company has 7 to 11 directors. The Company adopts the candidate nomination system. The board of shareholders elects those from among those who can act for a term of 3 years. During office, the Company shall be legally liable to purchase liability insurance for its business scope. The total shareholding ratio of all directors shall be following the regulations of the competent securities authority.</p>	In response to corporate governance, planned to add number of directors.
<p>Article 19</p> <p>To encourage employees and management team, after recovered loss, the Company deducted profit before allotting employees' remuneration and directors' and supervisors' remuneration in accordance with profit before tax of the current year, if there is still balance, the Company shall appropriate 105% as employees' remuneration, and not more than 3% as directors' and supervisors' remuneration.</p> <p>Employees' remuneration shall be paid by stocks or cash, directors' and supervisors' remuneration only can be paid by cash, and upon adoption a resolution by a majority voting of the directors present at a meeting of its board of directors attended by two-thirds of the directors of the Company, and it shall be reported to a shareholders' meeting.</p>	<p>Article 19</p> <p>To encourage employees and management team, after recovered loss, the Company deducted profit before allotting employees' remuneration and directors' and supervisors' remuneration in accordance with profit before tax of the current year, if there is still balance, the Company shall appropriate 105% as employees' remuneration, and not more than 3% as directors' and supervisors' remuneration.</p> <p>Employees' remuneration shall be paid by stocks or cash, directors' and supervisors' remuneration only can be paid by cash, and upon adoption a resolution by a majority voting of the directors present at a meeting of its board of directors attended by two-thirds of the directors of the Company, and it shall be reported to a shareholders' meeting.</p>	The texts were amended.
<p>Article 22</p> <p>This Article of Incorporation was made on 4 October 1990.</p> <p>(1st to 25th amendments were omitted.)</p>	<p>Article 22</p> <p>This Article of Incorporation was made on 4 October 1990.</p> <p>(1st to 25th amendments were omitted.)</p> <p>26th amendment was made on <u>14 June 2023</u>.</p>	In response to amendments, the history was amended.

# Attachment VII

## SPEED TECH CORP. Remuneration Received by Directors and Remuneration Policy

Title	Name	Directors' Remuneration						Four items, like A, B, C and D, total amount and the ratio of net profit after tax (%) (Note 10)		Relevant remuneration received by concurrent employees						Seven items, like A, B, C D, E, F and G, total amount and the ratio of net profit after tax (%) (Note 10)		Remuneration received by reinvestment company other than the subsidiary or parent company (Note 11)				
		Remuneration (A) (Note2)		Pension of retirement (B)		Directors' remuneration (C) (Note3)		Business execution expenses (D) (Note4)		Salary, bonus and special allowance, etc. (E) (Note 5)		Pension of retirement (F)		Employees' remuneration (G) (Note 6)								
		The Company	All companies in financial statements (Note 7)	The Company	All companies in financial statements (Note 7)	The Company	All companies in financial statements (Note 7)	The Company	All companies in financial statements (Note 7)	The Company	All companies in financial statements (Note 7)	The Company	All companies in financial statements (Note 7)	The Company	All companies in financial statements (Note 7)	The Company	All companies in financial statements (Note 7)					
Director	Hong Kong Lian Tao Electronics Co., Ltd	0	0	0	0	1,128	1,128	0	0	1,128 0.14	1,128 0.14	0	0	0	0	0	0	1,128 0.14	1,128 0.14	None		
Director	FORTUNE SHARE CORPORATION	0	0	0	0	2,444	2,444	0	0	2,444 0.31	2,444 0.31	0	0	0	0	0	0	2,444 0.31	2,444 0.31	None		
Chairman	Representative of FORTUNE SHARE CORPORATION: Zhen-Long Cai	0	0	0	0	0	0	20	20	20 0.00	20 0.00	1200	1200	0	0	0	0	1,220 0.16	1,220 0.16	None		
Director	FORTUNE SHARE CORPORATION	0	0	0	0	0	0	26	26	26 0.00	26 0.28	0	0	0	0	0	0	26 0.00	26 0.28	None		
Chairman	Representative of Hong Kong Lian Tao Electronics Co., Ltd: Zhen-Long Cai	0	0	0	0	0	0	0	0	0 0.00	0 0.00			0	0	0	0	0 0.00	0 0.00	None		
Director	Representative of Hong Kong Lian Tao Electronics Co., Ltd: Yi-Ling, Yeh	0	0	0	0	0	0	3	3	3 0.00	3 0.00	0	0	0	0	0	0	3 0.00	3 0.00	None		
Director	Representative of Hong Kong Lian Tao Electronics Co., Ltd: Chun-Shi, Shen	0	0	0	0	0	0	20	20	20 0.00	20 0.00	1,837	1,837	108	108	0	0	0	0	1,857 0.24	1,857 0.24	None
Director	Representative of Hong Kong Lian Tao Electronics Co., Ltd: Chao-Jen, Huang	0	0	0	0	0	0	22	22	22 0.00	22 0.00	0	0	0	0	0	0	22 0.00	22 0.00	None		
Director	Representative of Hong Kong Lian Tao Electronics Co., Ltd: Chia-Hen, Tsai	0	0	0	0	0	0	20	20	20 0.00	20 0.00	0	0	0	0	0	0	20 0.00	20 0.00	None		
Director	Guo-Ji Fan (Resigned on June 24, 2022)	0	0	0	0	0	0	0	0	0 0.00	0 0.00	0	0	0	0	0	0	0 0.00	0 0.00	None		
Director	Hwa Wei Investment Co., LTD. (New elected on June 24, 2022)	0	0	0	0	1,128	1,128	0	0	1,128 0.14	1,128 0.14	0	0	0	0	0	0	1,128 0.14	1,128 0.14	None		
Director	Representative of Hwa Wei Investment Co., LTD. : Jung-Hueh, Shi	0	0	0	0	0	0	23	23	23 0.00	23 0.00	0	0	0	0	0	0	23 0.00	23 0.00	None		
Independent director	Ho-Bo Chan	220	220	0	0	1,128	1,128	42	42	1,390 0.18	1,390 0.18	0	0	0	0	0	0	1,390 0.18	1,390 0.18	None		
Independent director	Ding-Jun Zhong	220	220	0	0	1,128	1,128	42	42	1,390 0.18	1,390 0.18	0	0	0	0	0	0	1,390 0.18	1,390 0.18	None		
Director	Chun-Yi, Lin (New elected on June 24, 2022)	162	162	0	0	1,128	1,128	26	26	131 0.17	1318 0.17	0	0	0	0	0	0	131 0.17	1318 0.17	None		

1. Please explain Directors' remuneration payment policy, system, standard and structure, and relevance of remuneration payment amount in accordance with factors, like responsibility, risk and engaged time, etc. Remuneration received by the Company's directors and independent directors shall be conducted in accordance with the Company's Article of Incorporation. The Article of Incorporation has specified that if the Company has profits, shall appropriate 3% or less of directors' remuneration, and compliance of directors' remuneration performance reasonableness mainly considers the board of directors' performance assessment measure and procedures, the Company's overall operational performance, industrial future operation needs and development. Refer to personal contribution for the Company's operation, reasonable remuneration shall be paid, and after professionally suggested by compensation committee, approved by a resolution of the board of directors, and shall be reported to the shareholders' meeting.

2. Except the disclosure in the table above, remuneration of received as the Company's directors provided service in the (for example, served as consultant of non-employee in parent company/all companies in financial statements/reinvestment company) latest year: none.

## Appendix I

### SPEED TECH CORP. Articles of Incorporation

#### 2. Remuneration Policy

Correlation of the Company's paying remuneration policy, standard an composition, procedure of setting remuneration, business performance and future risk:

- A. The Company established remuneration committee, it takes in charge of formulating the Company's overall remuneration and welfare policy and structure, directors' and managerial officers' remuneration and the pay way, reward and encourage measures of managerial officers.
- B. Remuneration receive by the Company's directors shall be conducted in accordance with the Company's Articles of Incorporation. The Articles of Incorporation has stipulated when the Company has profit, shall appropriate not more than 3% as directors' remuneration. For compliance of rationality for directors' remuneration performance policy, if considering method and procedure of the board of directors' performance evaluation, the Company's overall business performance, industry future operational needs and development, and referring to a person's contribution for the Company's operation, the Company gives reasonable remuneration, and remuneration committee gives professional suggestion, after approved a resolution of the meeting of board of directors, and it shall be reported to a shareholders' meeting.
- C. The appointment, discharge and remuneration of the Company's general manager and vice general manager shall be conducted in accordance with the Company's regulations and after approved by the meeting of board of directors. Payment remuneration standard shall be made by the Company's human resource department in accordance with the Company's regulations of personnel performance appraisal, if personal performance achieves the goal of managerial officer, the Company's profit achieves the contribution for the Company's overall operation, etc., and referring to standard principle in the same industry of market to determine, after a resolution of remuneration committee, it shall be proposed to the meeting of board of directors, and approved by the meeting of board of directors.
- D. According to personal ability, correlation of the Company's remuneration policy and participation for the Company, performance and business performance becomes positive correlation. Overall remuneration composition mainly includes three parts of basic salary, bonus and employees' remuneration, welfare, etc. Remuneration payment standard, basic salary is audited by market condition of the position served by an employee; bonus and employee's remuneration is paid by connecting employee, department goal achieving or the Company's business performance; for welfare design, under the premise of meeting laws and regulations, and taking account of employees' needs, design welfare measures for letting employees to share.
- E. Correlation of future risk: the Company's remuneration payment will consider further environment change and business performance, and evaluate and adjust, and when directors and employees violate and cause damage of the Company, they shall be punished in accordance with laws and regulations when it's necessary.

# Appendix I

## SPEED TECH CORP. Articles of Incorporation

Date: June 24, 2022

Amendment approved by 2022 annual shareholders' meeting

### Chapter I General Provisions

Article 1 : This Corporation shall be incorporated, under the Company Act, and its name shall be 宣德科技股份有限公司, in the Chinese language, and Speed Tech Corp. in the English language.

Article 2: The scope of this Corporation shall be as follows:

1. CC01020 Electric wire and cable manufacturing
2. CC01060 Wired communication apparatus manufacturing machinery
3. CQ01010 Die manufacturing
4. CC01080 Electronic parts and components manufacturing
5. CA01130 Copper rolling, drawing, and extruding
6. CA02010 Metal architectural components manufacturing
7. C804020 Industrial rubber products manufacturing
8. C805050 Industrial plastic
9. I501010 Product design
10. F119010 Wholesale of electronic materials
11. CC01030 Electronic appliances and audio-visual electronic products manufacturing
12. CC01110 Computers and computing peripheral equipment manufacturing.
13. CB01010 Machinery and equipment manufacturing.

Article 2-1: This Corporation may provide endorsement and guarantee for business and investing purpose.

Article 2-2: The total amount of this Corporation's reinvestment shall not be the subject to the provisions of Article 13 of the Company Act.

Article 3: This Corporation shall have its head office in Taoyuan City, and shall be free, upon resolutions by the Board Directors, to set up branch offices within and without the territory of the Republic of China.

Article 4: (Deleted)

### Chapter II Shares

Article 5: The total capital stock of this Corporation shall be in the amount of NT\$ 4,000,000,000, divided into 400,000,000 shares, at NT\$ 10 each, and may be issued in installments, as common shares or preferred shares. The unissued shares may be issued by a resolution adopted by the Board of Directors. NT\$ 167,800,000, in the above capital amount, divided into 16,780,000 shares, at NT\$ 10 each, are reserved for issuing employee stock options, and shall be issued by installments based on the Board of Directors resolution.

Article 5-1: (Deleted)

Article 6: The treasury shares purchased by this Corporation in accordance with the Company Act may be transferred to, including but not limited to, employees of parents or subsidiaries of the Company meeting certain specific requirements set by the Board of Directors or its authorized persons.

The share subscription warrants of this Corporation may be issued to, including but not limited to, employees of parents or subsidiaries of the Company meeting certain specific requirements set by the Board of Directors or its authorized persons.

When this Corporation issues new shares, the employees entitled to subscribe for new shares may include employees of parents or subsidiaries of this Corporation meeting certain specific requirements set by the Board of Directors or its authorized persons.

The restricted stock for employees issued by this Corporation may be transferred to, including but not limited to, employees of parents or subsidiaries of the Company meeting certain specific requirements set by the Board of Directors or its authorized persons.

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### Articles of Incorporation

Article 7: This Corporation may issue shares without printing share certificate(s), and shall be in compliant with Regulations Governing Book-Entry Operations for Centrally deposited Securities.

Article 8: Registration for transfer of shares shall be suspended sixty days immediately before the date of regular meeting of shareholders, and thirty days immediately before the date of any special meeting of shareholders, or within five days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by this Corporation.

### Chapter III: Shareholders' Meeting

Article 9: Shareholders' meetings of this Corporation are of two types, namely: (1) regular meetings and (2) special meetings. Regulars meeting shall be convened, by the Board of Directors, within 6 months after the close of each fiscal year. Special meeting is held in accordance with laws if necessary. To convene a shareholders' meeting, a notice of the meeting with the consent of the addressee, the meeting notice may be given in electronic form.

Notwithstanding the foregoing, a public notice may be made in lieu of separate notice in the case of shareholders with less than 1,000 registered shares.

Article 9-1: The **convention** of the Company's shareholders' meeting, upon adoption by a resolution of the meeting of board of directors, may be held by the way of physical shareholders' meeting with a hybrid meeting, and means of visual communication network or other methods promulgated by the central competent authority. The Company shall conform **conditions, procedures and other compliant matters, and conduct in accordance with securities competent authority.**

Article 10: If a shareholder is unable to attend the shareholders' meeting, he/she may appoint a representative to attend it, and to exercise, on his/her behalf, with a proxy form printed and issued by this Corporation.

Article 11: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

Article 12: The resolutions of the shareholders' meeting, except as otherwise provided in the Company Act, shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.

The distribution of the meeting minutes and recording may be made under Article 183 of the Company Act.

Article 12-1: This Corporation, obtained the consent of a majority of the voting rights represented at least two-thirds of attending shareholders, may transfer shares to employees at less than average actual share repurchase price, or issue employee stock warrants, which exercise price may be lower than the closing price of this Corporation stocks as of the issuing date.

### Chapter IV Directors and Audit Committee

Article 13: This Corporation shall have 7 to 9 Directors and 3 Supervisors, the candidate nomination system is adopted, they shall be elected from the persons of legal ability in the shareholders' meeting. They are eligible for reelection after the term of 3 years. This Corporation shall take out Directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of occupancy. The percentage of total registered shares owned by the directors and supervisors of the company shall be prescribed by the Competent Authority.

Article 13-1: In accordance with Article 14-2 of the Securities and Exchange Act, this Corporation shall have independent Directors, whose number, to be included in the number of Directors under the preceding Article, shall be not less than two in number and not

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# SPEED TECH CORP.

## Articles of Incorporation

less than one-fifth of the total number of directors. The independent Directors shall be elected based on candidate nomination mechanism, and appointed from the candidate list by the Board of Directors. The professional qualifications, restrictions on shareholding and concurrent holding of office, determination of independence, method of nomination and election, exercise of power, and other compliance matters with respect to independent Directors shall be prescribed by the Competent Authority of Securities.

**Article 14:** The Board of Directors shall be composed of all Directors. The Chairman shall be elected from among the Directors by a majority vote at a Board of Directors meeting attended by at least two-thirds of the total number of directors. The Chairman of the Board of Directors shall have the authority to represent this Corporation.

**Article 14-1:** To convene a meeting of the Board of Directors, a notice of the meeting shall be given to each Director and Supervisor by 7 days before the meeting, provided that a meeting may be convened at any time in case of emergency. The notice of a meeting under the preceding paragraph may be given by means of writing, E-mail or fax.

**Article 15:** When the Chairman is on leave or unable to exercise his rights due to any cause, the designation shall be handled according to Article 208 of the Companies Act. When a director is unable to be present at a meeting, he may appoint another Director to act on his/her behalf, with a proxy form specifying the scope of authorization. A Director may accept only one appointment per meeting.

**Article 15-1:** The shareholders' meeting shall be convened by the Board of Directors. The Chairman shall preside as chairman at meeting. If, for any reason, the Chairman is unable to present at a meeting, he may appoint one of the Directors to take his place. In the absence of such a designation, the Directors shall elect from among themselves an acting chairman to preside at the meeting. If a shareholders' meeting is called by someone other than the Board of Directors, then the person calling the meeting shall preside at the meeting. In the event a shareholders' meeting is called by two or more persons, the chairman shall be elected from among themselves.

**Article 16:** When the Chairman, Directors and Supervisors exercise their duty for the corporation, this Corporation shall pay salary accordingly. The Board of Directors is authorized to determine the salary for them, considering the extension and value of the services provided for the management of this Corporation and the standards of the industry within R.O.C and overseas.

## Chapter V Manager

**Article 17:** This Corporation shall appoint one General Manager, and several Deputy General Managers. The appointment, removal and remuneration of such managerial officers shall be determined in accordance with Article 29 of the Company Act.

## Chapter VI Accounting

**Article 18:** At the end of each fiscal year, the Board of Directors shall make the following reports and submit to members of audit committee for audit, and submit to the general shareholders' meeting in accordance with regulations for approval.

1. Operation Report
2. Financial Statement
3. Proposal for Profit Distribution or Loss Replenishment

**Article 19:** In order to reward and encourage employees and management team, this Corporation, before paying dividends or bonuses to shareholders, shall set aside not less than 3% as profit sharing bonuses to its employees and not more than 3% of its annual profits as compensation to its directors

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### SPEED TECH CORP. Articles of Incorporation

and supervisors; provided, however, that this Corporation shall have reserved a sufficient amount to offset its accumulated losses first.

Employees' profit sharing shall be distributed by way of cash dividend and/or stock dividend. The compensation to directors and supervisors shall be distributed only in cash. Proposal of compensation shall be resolved by a majority vote at a Board of Directors meeting attended by at least two-thirds of the total number of directors and shall be reported to the shareholders' meeting. "Employees" in the preceding paragraph may include the employees of parents or subsidiaries of the company who meeting certain specific requirements.

Article 20: When allocating the surplus profits after having paid all taxes and dues for each fiscal year, the company shall first offset its losses in previous years, and set aside a legal capital reserve at 10% of the profits left over. Where such legal reserve amount to the total paid-in capital, this provision shall not apply. Aside from aforesaid legal reserve or reverse special capital reserve in accordance with relevant laws or regulations or as requested by the authorities in charge, any balance left over, unappropriated retained earnings included, shall be allocated per resolution of the shareholders' meeting which proposed by the Board of the Directors.

The policy for allocating the surplus profits shall first assign the net profit after tax for the current year. This Corporation intends to adopt a dividend policy that seeks to best balance the operating requirements and shareholder interests, a suitable dividend distribution plan may be drafted from unappropriated retained earnings from the previous year. The dividend distribution plan shall take account of the needs of future business expanding plans and the cash flow. Dividends may be distributed by way of cash dividend and/or stock dividend, of which, cash dividends shall be no less than 10% of the total dividend. Provide the aforesaid the ratio of the surplus profit and ration of cash dividend, may have adjusted depending on the actual earnings and capital position with a resolution reach in shareholders' meeting.

Where this Corporation incurs no loss, it may, pursuant to a resolution to the board of directors has authorized, by a majority vote at a Board of Directors meeting attended by at least two-thirds of the total number of directors, distribute its legal reserve (which foresaid reserve only the portion of legal reserve which exceeds 25 percent of the paid-in capital) and the capital reserve with the provision of Company Act, which in whole or in part, to shareholders by cash, and report to the most recently shareholders' meeting.

Article 21: The matters are not provided for in these Articles of Incorporation, the Company Act or other laws and regulations shall govern.

Article 22: The constitution was enacted on October 4, 1990.

The 1st Amendment was made on October 19, 1991.

The 2nd Amendment was made on January 17, 1995.

The 3rd Amendment was made on November 24, 1995.

The 4th Amendment was made on October 1, 1997.

The 5th Amendment was made on April 20, 1998.

The 6th Amendment was made on June 17, 1998

The 7th Amendment was made on April 28, 2000.

The 8th Amendment was made on May 10, 2001.

The 9th Amendment was made on May 28, 2002.

The 10th Amendment was made on June 27, 2003.

The 11th amendment was made on June 27, 2003.

The 12th amendment was made on June 16, 2004.

The 13th amendment was made on June 20, 2005.

The 14th amendment was made on June 15, 2006.

The 15th amendment was made on June 13, 2008.

The 16th amendment was made on June 19, 2009.

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### **SPEED TECH CORP.**

### **Articles of Incorporation**

The 17th amendment was made on April 23, 2010.

The 18th amendment was made on June 15, 2012.

The 19th amendment was made on June 30, 2015.

The 20th amendment was made on June 24, 2016.

The 21st amendment was made on June 28, 2017.

The 22nd amendment was made on May 31, 2018.

The 23rd amendment was made on June 26, 2019.

The 24th amendment was made on July 19, 2021.

The 25th amendment was made on June 24, 2022.

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### SPEED TECH CORP. Rules and Procedures of Shareholders' Meeting

Approved by the shareholders' meeting on 24 June 2022

Article 1 To develop a good governance system, supervision capabilities and management mechanism of the Company Board of Directors, these rules and procedures are established in accordance with Article 5 of the Taiwan "Corporate Governing Best Practice Principle for TWSE/TPEX Listed Companies".

Article 2 Unless otherwise provided by relevant laws or regulations, the Company's shareholders' meetings shall be conducted in accordance with these Rules and Procedures of Shareholders' Meetings.

Article 3 Unless otherwise provided by law or regulation, the 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 convening of the shareholders' general meeting shall be notified to the shareholders 30 days before the date or 15 days before date of a special shareholders' meeting. To notify the shareholders holding less than one thousand shares of the registered shares, the Company shall upload the information to the Market Observation Post System (MOPS).

The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders' meeting or before 15 days before the date of the special shareholders' meeting. If, however, the Company has the paid-in capital of NT\$ 10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular 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:

1. For physical shareholders' meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. 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 Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the

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### SPEED TECH CORP. Rules and Procedures of Shareholders' Meeting

shareholders' meeting. None of the above matters may be raised by an extraordinary motion.

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

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

A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

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

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

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

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

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

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

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

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### SPEED TECH CORP. Rules and Procedures of Shareholders' Meeting

shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

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

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

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts.

Shareholders completing registration will be deemed as attend the shareholders' meeting in person.

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

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

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

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

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

In the event of a virtual shareholders' meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

**Article 7** To convene a virtual shareholders' meeting, the Company shall include the following particulars in the shareholders meeting notice:

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

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shareholders meeting online, meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.

- (4) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified.

Article 8 If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders' meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one supervisor in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes. If a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

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

Article 9 The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures.

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

The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to

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### SPEED TECH CORP. Rules and Procedures of Shareholders' Meeting

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 10 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 and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the 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 6.

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 11 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.

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Article 12 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

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

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

Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply. 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 13 Voting at a shareholders' meeting shall be calculated based the number of shares.

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

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

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

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

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

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

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### SPEED TECH CORP. Rules and Procedures of Shareholders' Meeting

therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

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

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person 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 for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

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.

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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 15** The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected, and the names of directors and supervisors not elected and number of votes they received.

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

**Article 16** Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

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 or supervisors. The minutes shall be retained for the duration of the existence of the Company.

Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the 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.

**Article 17** On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event a virtual shareholders' meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During the Company's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the

## Appendix II

### SPEED TECH CORP. Rules and Procedures of Shareholders' Meeting

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

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

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

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

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

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

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

**Article 20** In the event of a virtual shareholders' meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

**Article 21** 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 22** 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 Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

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

For a meeting to be postponed or resumed under the second paragraph, the number of

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

During a postponed or resumed session of a shareholders' meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.

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

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

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

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

Article 23 When convening a virtual-only shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

Article 24 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.

Article 25 These Rules was made on 24 June 2022.

### Appendix III

## S SPEED TECH CORP. Shareholding of Directors and Supervisors

1. Total common stocks issued: 170,279,900 shares
2. In compliance with the provisions of Article 26 of the Securities Exchange Act, the minimum required combined shareholding of all directors: 10,827,274 shares

Book closure date: April 16, 2023

Title	Name	Shareholdings	Shareholdings Ratio (%)
Chairman	FORTUNE SHARE CORPORATION Representative: Zhen-Long Cai	12,352,369	7.22%
Director	FORTUNE SHARE CORPORATION Representative: Jia-de Xu	51,989,551	30.40%
Director	Hong Kong Lian Tao Electronics Co., Ltd Representative: Chia-Hen, Tsai		
Director	Hong Kong Lian Tao Electronics Co., Ltd Representative: Chun-Hsi Shen		
Director	Hwa Wei Investment Co., Ltd Representative: Jung-Hueh, Shi	8,000,000	4.68%
Independent Director	Ho-Bo Chan	0	0.00%
Independent Director	Ding-Jun Zhong	25,000	0.01%
Independent Director	Chun-Yi Lin	126,000	0.07%
Shareholdings of all Directors and Ratio		72,492,920	42.38%

Note: 1. According to Article 2 of "Rules and Review Procedures for Directors and Supervisors Share", if this Corporation has elected two or more independent directors, the share ownership figures calculated at the rates set forth in the preceding paragraph for all directors and supervisors other than the independent directors and shall be decreased by 20 percent.

2. Juristic person director Hong Kong Lian Tao Electronics Co., Ltd, representative: Chao-Jen, Huang resigned juristic person representative, on November 14, 2022, there is no designated representative now. Serena