



Formosa Optical Technology Co., Ltd.

2023 Annual General Meeting Meeting Handbook

Time: June 30, 2023 at 10:00 AM

Location: 17 F., No. 97, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City

Shareholders' meeting convening method: Physical Shareholders' meeting

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Formosa Optical Technology Co., Ltd.

2023 General Shareholders' Meeting Agenda

Time: June 30, 2023 (Friday) at 10:00 AM

Location: 17 F., No. 97, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City

I. Meeting Called to Order

II. Chairman Address

III Report Items

(I) 2022 Business Condition Report

(II) 2022 Audit Committee Review Report

(III) 2022 Employee and Director Remuneration Distribution Report

(IV) Other Items

IV. Ratification Items

(I) Proposal to ratify the 2022 Annual Financial Statements

(II) Proposal to ratify the 2022 Earnings Distribution

V. Discussion Items

VI. Adjournment

Report Items

Agenda 1

Subject: The Company's 2022 Operating Status Report

Illustration: The 2022 Business Report is attached (please refer to Attachment 1 of this Handbook; pages 4-5).

Agenda 2

Subject: The Company's 2022 Audit Committee Review Report

Illustration: The Audit Committee Review Report is attached (please refer to Attachment 2 of this Handbook; page 6).

Agenda 3

Subject: The Company's 2022 Employee and Director Remuneration Distribution Report

Illustration: Before the Company's 2022 Individual Financial Statement was issued, the pre-tax net profit totaled NT\$209,678,495, 2.5% of employees' remuneration (or NT\$5,241,963) was set aside, and the payment recipients were Company employees. 1% of the directors' remuneration (or NT\$2,096,785) was set aside. This remuneration was paid in cash, and the Chairman was authorized to handle relevant operation matters.

For the 2022 directors' remuneration, please refer to page 7 of Attachment 3 of this Handbook.

Agenda 4: Other items: None.

Ratification Items

Agenda 1 (Proposed by the board of directors)

Subject: The Company's 2022 Final Statement is submitted for ratification.

Illustration: The Company's 2022 Final Statement included the Business Report, Individual Financial Report, and Consolidated Financial Report, approved by the board of directors and audited by the Audit Committee. Please refer to pages 4-5 of Attachment 1 and pages 9-23 of Attachment 4 in this Handbook for details on the preceding reports.
Proposed for ratification.

Resolution:

Agenda 2 (Proposed by the board of directors)

Subject: The Company's 2022 earnings distribution proposal is submitted for ratification.

Illustration:

1. The Company has formulated the 2022 Net Income Disposition Report. Please refer to page 24 of Attachment 5 in this Handbook for details.
2. The cash dividend allotment proposal is NT\$4.3 per share or NT\$4,300 per thousand shares.
3. Cash dividends are calculated to the nearest dollar. The Chairman shall be authorized to distribute an amount less than one dollar.
4. If the dividend distribution is subsequently changed due to sharing capital changes in the Company, which affect the number of outstanding shares and result in a dividend rate change, the General Shareholders' Meeting shall be requested to authorize the Chairman to handle the matters according to the Company Act or the relevant laws and regulations.
5. After the resolution of this General Shareholders' Meeting is passed, the Chairman shall be authorized to set another dividend distribution base date.

Proposed for ratification.

Resolution:

Discussion Items

Adjournment

Attachment 1

Formosa Optical Technology Co., Ltd.

2022 Business Report

A. Business plan implementation results:

Unit: NT\$ Thousand

Product Type	Sales Volume			Operating Income		
	2021	2022	Increase (Decrease) %	2021	2022	Increase (Decrease) %
Glasses	5,902,454	6,362,713	7.80%	2,913,322	3,297,876	13.20%

The number of stores increased in 2022; 13 new stores were opened and the total number of business locations of the group reached 340 stores. This year, store expansion was slowed due to the impact of the Covid-19 pandemic. After the pandemic prevention measures in Taiwan were gradually lifted, consumption in the domestic retail industry increased, and the sales volume increased by 7.80% compared to that of the previous year. In addition, overall operating income increased by 13.20% compared to that of the previous year.

B. Budget implementation status:

Unit: NT\$ Thousand

Year	2022 Fiscal Year		
Category	Anticipated Number	Actual Number	Achievement Rate
Operating Income	3,351,060	3,297,876	98.41%
Operating Cost	1,365,020	1,286,923	94.28%
Operating Profit Margin	1,986,040	2,010,953	87.51%
Operating Expenses	1,814,438	1,824,026	100.53%
Net Operating Profit	171,602	186,927	108.93%
Non-operating Incomes	250,426	111,571	44.55%
Non-operating Expenditures	20,368	92,675	455.00%
Net Profit Before Tax	401,660	205,822	51.24%
Income Tax Expense	81,365	35,641	43.80%
Current Period Net Income	320,295	170,181	53.13%

The impact of the Covid-19 pandemic gradually eased in 2022. With the ongoing recovery of domestic consumption, overall business operations of eyewear retailers also improved. The company's achievement rate of operating income was 98.41%, and the achievement rate of operating cost was 94.28%. The cost rate of 40.01% in 2021 dropped to 39.02% in 2022, operating profit margin rate increased from 59.99% to 60.98%, the achievement rate of the gross profit margin was 87.51%, and the achievement rate of net operating profit was 108.93%.

Interest revenue, rental revenue, and dividend revenue were the main sources of non-operating income in this year. Meanwhile, as the capital loss incurred to investments by adopting the equity method, the achievement rate of non-operating income was only 44.55%. Furthermore, the achievement rate of non-operating income was 455.00%, due to the substantial capital loss on investment and valuation of financial asset caused by adopting the equity method. In conclusion, the overall operating results of 2022 showed a profit of NT\$170,181,000, 53.13% of the net profit target, due to the decline of non-operating business performance.

C. Financial revenue/expenditure and profitability analysis

Operating income in 2022 was NT\$3,297,876,000. Compared to the operating income of NT\$2,913,322,000 in 2021, this is an increase of NT\$384,554,000 and growth of 13.20%. The net cash flow of NT\$693,351,000 generated from operations in 2022, compared to NT\$677,862,000 generated from operations in 2021, increased by NT\$15,489,000.

Net profit before tax in 2022 was NT\$205,822,000, which was a decrease of NT\$144,216,000 compared to the net profit before tax of NT\$350,039,000 in 2021. The settlement of net profit in 2022 was NT\$170,181,000, a reduction of NT\$115,470,000, or 40.42%, compared to the settlement of net profit of NT\$285,652,000 in 2021. Return on Equity (ROE) declined from 10.87% in 2021 to 6.49% in 2022, while EPS decreased from NT\$4.83 in 2021 to NT\$2.83 in 2022. The overall operating results showed a profit decline compared to that in 2021, which was mainly due to the poor performance of the non-operating business.

Chairman:

Manager:

Accounting Supervisor:

Attachment 2

Formosa Optical Technology Co., Ltd.

2022 Audit Committee Review Report

The board of directors has formulated the Final Statement, including the Company's 2022 Business Report, Financial Statement, and Net Income Disposition Report. The 2022 Financial Statement has been audited by CPA HSU, YU-FENG and CPA KOU, HUI-CHIH of KPMG in Taiwan, who have issued an audit report. The aforesaid Business Report, Financial Statement, and Net Income Disposition Report have been audited by the Audit Committee, and no discrepancy was found. A report was generated pursuant to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please review.

Respectfully submitted,

2023 General Shareholders' Meeting

Formosa Optical Technology Co., Ltd.

Audit Committee Convener: Chung-Chi Wen

March 23, 2023

Remuneration of directors and independent directors

Unit: %, NT\$ Thousand; December 31, 2022

Title	Name	1. Remuneration of directors						Relevant remuneration received by directors who are also employees				Ratio of Total Remuneration (A+B+C+D+E+F+C) to net income (%) (Note 10)	Compensation paid to directors from an invested company other than the Company's subsidiaries or parent company (Note 11)						
		Base compensation (A) (Note 2)		Severance pay (B) (Note 7)		Directors' compensation (C) (Note 3)		Allowance (D) (Note 4)		Ratio of total remuneration (A+B+C+D) to net income (Note 10)				Salary, bonuses, and allowances (E) (Note 5)		Severance pay (F) (Note 7)		Employee compensation (G) (Note 6)	
		The Company consolidated financial statements (Note 7)	Companies in the consolidated financial statements (Note 7)	The Company consolidated financial statements (Note 7)	Companies in the consolidated financial statements (Note 7)	The Company consolidated financial statements (Note 7)	Companies in the consolidated financial statements (Note 7)	The Company consolidated financial statements (Note 7)	Companies in the consolidated financial statements (Note 7)	The Company consolidated financial statements (Note 7)	Companies in the consolidated financial statements (Note 7)			The Company consolidated financial statements (Note 7)	Companies in the consolidated financial statements (Note 7)	The Company consolidated financial statements (Note 7)	Cash	Stock	The Company consolidated financial statements (Note 7)
Chairman	Chieh Fu International Co., Ltd. Representative: Kuo-Chou Tsai	0	0	0	0	324	324	40	40	364	1,320	0	0	1,684	1,684	0.99%	1,684	1,684	
Vice Chairman	Kuo-Ping Tsai	0	0	324	324	32	32	356	0.21%	0	0	0	0	356	356	0.21%	356	356	
Director	CHEN-LIU, HUI-YU	0	0	161	161	24	24	185	0.11%	0	0	0	0	185	185	0.11%	185	185	
Director	Chieh Fu International Co., Ltd. Representative: Yi-Shan Tsai	0	0	161	161	40	40	201	0.12%	3,351	113	113	113	3,665	3,665	2.15%	3,665	3,665	
Director	Hsiu-Pi Yao	0	0	161	161	40	40	201	0.12%	0	0	0	0	201	201	0.12%	201	201	
Director	Formosa Electronics Co., Ltd. Representative: Tzu-Chiang Chueh	0	0	161	161	40	40	201	0.12%	0	0	0	0	201	201	0.12%	201	201	
Director	Zhiwei Investment Co., Ltd. Representative: Chi-Wei Chang	0	0	161	161	40	40	201	0.12%	0	0	0	0	201	201	0.12%	201	201	
Independent Director	Chung-Chi Wen	0	0	161	161	50	50	211	0.12%	0	0	0	0	211	211	0.12%	211	211	
Independent Director	Meng-fou Wu	0	0	161	161	50	50	211	0.12%	0	0	0	0	211	211	0.12%	211	211	
Independent Director	Yu-Ching Tsai	0	0	161	161	50	50	211	0.12%	0	0	0	0	211	211	0.12%	211	211	

Independent Director	Jung-Hui Liang			161	50	50	211	0.12%	211	0.12%	0	0	0	0	0	211	0.12%
<p>1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration:</p> <p>(1) For the purpose of these Articles of Association, the directors of the Company shall be remunerated, irrespective of the profit or loss of the Company, in the performance of their duties with the Company, and such remuneration shall be reviewed by the board of directors based on their involvement in and contribution to the operation of the Company, but not exceed the level of the maximum salary prescribed by the Company's remuneration policy.</p> <p>(2) In accordance with the provisions of these Articles of Association, if the Company makes profits in the year, it shall allocate no less than 1% thereof as its employees' compensation, which shall be distributed to employees in stock or cash, subject to the board of directors' resolution, including those of affiliated companies who meet some certain conditions.</p> <p>(3) The Company shall, by resolution of the board of directors, distribute not more than three percent of the aforesaid initial profits as the directors' remuneration.</p>																	
<p>2. Compensation received by the directors of the Company for providing services to all companies in the financial report (e.g., serving as consultants rather than employees) in recent years except those disclosed above:</p> <p>None.</p>																	

Attachment 4

Independent Auditors' Report

To the Board of Directors of Formosa Optical Technology Corporation:

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

1. Inventory valuation

Please refer to note 4(h) "Inventories" in the consolidated financial statements for accounting policies on inventory valuation, note 5(a) for the uncertainties over accounting estimation and assumption regarding to inventory valuation, and note 6(f) for details of inventories.

Description of key audit matter:

Inventories of the Group were measured at the lower of costs or net realizable values. Market competition leads to rapider changes in product prices, and the products may not meet market demand and thus become obsolete. As a result, estimation of net realizable value may involve management' s subjective judgment. Therefore, we considered inventory valuation to be a key audit matter.

Our audit procedures in this area included:

Our audit procedures in this area included assessing the reasonableness of the Group's policies on loss allowances for inventory write downs or obsolescence and whether the aforementioned loss allowances have been recognized pursuant to relevant standards. Reviewing inventory aging reports, analyzing changes in inventory ages, inspecting sales of inventories, and evaluating the basis of net realizable values adopted, so as to verify the reasonableness of the allowance for inventory losses.

Other Matter

The consolidated financial statements as of December 31, 2021 of the Group were audited by other accountant, who have issued an unmodified opinion on March 24, 2022.

Formosa Optical Technology Corporation has additionally prepared its parent-company-only financial statements as of and for the years ended December 31, 2022, on which we and other accountants have issued the unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Yu-Feng Hsu and Hui-Chih Kou.

KPMG

Taipei, Taiwan (Republic of China)

March 28, 2023

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
FORMOSA OPTICAL TECHNOLOGY CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%
Assets				
Current assets:				
1100 Cash and cash equivalents (note 6(a))	\$ 154,278	2	128,207	2
1110 Current financial assets at fair value through profit or loss (note 6(b))	830,319	13	76,075	1
1120 Current financial assets at fair value through other comprehensive income (notes 6(c) and 8)	911,085	15	182,623	3
1136 Current financial assets at amortised cost, net (notes 6(d) and 8)	1,031,544	16	116,845	2
1150 Notes receivable, net (note 6(e))	-	-	209	-
1170 Accounts receivable, net (note 6(e))	29,534	-	24,696	1
1200 Other receivables, net (note 6(g))	38,891	1	32,005	1
130X Inventories (note 6(f))	584,122	10	584,822	10
1410 Other current assets	21,940	-	23,213	-
Total current assets	3,601,713	57	1,168,695	20
Non-current assets:				
1517 Non-current financial assets at fair value through other comprehensive income (note 6(c))	38,162	1	107,086	2
1535 Non-current financial assets at amortised cost, net (note 6(e))	103,159	2	91,535	2
1550 Investments accounted for using equity method, net (note 6(d))	459,956	7	2,291,479	40
1600 Property, plant and equipment (note 6(g))	1,145,144	19	1,165,902	21
1755 Right-of-use assets (note 6(h))	788,234	12	703,571	12
1760 Investment property, net (notes 6(i) and 8)	79,165	1	79,745	2
1780 Intangible assets	19,197	-	18,274	-
1840 Deferred tax assets (note 6(j))	10,064	-	13,201	-
1915 Prepayments for business facilities	10,000	-	-	-
1920 Guarantee deposits paid (note 6(o))	73,312	1	73,104	1
1975 Net defined benefit asset, non-current (note 6(p))	20,319	-	16,485	-
Total non-current assets	2,746,712	43	4,560,382	80
Total assets	\$ 6,348,425	100	5,729,077	100
Liabilities and Equity				
Current liabilities:				
2100 Short-term borrowings (note 6(k))	\$ 1,029,310	16	411,700	7
2150 Notes payable	15,937	-	10,751	-
2160 Notes payable to related parties (note 7)	335,253	5	394,676	7
2170 Accounts payable	129,900	2	49,680	1
2180 Total accounts payable to related parties (note 7)	6,233	-	-	-
2200 Other payables (notes 6(l) and 7)	339,705	5	359,252	6
2230 Current tax liabilities	61,062	1	40,639	1
2280 Current lease liabilities (note 6(o))	294,985	5	231,641	4
2320 Long-term liabilities, current portion (note 6(m))	37,061	1	35,350	1
2300 Other current liabilities	50,164	1	41,096	1
Total current liabilities	2,299,610	36	1,574,785	28
Non-Current liabilities:				
2540 Long-term borrowings (note 6(m))	371,942	6	423,848	8
2550 Non-current provisions	17,650	-	18,629	-
2570 Deferred tax liabilities	316,700	5	341,708	6
2580 Non-current lease liabilities (note 6(o))	499,836	8	474,817	8
2645 Guarantee deposits received (note 6(n))	243,782	4	246,353	4
Total non-current liabilities	1,449,910	23	1,505,355	26
Total liabilities	3,749,520	59	3,080,140	54
Equity attributable to owners of parent (note 6(r)):				
3110 Ordinary share	600,599	9	600,599	10
3200 Capital surplus	477,975	8	481,505	8
3310 Legal reserve	485,462	8	456,305	8
3320 Special reserve	257,342	4	254,666	5
3350 Unappropriated retained earnings (accumulated deficit)	997,627	16	1,111,601	19
3400 Other equity interest	(226,095)	(4)	(257,342)	(4)
36XX Non-controlling interests	5,995	-	1,603	-
Total equity	2,598,905	41	2,648,937	46
Total liabilities and equity	\$ 6,348,425	100	5,729,077	100

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
FORMOSA OPTICAL TECHNOLOGY CORPORATION AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

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

		2022		2021	
		Amount	%	Amount	%
4000	Operating revenue (note 6(t))	\$ 3,297,876	100	2,913,322	100
5000	Operating costs(note 6(f))	1,286,923	39	1,165,646	40
	Gross profit from operations	2,010,953	61	1,747,676	60
	Operating expenses (notes 6(h), (i) and 7):				
6100	Selling expenses	1,729,984	52	1,586,242	55
6200	Administrative expenses	94,042	3	93,188	3
	Total operating expenses	1,824,026	55	1,679,430	58
	Net operating income	186,927	6	68,246	2
	Non-operating income and expenses (notes 6(g), 6(v) and 7):				
7100	Interest income	37,822	1	10,465	-
7010	Other income	63,028	2	103,794	4
7020	Gains and losses, net	(4,951)	-	14,813	1
7050	Finance costs, net	(28,985)	(1)	(21,383)	(1)
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method, net	(48,019)	(2)	174,104	6
	Total non-operating income and expenses	18,895	-	281,793	10
7900	Profit from continuing operations before tax	205,822	6	350,039	12
7950	Less: Income tax expenses (note 6(q))	35,641	1	64,387	2
	Profit	170,181	5	285,652	10
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains on remeasurements of defined benefit plans	3,470	-	3,780	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	26,352	1	13,226	1
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	849	-	(1,477)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	694	-	756	-
		29,977	1	14,773	1
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation	9,001	-	(18,603)	(1)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	1,800	-	(3,721)	-
	Components of other comprehensive income that will be reclassified to profit or loss	7,201	-	(14,882)	(1)
8300	Other comprehensive income	37,178	1	(109)	-
	Total comprehensive income	\$ 207,359	6	285,543	10
	Profit, attributable to:				
	Profit, attributable to owners of parent	\$ 170,186	5	289,898	10
	Profit (loss), attributable to non-controlling interests	(5)	-	(4,246)	-
		\$ 170,181	5	285,652	10
	Comprehensive income attributable to:				
	Comprehensive income, attributable to owners of parent	\$ 207,364	6	289,789	10
	Comprehensive income, attributable to non-controlling interests	(5)	-	(4,246)	-
		\$ 207,359	6	285,543	10
9750	Basic earnings per share (note 6(s))	\$ 2.83		4.83	
9850	Diluted earnings per share (note 6(s))	\$ 2.83		4.81	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
FORMOSA OPTICAL TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	Equity attributable to owners of parent										Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Retained earnings	Total retained earnings	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income			
Balance at January 1, 2021	600,599	483,469	423,671	242,569	1,105,002	1,771,242	(135,404)	(119,262)	(254,666)	2,600,644	5,849	2,606,493	
Profit (loss)	-	-	-	-	289,898	289,898	-	-	-	289,898	(4,246)	285,652	
Other comprehensive income	-	-	-	-	2,567	2,567	(14,882)	12,206	(2,676)	(109)	-	(109)	
Total comprehensive income	-	-	-	-	292,465	292,465	(14,882)	12,206	(2,676)	289,789	(4,246)	285,543	
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	32,634	-	-	(32,634)	-	-	-	-	-	-	-	
Special reserve appropriated	-	-	-	12,097	(12,097)	-	-	-	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(240,240)	(240,240)	-	-	-	(240,240)	-	(240,240)	
Changes in equity of associates and joint ventures accounted for using equity method	-	(1,964)	-	-	-	-	-	-	-	(1,964)	-	(1,964)	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(895)	(895)	-	-	-	(895)	-	(895)	
Balance at December 31, 2021	600,599	481,505	456,305	254,666	1,111,601	1,822,572	(150,286)	(107,056)	(257,342)	2,647,334	1,603	2,648,937	
Profit (loss)	-	-	-	-	170,186	170,186	-	-	-	170,186	(5)	170,181	
Other comprehensive income	-	-	-	-	3,625	3,625	7,201	26,352	33,553	37,178	-	37,178	
Total comprehensive income	-	-	-	-	173,811	173,811	7,201	26,352	33,553	207,364	(5)	207,359	
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	29,157	-	-	(29,157)	-	-	-	-	-	-	-	
Special reserve appropriated	-	-	-	2,676	(2,676)	-	-	-	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(258,258)	(258,258)	-	-	-	(258,258)	-	(258,258)	
Changes in equity of associates and joint ventures accounted for using equity method	-	(3,530)	-	-	-	-	-	-	-	(3,530)	-	(3,530)	
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	(1,603)	(1,603)	
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	6,000	6,000	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	2,306	2,306	-	(2,306)	(2,306)	-	-	-	
Balance at December 31, 2022	600,599	477,975	485,462	257,342	997,627	1,740,431	(143,085)	(83,010)	(226,095)	2,592,910	5,995	2,598,905	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
FORMOSA OPTICAL TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax	\$ 205,822	350,039
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	466,760	440,392
Amortization expense	8,692	7,188
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	15,384	(10,779)
Interest expense	28,985	21,383
Interest income	(37,822)	(10,465)
Dividend income	(23,681)	(8,537)
Share of loss (profit) of associates and joint ventures accounted for using equity method	48,019	(174,104)
Loss (gain) on disposal of property, plan and equipment	(483)	(21)
Loss (gain) on lease modification	79	(6,727)
Total adjustments to reconcile profit (loss)	<u>505,933</u>	<u>258,330</u>
Changes in operating assets and liabilities:		
Decrease (increase) in notes receivable	209	(209)
Increase in accounts receivable	(4,838)	(9,077)
Decrease (increase) in other receivable	(6,886)	6,326
Decrease in inventories	700	21,695
Decrease in other current assets	1,273	366
Increase in net defined benefit assets	(364)	(306)
Increase (decrease) in notes payable	5,186	(29,962)
Decrease in notes payable to related parties	(59,423)	-
Increase (decrease) in accounts payable	80,220	(21,743)
Increase in accounts payable to related parties	6,233	-
Increase (decrease) in other payable	(19,547)	10,337
Increase in other current liabilities	9,068	5,529
Total changes in operating assets and liabilities	<u>517,764</u>	<u>241,286</u>
Cash inflow generated from operations	723,586	591,325
Interest received	37,822	10,465
Dividends received	-	107,120
Interest paid	(28,474)	(20,800)
Income taxes paid	(39,583)	(10,248)
Net cash flows from (used in) operating activities	<u>693,351</u>	<u>677,862</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(644,995)	(106,894)
Proceeds from disposal of financial assets at fair value through other comprehensive income	11,810	-
Acquisition of financial assets at amortised cost	(1,043,168)	(116,845)
Proceeds from disposal of financial assets at amortised cost	116,845	81,532
Acquisition of financial assets at fair value through profit or loss	(1,313,334)	(90,000)
Proceeds from disposal of financial assets at fair value through profit or loss	543,646	72,474
Acquisition of investments accounted for using equity method	(3,573,573)	-
Proceeds from disposal of investments accounted for using equity method	5,283,866	-
Acquisition of property, plant and equipment	(118,414)	(124,260)
Proceeds from disposal of property, plant and equipment	490	682
(Increase) decrease in refundable deposits	(208)	2,468
Acquisition of intangible assets	(9,615)	(8,159)
Increase in prepayments for business facilities	(10,000)	-
Dividends received	26,814	8,537
Net cash flows from (used in) investing activities	<u>(729,836)</u>	<u>(280,465)</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	617,610	98,200
Proceeds from long-term debt	-	10,000
Repayments of long-term debt	(50,195)	(27,546)
Decrease in guarantee deposits received	(2,571)	(3,922)
Payment of lease liabilities	(324,885)	(310,050)
Cash dividends paid	(258,258)	(240,240)
Change in non-controlling interests	6,000	-
Net cash flows from (used in) financing activities	<u>(12,299)</u>	<u>(473,558)</u>
Effect of exchange rate changes on cash and cash equivalents	74,855	2,543
Net increase (decrease) in cash and cash equivalents	26,071	(73,618)
Cash and cash equivalents at beginning of period	128,207	201,825
Cash and cash equivalents at end of period	<u>\$ 154,278</u>	<u>128,207</u>

See accompanying notes to consolidated financial statements.

Independent Auditors’ Report

To the Board of Directors of Formosa Optical Technology Corporation:

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

1. Inventory valuation

Please refer to note 4(g) “Inventories” in the financial statements for accounting policies on inventory valuation, note 5(a) for the uncertainties over accounting estimation and assumption regarding to inventory valuation, and note 6(f) for details of inventories.

Description of key audit matter:

Inventories of the Company were measured at the lower of costs or net realizable values. Market competition leads to rapid changes in product prices, and the products may not meet market demand and thus become obsolete. As a result, estimation of net realizable value may involve management’s subjective judgment. Therefore, we considered inventory valuation to be a key audit matter.

Our audit procedures in this area included:

Our audit procedures in this area included assessing the reasonableness of the Company's policies on loss allowances for inventory write downs or obsolescence and whether the aforementioned loss allowances have been recognized pursuant to relevant standards. Reviewing inventory aging reports, analyzing changes in inventory ages, inspecting sales of inventories, and evaluating the basis of net realizable values adopted, so as to verify the reasonableness of the allowance for inventory losses.

Other Matter

The financial statements as of December 31, 2021 of the Company were audited by other accountant, who have issued an unmodified opinion on March 24, 2022.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Yu-Feng Hsu and Hui-Chih Kou.

KPMG

Taipei, Taiwan (Republic of China)
March 28, 2023

Notes to Readers

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

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

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
FORMOSA OPTICAL TECHNOLOGY CORPORATION

Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2022		December 31, 2021		December 31, 2021	
	Amount	%	Amount	%	Amount	%
Assets						
Cash and cash equivalents (note 6(a))	\$ 56,662	1	84,563	2		
Current financial assets at fair value through profit or loss (note 6(b))	13,798	-	20,000	-		
Current financial assets at fair value through other comprehensive income (notes 6(c) and 8)	798,465	14	101,263	2		
Current financial assets at amortised cost (notes 6(d) and 8)	10,000	-	10,000	-		
Notes receivable, net (note 6(c))	-	-	198	-		
Accounts receivable, net (note 6(e))	14,288	-	12,639	-		
Other receivables (including related parties) (note 7)	15,017	-	27,026	1		
Inventories (note 6(f))	402,775	8	398,169	8		
Other current assets	15,269	-	17,260	-		
Total current assets	1,326,274	23	671,118	13		
Non-current financial assets at fair value through other comprehensive income (note 6(c))	38,162	1	107,086	2		
Non-current financial assets at amortised cost (note 6(d))	103,159	2	91,535	2		
Investments accounted for using equity method (note 6(g))	2,536,750	44	2,580,321	50		
Property, plant and equipment (notes 6(h) and 8)	998,166	17	1,033,158	20		
Right-of-use assets (note 6(i))	567,655	10	500,489	10		
Investment property, net (notes 6(j) and 8)	79,165	2	79,745	2		
Intangible assets	18,558	-	16,111	-		
Deferred tax assets	8,224	-	10,646	-		
Guarantee deposits paid (note 6(o))	54,944	1	55,229	1		
Net defined benefit asset, non-current	20,319	-	16,485	-		
Total non-current assets	4,425,102	77	4,490,805	87		
Total assets	\$ 5,751,376	100	5,161,923	100		
Liabilities and Equity						
Current liabilities:						
Short-term borrowings (note 6(k))			2100			
Notes payable			2150			
Notes payable—related parties (note 7)			2160			
Accounts payable			2170			
Other payables (including related parties) (notes 6(l) and 7)			2200			
Current tax liabilities			2230			
Current lease liabilities (note 6(o))			2280			
Long-term liabilities, current portion (note 6(m))			2320			
Other current liabilities			2300			
Total current liabilities	1,899,166	33	1,222,661	24		
Non-Current liabilities:						
Long-term borrowings (note 6(m))			2540			
Non-current provisions			2550			
Deferred tax liabilities (note 6(q))			2570			
Non-current lease liabilities (note 6(o))			2580			
Guarantee deposits received (note 6(n))			2645			
Total non-current liabilities	3,158,466	55	2,514,589	49		
Total liabilities	5,057,632	88	3,737,250	73		
Equity (note 6(r)):						
Ordinary share			3110			
Capital surplus			3200			
Retained earnings:						
Legal reserve			3310			
Special reserve			3320			
Unappropriated retained earnings (accumulated deficit)			3350			
Total retained earnings						
Other equity interest			3400			
Total equity	693,744	12	1,424,673	27		
Total liabilities and equity	\$ 5,751,376	100	5,161,923	100		

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
FORMOSA OPTICAL TECHNOLOGY CORPORATION

Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

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

		2022		2021	
		Amount	%	Amount	%
4000	Operating revenue (note 6(t))	\$ 2,429,194	100	2,148,426	100
5000	Operating costs(note 6(f))	925,572	38	841,847	39
	Gross profit from operations	1,503,622	62	1,306,579	61
	Operating expenses (notes 6(h), (i) and 7):				
6100	Selling expenses	1,223,097	50	1,117,716	52
6200	Administrative expenses	89,082	4	93,188	5
	Total operating expenses	1,312,179	54	1,210,904	57
	Net operating income	191,443	8	95,675	4
	Non-operating income and expenses (notes 6(v) and 7):				
7100	Interest income	9,116	-	8,713	1
7010	Other income	62,233	3	84,927	4
7020	Other gains and losses	4,024	-	3,541	-
7050	Finance costs	(21,028)	(1)	(17,444)	(1)
7070	Share of profit (loss) of associates and joint ventures accounted for using equity method	(43,448)	(2)	178,103	8
	Total non-operating income and expenses	10,897	-	257,840	12
7900	Profit from continuing operations before tax	202,340	8	353,515	16
7950	Less: Income tax expenses (note 6(q))	32,154	1	63,617	3
	Profit	170,186	7	289,898	13
8300	Other comprehensive income:				
8310	Items that may not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	3,470	-	3,780	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(4,908)	-	8,521	1
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	32,109	1	3,228	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	694	-	756	-
		29,977	1	14,773	1
8360	Items that may be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	9,001	-	(18,603)	(1)
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	1,800	-	(3,721)	-
	Components of other comprehensive income that will be reclassified to profit or loss	7,201	-	(14,882)	(1)
8300	Other comprehensive income (loss)	37,178	1	(109)	-
	Total comprehensive income (loss)	<u>\$ 207,364</u>	<u>8</u>	<u>289,789</u>	<u>13</u>
	Earnings per share (dollar) (note 6(s))				
9750	Basic earnings per share	<u>\$ 2.83</u>		<u>4.83</u>	
9850	Diluted earnings per share	<u>\$ 2.83</u>		<u>4.81</u>	

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
FORMOSA OPTICAL TECHNOLOGY CORPORATION

Statements of Changes in Equity

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

	Retained earnings						Total other equity interest				Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest		
Balance at January 1, 2021	600,599	483,469	423,671	242,569	1,105,002	1,771,242	(135,404)	(119,262)	(254,666)	2,600,644	
Profit	-	-	-	-	289,898	289,898	-	-	-	289,898	
Other comprehensive income (loss)	-	-	-	-	2,567	2,567	(14,882)	12,206	(2,676)	(109)	
Total comprehensive income (loss)	-	-	-	-	292,465	292,465	(14,882)	12,206	(2,676)	289,789	
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	32,634	-	(32,634)	-	-	-	-	-	
Special reserve appropriated	-	-	-	12,097	(12,097)	-	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(240,240)	(240,240)	-	-	-	(240,240)	
Changes in equity of associates and joint ventures accounted for using equity method	-	(1,964)	-	-	-	-	-	-	-	(1,964)	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(895)	(895)	-	-	-	(895)	
Balance at December 31, 2021	600,599	481,505	456,305	254,666	1,111,601	1,822,572	(150,286)	(107,056)	(257,342)	2,647,334	
Profit	-	-	-	-	170,186	170,186	-	-	-	170,186	
Other comprehensive income (loss)	-	-	-	-	3,625	3,625	7,201	26,352	33,553	37,178	
Total comprehensive income (loss)	-	-	-	-	173,811	173,811	7,201	26,352	33,553	207,364	
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	29,157	-	(29,157)	-	-	-	-	-	
Special reserve appropriated	-	-	-	2,676	(2,676)	-	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(258,258)	(258,258)	-	-	-	(258,258)	
Changes in equity of associates and joint ventures accounted for using equity method	-	(3,530)	-	-	-	-	-	-	-	(3,530)	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	2,306	2,306	-	(2,306)	(2,306)	-	
Balance at December 31, 2022	600,599	477,975	485,462	257,342	997,627	1,740,431	(143,085)	(83,010)	(226,095)	2,592,910	

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
FORMOSA OPTICAL TECHNOLOGY CORPORATION

Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax	\$ 202,340	353,515
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	337,100	320,268
Amortization expense	7,086	5,668
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	6,202	(2,320)
Interest expense	21,028	17,444
Interest income	(9,116)	(8,713)
Dividend income	(19,277)	(5,230)
Share of loss (profit) of subsidiaries, associates and joint ventures accounted for using equity method	43,448	(178,103)
Loss (gain) on disposal of property, plan and equipment	(483)	49
Loss (gain) on lease modification	287	(4,921)
Total adjustments to reconcile profit (loss)	<u>386,275</u>	<u>144,142</u>
Changes in operating assets and liabilities:		
Decrease (increase) in notes receivable	198	(198)
Increase in accounts receivable	(1,649)	(6,465)
Decrease in other receivable	12,009	6,051
Decrease (increase) in inventories	(4,606)	12,032
Decrease in other current assets	1,991	20
Increase in net defined benefit assets	(364)	(306)
Decrease in notes payable	(641)	(10,913)
Decrease in notes payable to related parties	(65,143)	(5,508)
Increase (decrease) in accounts payable	68,062	(20,307)
Increase (decrease) in other payable	(18,297)	19,641
Increase (decrease) in other current liabilities	7,925	3,697
Total changes in operating assets and liabilities	<u>(515)</u>	<u>(2,256)</u>
Total adjustments	<u>385,760</u>	<u>141,886</u>
Cash inflow generated from operations	588,100	495,401
Interest received	9,116	8,713
Dividends received	134,025	84,113
Interest paid	(20,667)	(17,042)
Income taxes paid	(39,006)	(9,895)
Net cash flows from operating activities	<u>671,568</u>	<u>561,290</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(644,995)	(61,320)
Proceeds from disposal of financial assets at fair value through other comprehensive income	11,810	-
Acquisition of financial assets at amortised cost	(11,624)	-
Proceeds from disposal of financial assets at amortised cost	-	75,984
Acquisition of financial assets at fair value through profit or loss	-	(40,000)
Proceeds from disposal of financial assets at fair value through profit or loss	-	20,000
Acquisition of investments accounted for using equity method	(96,322)	-
Acquisition of property, plant and equipment	(63,355)	(84,519)
Proceeds from disposal of property, plant and equipment	490	308
Decrease (increase) in refundable deposits	285	(1,307)
Acquisition of intangible assets	(9,533)	(5,166)
Dividends received	19,277	5,230
Net cash flows from (used in) investing activities	<u>(793,967)</u>	<u>(90,790)</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	618,500	40,000
Repayments of long-term debt	(27,278)	(27,546)
Increase in guarantee deposits received	(1,838)	(4,635)
Payment of lease liabilities	(236,628)	(225,876)
Cash dividends paid	(258,258)	(240,240)
Net cash flows from (used in) financing activities	<u>94,498</u>	<u>(458,297)</u>
Net increase (decrease) in cash and cash equivalents	<u>(27,901)</u>	<u>12,203</u>
Cash and cash equivalents at beginning of period	<u>84,563</u>	<u>72,360</u>
Cash and cash equivalents at end of period	<u>\$ 56,662</u>	<u>84,563</u>

Attachment 5

Formosa Optical Technology Co., Ltd.

2022 Net Income Disposition Report

Unit: NT\$

Category		
Unappropriated retained earnings at the beginning of the term		\$ 821,510,029
Net profit after tax for the period	\$ 170,185,966	
After determining the benefit plan, the remeasured amount is recognized as retained surplus	2,776,129	
Retained earnings due to investment adjustments using the equity method	848,642	
Disposal of retained earnings of financial assets measured at fair value through other comprehensive income	2,305,725	
The current period's net profit after tax plus the amount of items other than the current period's net profit after tax are included in the current year's undistributed surplus		176,116,462
Appropriation of statutory surplus reserve (10%)		(17,611,646)
Set aside special surplus reserve according to law		31,247,262
Allocation Items:		1,011,262,107
Allocation Items:		
Cash dividends (NT\$4.3 per share)	(\$ 258,257,561)	(258,257,561)
Ending undistributed earnings		\$ 753,004,546
Remark: 1. This surplus allocation shall give priority to the 2022 surplus.		

Chairman:

Manager:

Accounting Supervisor:

Appendix 1

Formosa Optical Technology Co., Ltd.

Shareholders' Meeting Procedure Rules

1. Purpose: These Procedure Rules are formulated pursuant to the Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, with which the Company shall comply to establish a good governance system for Shareholders' Meetings, improve the supervision capacity, and strengthen management.
2. Scope: The main discussions in Shareholders' Meetings, operating procedures, matters that must be recorded in the meeting minutes, announcements, and other rules to be followed must be handled according to the provisions of these Procedure Rules unless provided for by other laws or regulations.
3. Responsible unit:
 - 3.1 Accounting office: Responsible for the formulation and revision of the Procedure Rules.
 - 3.2 Deliberation unit: Responsible for the execution of Shareholders' Meeting affairs.
4. Definition:
5. Operation content:
 - 5.1 Notice of convening a Shareholders' Meeting:
 - 5.1.1 Unless otherwise specified by the laws or the Articles of Incorporation, the Company's Shareholders' Meetings shall be convened by the board of directors.
 - 5.1.2 Changes to how the Company convenes its Shareholders' Meeting shall be resolved by the board of directors, and shall be made no later than when a Shareholders' Meeting notice is mailed.
 - 5.1.3 This Company shall prepare electronic versions of the notice of a Shareholders' Meeting and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular Shareholders' Meeting or 15 days prior to a special Shareholders' Meeting. The Company shall prepare electronic versions of the Shareholders' Meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of a regular Shareholders' Meeting or 15 days prior to a special Shareholders' Meeting. If, however, the Company has a paid-in capital of NT\$10 billion or more as of the last day of the current fiscal year, or the 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 prepared 30 days before a regular Shareholders' Meeting. In addition, 15 days before the Shareholders' Meeting, the Company shall also have prepared the Shareholders' Meeting agenda and supplemental meeting materials and made them available for shareholders to review at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the designated professional shareholder services agent.

- 5.1.4 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:
- a. For physical Shareholders' Meetings, to be distributed on-site at the meeting.
 - b. For hybrid Shareholders' Meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
 - c. For virtual-only Shareholders' Meetings, electronic files shall be shared on the virtual meeting platform.
- 5.1.5 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 attendance, and other matters for shareholders' attention.
- 5.1.6 The notice shall specify the reason for convening the meeting; if the counterparty approves the notice, it may be prepared in electronic format.
- 5.1.7 The election or dismissal of directors, amendments to the Articles of Association, capital reduction, application for a cessation of a public offering, relief of directors' non-competition agreement, capital increase from a surplus, capital increase from public reserves, company dissolution, merger, division, or any matters specified in Paragraph 1 of Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be listed and the reason for convening the meeting given, and shall not be proposed as an extempore motion.
- 5.1.8 If the reasons for convening a general Shareholders' Meeting stated the general re-election of directors and the date of their inauguration, after re-election during the

Shareholders' Meeting, the same meeting shall not reach any resolution to change the date of the directors' inauguration by extempore motion or any other means.

- 5.1.9 Shareholders holding over 1% of the Company's outstanding shares are entitled to propose written motions for discussion at annual general Shareholders' Meetings. Each shareholder may only propose one motion. Proposals exceeding this limit shall be excluded from the discussion. If a shareholder's proposal involves one of the conditions specified by Paragraph 4, Article 172-1 of the Company Act, the proposal shall be excluded from the board of directors meeting. Shareholders may submit proposals to urge the Company to promote public interests or fulfill CSR duties. Only one item may be proposed pursuant to the provisions of Article 172-1 of the Company Act. Proposals containing more than one item shall be rejected.
- 5.1.10 Before the book closure date of the Annual General Shareholders' Meeting, the Company shall announce the conditions, places, acceptance method in writing or electronically, and time within which shareholders' proposals are accepted, which must be not less than 10 days.
- 5.1.11 A proposal made by a shareholder shall be limited to 300 characters. Anything exceeding 300 characters shall be excluded. The proposing shareholder shall attend the Shareholders' Meeting in person or entrust a proxy to participate in the proposal discussion.
- 5.1.12 Before the date of notice of Shareholders' Meeting, the Company shall advise the proposing shareholder of the handling results and list the proposals conforming to the provision of this Article in the meeting notice. For shareholders' proposals not included in the discussion, the board of directors shall explain the reasons for rejection at the Shareholders' Meeting.
- 5.1.13 Any of the shareholders may, at each Shareholders' Meeting, issue a power of attorney stipulated by the Company specifying the scope of authorization to appoint a proxy to attend the Shareholders' Meeting.
- 5.1.14 Each shareholder may only issue one power of attorney to appoint only one proxy, which shall be delivered to the Company five days before the Shareholders' Meeting is convened. In the event of any repetitive powers of attorney, the one served first shall prevail. However, such provision does not apply to powers of attorney issued prior to the declaration of revocation.
- 5.1.15 After a power of attorney is delivered to the Company, shareholders who wish to

attend the Shareholders' Meeting shall notify the Company in writing of the revocation of the proxy two days before the Shareholders' Meeting. In case of an overdue revocation, the voting right exercised by the authorized proxy shall prevail.

5.1.16 If, after a proxy form is delivered to the Company, a shareholder wishes to attend a virtual Shareholders' Meeting, a written notice of proxy cancellation shall be submitted to the Company 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

5.1.17 To convene a virtual Shareholders' Meeting, the Company shall include the following particulars in the Shareholders' Meeting notice:

- a. How the shareholders shall attend the virtual meeting and exercise their rights.
- b. Actions to be taken if there is disruption during the virtual meeting platform or participation in the virtual meeting is affected due to natural disaster, accident, or other force majeure event, at least covering the following:
 - (a) To what time the meeting is postponed or from what time the meeting will resume if the disruption continues and cannot be resolved, and the date to which the meeting is postponed or on which the meeting will resume.
 - (b) Shareholders not having registered to attend the affected virtual Shareholders' Meeting shall not attend the postponed or resumed session.
 - (c) If a hybrid Shareholders' Meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting after deducting those represented by shareholders attending the virtual Shareholders' Meeting meets the minimum legal requirement for a Shareholders' Meeting, the Shareholders' Meeting shall continue. The shares represented by shareholders attending a virtual meeting shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting shall be deemed as abstaining from voting on all proposals on the meeting agenda of that Shareholders' Meeting.
 - (d) Actions to be taken if the outcome of all proposals are announced but an extraordinary motion has not been carried out.
- c. To convene a virtual-only Shareholders' Meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual Shareholders' Meeting shall be specified.

5.2 Shareholders' Meeting venue and time principles:

5.2.1 The Shareholders' Meeting shall be located within the Company or a place convenient for the shareholders to attend that is suitable for a Shareholders' Meeting. The start time of the meeting shall not be earlier than 9 am or later than 3 pm. The opinions of independent directors must be fully considered in terms of the location and time of the meeting.

5.2.2 Restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only Shareholders' Meeting.

5.2.3 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 shall be assigned to handle registrations. For virtual Shareholders' Meeting, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as having attended the Shareholders' Meeting in person.

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

5.3 Preparation of sign-in books and other documents:

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

5.3.2 The Company shall prepare the sign-in book for shareholders in attendance to sign in, or shareholders in attendance may hand in their sign-in cards in lieu of signing in.

5.3.3 The Company shall deliver procedure handbooks, annual reports, attendance certificates, speech slips, voting ballots, and other meeting materials to the shareholders attending the Shareholders' Meeting; if there is any election of directors, election ballots shall be attached.

5.3.4 The number of representatives of a shareholder who is a government or legal person attending a Shareholders' Meeting is not limited to one person. When a legal person is appointed to attend a Shareholders' Meeting, only one representative of such legal

person may be appointed to participate in the meeting.

5.3.5 If a virtual Shareholders' Meeting, shareholders wishing to attend the virtual meeting shall register with the Company two days before the meeting date.

5.3.6 If 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 available until the end of the meeting.

5.4 Chairman of the Shareholders' Meeting and non-voting attendees:

5.4.1 If the board of directors convenes a Shareholders' Meeting, the meeting shall be chaired by the Chairman of the board. If the Chairman cannot perform the duties due to a leave of absence or other reason, the Chairman may appoint one of the directors to act on his or her behalf. If no one is appointed, the remaining directors will appoint one person as an agent.

5.4.2 If a director must act on behalf of the preceding chair, said director must have served for over six months to duly understand the Company's financial and business status. The same applies if the Chairman represents legal person directors.

5.4.3 A Shareholders' Meeting convened by the board of directors shall be chaired by the Chairman in person, attended by a majority of the board directors, and at least one representative from each functional committee. Attendance shall be recorded in the Shareholders' Meeting minutes.

5.4.4 If a person other than the board of directors with the right to convene a meeting convenes the Shareholders' Meeting, the Chairman shall be such person. If two or more persons have the right to convene meetings, one of such persons shall be elected as the Chairman.

5.4.5 The Company may designate lawyers, accountants, or relevant personnel to attend the Shareholders' Meeting as attendees.

5.5 Shareholders' Meeting attendance:

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

5.5.2 The Chairman shall call the meeting to order at the scheduled meeting time and announce the relevant information, such as the number of non-voting rights and the number of shares present. However, when shareholders representing over half of the

total number of issued shares are not present, the Chairman may announce that the meeting be postponed. The number of times the meeting may be postponed shall not exceed two, and the total time of postponement shall not exceed one hour. If the share amount present is still insufficient after two postponements but is over one-third of the total issued shares, the Chairman shall announce the meeting adjourned. If a virtual Shareholders' Meeting, the Company shall also declare the meeting adjourned on the virtual meeting platform.

5.5.3 If the share amount present does not exceed one-third of the total issued shares after two postponements, a tentative resolution may be passed pursuant to the Company Act, the shareholders shall be notified of the tentative resolution, and the Shareholders' Meeting shall be reconvened within one month. If a virtual Shareholders' Meeting, shareholders intending to attend the virtual meeting shall re-register with the Company in accordance with Article 5.3.5.

5.5.4 If the number of shares represented by the shareholders present has reached a majority of the total number of shares issued before the end of the meeting, the Chairman shall resubmit the tentative solutions passed to be voted on by the Shareholders' Meeting according to the Company Act.

5.6 Discussion of proposals:

5.6.1 If the board of directors convenes a Shareholders' Meeting, the board of directors shall determine the meeting proceedings. The relevant discussions (including temporary motions and amendments to the original discussions) shall be decided on a case-by-case voting basis. Proceedings cannot be changed unless resolved during the Shareholders' Meeting.

5.6.2 If the Shareholders' Meeting is convened by a person who has the right to convene other than the board of directors, the provisions of the preceding paragraph shall apply *mutatis mutandis*.

5.6.3 Before the meeting (including special motions) has been concluded, the Chairman shall declare the meeting adjourned only with a resolution. If the Chairman violates the procedure rules and announces the meeting adjourned, other members of the board of directors shall promptly assist the shareholders present to elect one person to serve as the Chairman and continue the meeting according to the procedures established by law.

5.6.4 The Chairman shall provide sufficient explanations and opportunities to discuss the

proposals, amendments, or extempore motions proposed by shareholders. When the Chairman deems that the voting has reached a sufficient level, he or she may announce the suspension of the discussion for voting and arrange a suitable time for voting.

5.7 Statements by shareholders:

5.7.1 Before a shareholder present delivers a speech in the meeting, he or she must fill out a speech slip that states the main points of his or her address, his or her shareholder account number (or attendance certificate number), and account name. The Chairman shall determine the order of speeches to be delivered.

5.7.2 Shareholders in attendance who submit a speech slip and do not make a speech are deemed to have not made a speech. If the content of an oral speech is inconsistent with the details on the speech slip, the content of the oral speech shall prevail.

5.7.3 The number of speeches of shareholders on the same proposal shall not exceed two (each time shall not exceed five minutes) without the Chairman's consent. However, if the shareholder's speech violates the regulations or exceeds the scope of the agenda, the Chairman may stop such shareholder from making a speech.

5.7.4 When a shareholder in attendance makes a speech, other shareholders shall not disrupt his or her address unless having obtained the consent of the Chairman and the speaking shareholder, and the Chairman shall stop anyone violating this provision.

5.7.5 When a legal person shareholder appoints two or more representatives to attend the Shareholders' Meeting, only one of these representatives may make a speech on each of the proposals.

5.7.6 After the shareholders in attendance have given their speeches, the Chairman may reply in person or designate relevant personnel to reply.

5.7.7 If a virtual Shareholders' Meeting, shareholders in attendance at the virtual meeting may raise questions in writing on the virtual meeting platform from the time the Chairman declares the meeting open until the Chairman declares 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 1-5 do not apply.

5.7.8 As long as the questions raised in accordance with the preceding paragraph do not violate the regulations or are beyond the scope of a proposal, it is advisable that the questions be disclosed to the public on the virtual meeting platform.

5.8 Voting shares calculation of and recusal system:

- 5.8.1 The voting rights for a Shareholders' Meeting shall be calculated according to the number of shares.
- 5.8.2 Shareholders have one voting right per share, except for those restricted or have no voting rights pursuant to the Company Act.
- 5.8.3 The number of shares of shareholders without voting rights shall not be included in the total number of issued shares in the resolution of the Shareholders' Meeting.
- 5.8.4 Shareholders who have personal interests in the matters discussed in the meeting that may pose a conflict of interest and damage the Company's interests shall not participate in voting and shall not exercise their voting rights on behalf of other shareholders.
- 5.8.5 The number of shares for which voting right not be exercised based on the preceding paragraph shall not be included in the number of voting rights of shareholders in attendance.
- 5.8.6 Except for a trust enterprise or a stock agency approved by the competent securities authority, when two or more shareholders appoint one proxy simultaneously, the voting rights of the proxy shall not exceed 3% of the total voting rights of the issued shares. Excess voting rights shall not be included.
- 5.8.7 When the Company convenes a Shareholders' Meeting, voting rights may be exercised in writing or electronically; when exercising voting rights in writing or electronically, the method for exercising such rights shall be specified in the convening notice for the Shareholders' Meeting. Shareholders who exercise their voting rights in writing or electronically are deemed to have attended the Shareholders' Meeting in person. However, extempore motions and amendments to the original Shareholders' Meeting proposals shall be deemed as abstentions. Therefore, the Company must avoid proposing extempore motions and amendments to the original proposals.
- 5.8.8 When exercising voting rights in writing or electronically according to the preceding paragraph, the statement of intent shall be delivered to the Company two days prior to the Shareholders' Meeting. However, such provision does not apply to those statements of intent issued prior to the declaration of revocation.
- 5.8.9 After shareholders have exercised their voting rights in writing or electronically, if they wish to attend the Shareholders' Meeting in person, they must revoke the aforesaid expressions of intent two days prior to the Shareholders' Meeting, the same way in

which they exercised their voting rights. If the revocation is overdue, the voting rights exercised in writing or electronically shall prevail. If the voting rights are exercised in writing or electronically, and a proxy is appointed via a power of attorney to attend the Shareholders' Meeting, the voting rights exercised by the proxy appointed shall prevail.

5.8.10 The vote for a proposal shall be passed with the approval of a majority of the shareholder voting rights present, unless otherwise stipulated in the Company Act or the Company's Articles of Incorporation. At the time of voting, shareholders shall vote on a case-by-case basis after the total number of shareholders' voting rights present is announced by the Chairman or the Chairman's proxy. The shareholders' approval, opposition, and abstention voting results shall be uploaded to the Market Observation Post System.

5.8.11 When there are several amendments or alternatives to the same proposal, the Chairman shall determine the order of voting on such a proposal with the original. If one of the proposals is resolved, the other proposals shall be deemed to be rejected, and no further voting is required.

5.8.12 The Chairman shall designate persons to count the votes when voting on a resolution from among the shareholders.

5.8.13 The counting of votes for voting on proposals or elections at the Shareholders' Meeting shall be done at a public place at the venue of the meeting. After the votes are fully counted, the results shall be announced and recorded immediately, including the weighting.

5.8.14 If a virtual Shareholders' Meeting, after the Chairman declares the meeting open, shareholders attending the virtual meeting shall cast their votes on proposals and elections on the virtual meeting platform before the Chairman announces the voting session has closed or it is deemed abstained from voting.

5.8.15 If a virtual Shareholders' Meeting, votes shall be counted immediately after the Chairman announces the voting session has closed, and the results of the votes and elections shall be announced immediately.

5.8.16 If a hybrid Shareholders' Meeting, if shareholders who have registered to attend the virtual meeting in accordance with Article 5.3.5 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 virtual Shareholders' Meeting.

5.8.17 When shareholders exercise voting rights in writing or electronically, unless they have withdrawn the declaration of intent and attended the virtual Shareholders' Meeting, except for extraordinary motions, they will not exercise their voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

5.8.18 If a virtual Shareholders' Meeting, the Company shall disclose the real-time results of votes and election immediately after the voting session is closed on the virtual meeting platform according to the regulations, and this disclosure shall continue for at least 15 minutes after the Chairman has announced the meeting adjourned.

5.9 Election matters:

5.9.1 The election of directors during a Shareholders' Meeting must be handled according to the relevant election provisions set by the Company. The election results, including the list of elected directors, the final tally, the list of directors who have lost the election, and the number of voting rights obtained must be announced on-site.

5.9.2 The ballots for election in the preceding paragraph shall be sealed and signed by the counters, and shall be properly preserved for at least one year. However, a lawsuit arises under the Company Act, such materials shall be retained until the end of the lawsuit.

5.10 Shareholders' Meeting minutes:

5.10.1 The resolutions of the Shareholders' Meeting shall be made into minutes, which shall be signed or sealed by the Chairman. They shall be distributed to all shareholders no later than 20 days after the meeting. The production and distribution of meeting minutes may be conducted electronically.

5.10.2 The aforesaid meeting minutes may be announced by uploading them to the Market Observation Post System.

5.10.3 The minutes shall detail the date and venue of the meeting, the Chairman's name, the method of resolution, the proceedings and voting results of various motions (including statistical weightings), and the number of votes obtained by each candidate during director and supervisor elections. The meeting minutes shall be retained for the duration of the Company's existence.

5.10.4 If a virtual Shareholders' Meeting, 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, the convening of the meeting, the Chairman's and secretary's names, and actions to be taken in the event of technical issue or disruption to the virtual meeting platform or due to natural disaster, accident, or other force majeure event, and how such issues shall be handled shall also be included in the minutes.

5.10.5 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 the alternative measures available to shareholders with difficulties in attending a virtual-only Shareholders' Meeting.

5.11 External announcement:

5.11.1 The number of shares acquired by solicitors and the number of shares represented by entrusted proxies shall be disclosed in the Shareholders' Meeting on the meeting day in a statistical table compiled in the prescribed format. If 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.

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

5.11.3 If a Shareholders' Meeting resolution involves significant information required by the laws and regulations or the Taipei Exchange, the company shall transmit the content to the Market Observation Post System within the prescribed deadline.

5.12 Maintaining order at the venue:

5.12.1 Shareholders' Meeting staff shall wear identification cards or armbands.

5.12.2 The Chairman may direct proctors or security personnel to assist in maintaining order at the venue. When proctors or security personnel are present to assist in maintaining order, they shall wear armbands or ID cards displaying the word "Proctor."

5.12.3 If the venue has any amplifying equipment installed, the Chairman may stop shareholders from speaking using such equipment other than those provided by the Company.

5.12.4 If a shareholder violates the procedure rules, does not obey the Chairman's corrections, disrupts the progress of the meeting, and refuses to comply, the Chairman may direct proctors or security personnel to escort the shareholder out of the venue.

5.13 Recess and resumption:

5.13.1 During a meeting, the Chairman may announce a break at his or her discretion. During a force majeure event, the Chairman may rule to suspend the meeting temporarily and announce the meeting continuation time.

5.13.2 If the meeting venue can no longer be used before the agenda (including extempore motions) set by the Shareholders' Meeting are concluded, the Shareholders' Meeting may decide to find another venue to continue the meeting.

5.13.3 The Shareholders' Meeting may decide to postpone or continue the meeting within five days pursuant to the Company Act.

5.14 Audio or video recordings of Shareholders' Meetings:

5.14.1 The Company shall record the entire process of registration, discussion, and voting of the Shareholders' Meeting continuously and without interruption starting from the time of acceptance of shareholders' registration.

5.14.2 The audio-visual materials in the preceding paragraph shall be retained for at least one year. However, if a lawsuit arises under the Company Act, such materials shall be retained until the end of the lawsuit.

5.14.3 If a virtual Shareholders' Meeting, the Company shall retain records of shareholder registration, sign-in, check-in, questions raised, votes cast, and results of votes counted by the Company, and ensure continuous audio and video recording of the proceedings of the virtual meeting from beginning to end without interruption.

5.14.4 The information and audio and video recording in the preceding paragraph shall be properly retained by the Company for the entirety of its existence, and copies of the audio and video recording shall be provided to and retained by the party appointed to handle matters of the virtual meeting.

5.14.5 If a virtual Shareholders' Meeting, the Company is advised to ensure an audio and video recording of the back-end operation interface of the virtual meeting platform.

5.15 Communication and technical issues:

5.15.1 If 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.

5.15.2 If a virtual Shareholders' Meeting, when declaring the meeting open, the Chairman shall also declare, unless the meeting is not required to be postponed or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of

Shareholder Services of Public Companies, if there are issues with the virtual meeting platform or participation in the virtual meeting may be disrupted due to natural disaster, accident, or other force majeure event before the Chairman announces the meeting adjourned; if disruption 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.

5.15.3 If a meeting is postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected virtual Shareholders' Meeting shall not attend the postponed or resumed session.

5.15.4 For a meeting to be postponed or resumed under Article 5.15.2, the number of shares represented, and the voting rights and election rights exercised, by the shareholders who have registered to participate in the affected Shareholders' Meeting and have successfully signed in to the meeting but do not attend the postponed or resumed session of 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.

5.15.5 During a postponed or resumed session of a Shareholders' Meeting held under Article 5.15.2, no further discussion or resolution is required for proposals for which votes have been cast, counted and the results of which have been announced, or the list of elected directors.

5.15.6 If 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 still meets the minimum legal requirement for a Shareholders' Meeting, then the Shareholders' Meeting shall continue, and no postponement or resumption thereof under Article 5.15.2 is required.

5.15.7 If a meeting should continue per the preceding paragraph, the shares represented by shareholders attending the virtual meeting shall be counted towards the total number of shares represented by shareholders present at the meeting, provided that such shareholders are deemed as abstaining from voting on all proposals of the meeting agenda of that Shareholders' Meeting.

5.15.8 When postponing or resuming a meeting according to Article 5.15.2, 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.

5.15.9 The dates or period set forth under the second half of Article 12 and Article 13, paragraph 3 of the Regulations Governing the Use of Proxies for Attendance at Shareholders' 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, shall be handled by the Company based on the date of the Shareholders' Meeting that is postponed or resumed under Article 5.15.2.

5.15.10 When convening a virtual-only Shareholders' Meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulty attending a virtual Shareholders' Meeting.

6. These provisions shall be implemented after approval by the Shareholders' Meeting, and the same shall apply to its amendments.

7. Related document: Articles of Incorporation for Formosa Optical Technology Co., Ltd.

8. Forms used: None.

9. Implementation and amendment history:

9.1 This Articles of Incorporation were formulated on June 29, 1991, and entered into force on the date of approval and promulgation.

9.2 The 1st amendment was effected on June 24, 1998.

9.3 The 2nd amendment was effected on June 28, 2002.

9.4 The 3rd amendment was effected on March 14, 2012.

9.5 The 4th amendment was effected on March 25, 2015.

9.6 The 5th amendment was effected on June 24, 2020.

9.7 The 6th amendment was effected on July 27, 2021.

9.8 The 7th amendment was effected on June 27, 2022.

10. Operating procedure: None

Appendix 2

Articles of Incorporation

Formosa Optical Technology Co., Ltd.

Chapter I General Rules

Article1. This Company is an organization established pursuant to the provisions of the Company Act related to limited companies, and is named Formosa Optical Technology Co., Ltd.

Article2. The scope of business for this Company is listed as follows:

1. CB01020 Office Machines Manufacturing
2. CC01060 Wired Communication Equipment and Apparatus Manufacturing
3. CC01070 Telecommunication Equipment and Apparatus Manufacturing
4. CC01080 Electronics Components Manufacturing
5. CE01030 Optical Instruments Manufacturing
6. F108031 Wholesale of Drugs, Medical Goods
7. F110020 Wholesale of Spectacles
8. F113070 Wholesale of Telecommunication Apparatus
9. F208031 Retail Sale of Medical Apparatus
10. F210020 Retail Sale of Glasses
11. F213060 Retail Sale of Telecommunication Apparatus
12. F401010 International Trade
13. JZ99060 Spectacles Shops
14. IZ01010 Photocopy
15. IZ02010 Typing
16. IZ10010 Typesetting
17. F118010 Wholesale of Computer Software
18. F119010 Wholesale of Electronic Materials
19. I301010 Information Software Services
20. I301020 Data Processing Services
21. I301030 Electronic Information Supply Services
22. I401010 General Advertisement Service
23. I401020 Advertising Leaflet Distribution
24. JA02040 Clocks and Watches Repair
25. F102040 Wholesale of Nonalcoholic Beverages
26. F107030 Wholesale of Cleaning Supplies
27. F108040 Wholesale of Cosmetics
28. F203010 Retail Sale of Food, Grocery and Beverage
29. F207030 Retail Sale of Cleaning Supplies
30. F208040 Retail Sale of Cosmetics
31. F113050 Wholesale of Computers and Clerical Machinery Equipment

32. F213030 Retail Sale of Computers and Clerical Machinery Equipment
33. F399040 Retail Sale No Storefront
34. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval

Article3. The Company is established in New Taipei City. Branch offices or subsidiaries may be established domestically or overseas upon resolution of the board of directors as it deems necessary. External guarantees are provided. The Company's external investment amount is not subject to the restrictions imposed under Article 13 of the Company Act that the reinvestment shall not exceed 40% of the paid-in share capital.

Article4. All public announcements of the Company shall be duly made according to Article 28 of the Company Act.

Chapter II Shares

Article5. The Company's registered capital is NT\$850 million with 85 million shares. Each share is valued at NT\$10, and shares are issued in several batches.

Article6. The Company's stocks shall be signed or sealed and numbered by a director representing the Company. The stocks shall be issued after proper certification by the competent authority or authorized registration institutes. Co-printed or non-printed stock certificates may also be provided. The shares issued under the preceding paragraph shall be registered and retained by a centralized securities depository enterprise.

Article7. Shareholders shall report their name, title, and address to the Company, seal where designated, and send it to the Company for inspection. If the seal is lost, report the loss to the Company in writing. All share administration related affairs shall proceed according to the Company Act, the Regulations Governing the Administration of Shareholder Services of Public Companies, and other relevant laws and regulations.

Article8. When a stock is transferred, the transferor and transferee shall fill in an application for the transfer of shares and submit the application to the Company for share ownership transfer. After registration in the shareholders' roster, the shares may be set up as a valid defense against the Company.

Article9. If the shares are lost or destroyed, the recovery method shall be handled according to the Company Act or other relevant laws and regulations.

Article10. During share replacement or re-issuance, the Company may charge handling fees and stamp duties at its discretion.

Article11. The Company's stockholders' registry shall be closed for 60 days prior to an annual general meeting, 30 days prior to an extempore meeting, and five days prior to the baseline date for distributing dividends or other entitlements.

Chapter III Shareholders' Meetings

Article12. Shareholders' Meetings are classified into two types: General Shareholders' Meetings and Extempore Shareholders' Meeting. A General Shareholders' Meeting shall be convened within six months after the end of each fiscal year, and each shareholder shall be notified 30 days in advance. An Extempore Shareholders' Meeting shall be convened when necessary, and the shareholders shall be notified 15 days in advance. The meeting notice shall specify the date, the venue, and agenda to be discussed during the meeting.

Article12-1 Shareholders' Meetings of the Company may be held via video conference or other methods announced by the Ministry of Economic Affairs.

Article13. If a shareholder is unable to attend the Shareholders' Meeting in person, a proxy can be appointed by completing the Company's proxy form and by specifying the scope of delegated authority. In addition to Article 177 of the Company Act, a proxy may also be designated to attend on behalf of a shareholder who is absent pursuant to the Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies as stipulated by the competent authority.

Article14. The Chairman shall chair Shareholders' Meetings. If the Chairman is absent, the Chairman may appoint one of the directors to act as an agent on his or her behalf. If no one is appointed, the remaining directors shall appoint one person to serve as the agent. If convened by a person with the right to convene other than the board of directors, the Chairman shall be such person with the right to convene. If two or more persons have the right to convene meetings, one of such persons shall be elected as the Chairman. Shareholders' Meetings shall be convened according to the Company's procedure rules.

Article15. Each shareholder of the Company shall be entitled to one vote for each share held. However, no voting power shall be granted to the shares prescribed in Article 179 of the Company Act.

Article16. Unless otherwise regulated by the Company Act, a Shareholders' Meeting resolution is passed when more than 50% of all outstanding shares are represented in the meeting and voted in favor of by over 50% of all voting rights represented at the meeting. Voting rights can be exercised in writing or electronically. Instructions for exercising voting rights in writing or electronically must be clearly stated in the

Shareholders' Meeting guidance.

Article17. The resolutions of the Shareholders' Meeting shall be made into minutes, which shall be signed or sealed by the Chairman and published no later than 20 days after the meeting. The minutes must detail the date and venue of the meeting, the meeting chair's name, the method of resolution, and a summary and results of the meeting agenda. These minutes are to be retained permanently. The retention period for shareholders' attendance sheets and proxy forms shall be at least one year. However, if a lawsuit arises under Article 189 of the Company Act, such materials shall be retained until the end of the lawsuit.

Chapter IV Directors

Article18. The Company has 7 - 11 directors, all of whom are elected by the Shareholders' Meeting with the ability to act for a term of three years, and may be re-elected. The total number of registered shares held by all directors in the preceding paragraph shall be regulated by the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies.

Article18-1 Among the Company directors, the number of independent directors shall not be less than three and shall not represent less than one-fifth of the total directorial seats. The director candidate (including independent directors) nomination system shall be adopted, and the Shareholders' Meeting shall select and appoint directors from the list of director candidates.

The board of directors shall authorize directors' remuneration at the rate of industry level. Restrictions concerning directors' eligibility, shareholding, concurrent employment, nomination, method of election, and all other compliance issues are governed by the relevant laws of the authority.

Article18-2 The Company's board of directors may establish other functional committees, and the rules for exercising their powers shall be determined by the board of directors. The Company's board of directors shall establish an audit committee composed of no less than three independent directors, from among which one shall be the convener, and at least one member shall possess expertise in accounting or finance. The responsibilities, organizational rules, exercise of powers, and other matters by which the audit committee must abide shall be handled according to the relevant laws and regulations or Company rules.

Article19. If the term of a director has expired and a replacement cannot be sought for any reason, his or her executive duties shall be extended until a new director takes office.

Article20. The directors shall organize the board of directors. The directors shall elect a chairman and a vice-chairman from among each other in a meeting with over two-thirds of the directors present and with majority approval. The Chairman shall represent the Company externally.

Article21. If board of director members are short by up to one-third, the board of directors shall convene an Extempore Shareholders' Meeting within 60 days to elect supplemental members to serve out the terms of the missing members whom they were elected to replace.

Article22. The board of directors shall be convened and chaired by the Chairman. If the Chairman cannot perform the duties due to a leave of absence or any other reason, the Chairman may appoint one of the directors to act on his or her behalf. If no one is appointed, the remaining directors shall appoint one person as an agent. The Company may convene the board of directors at any time during an emergency. The notice of the convening the board of directors of the Company may be made in writing, e-mail, or facsimile and all members of the board of directors shall be notified.

Article23. Unless otherwise stipulated by the Company Act, a resolution by the board of directors shall be adopted in a meeting attended by over half of all directors and approved by over half of the directors present. If a director cannot attend for any reason, the director may issue a power of attorney stating the scope of authorization under the convening reasons and entrust another director to attend as a proxy. One person may entrust only one other person.

Article24. Resolutions of meetings of the board of directors shall be made into minutes, which shall be signed or sealed by the Chairman and delivered to the directors no later than 20 days after the meeting. The minutes must detail the date and venue of the meeting, the meeting chairman's name, the method of resolution, and a summary and results of the meeting agenda. These minutes are to be retained permanently. The retention period for directors' attendance sheets and proxy forms shall be at least one year.

Article25. When any of the directors perform the Company's duties, regardless of the Company's operating profit or loss, the Company shall pay the directors the remuneration negotiated based on their involvement in the Company's operations and the value of their contributions, which shall not exceed the highest salary scale stipulated by the Company's salary assessment provisions. If the Company has any surplus distribution, the remuneration shall be distributed according to the provisions of Article 30. Liability insurance shall be purchased for all directors, the amount of which shall be authorized by the board of directors.

Chapter V Managerial Officers and Staff

Article26. The Company shall establish one president and several senior vice presidents and vice presidents. Their appointment and removal shall be made by the board of directors with majority consent from all directors. However, the appointment and removal of senior vice presidents and vice presidents shall be nominated by the president.

Article27. The Company's board of directors shall pass a resolution to retain consultants or important staff members.

Chapter VI Settlement

Article28. Upon closing of each fiscal year, the board of directors shall formulate the following documents to be ratified by the General Shareholders' Meeting:

1. Business report
2. Financial statement
3. Proposal for surplus distribution or loss supplement

Article29. If the Company makes a profit for the year, it shall allocate not less than 1% as employee remuneration, and the board of directors shall pass a resolution on whether the allocation distribution should be made in stocks or cash. The recipients of such distribution must be Company employees meeting certain conditions. The board of directors shall pass a resolution to allocate no more than 3% of the aforesaid profit as remuneration for directors and supervisors. Proposals for the distribution of employee and director remuneration shall be submitted to the Shareholders' Meeting. Priority shall be given to reserve the funds to cover accumulated losses before allocation to employee and director remuneration according to the preceding ratio.

Article30. If the Company's annual final accounts are in surplus, 10% shall be appropriated as the statutory surplus reserve after tax and after accumulated losses have been offset pursuant to the law, unless the statutory surplus reserve has already reached the paid-in capital of the Company. The rest shall be appropriated or revolved as a special surplus reserve. If there is balance remaining and an accumulated undistributed surplus, the board of directors shall make a surplus distribution proposal, and submit the case to the board of directors to pass a resolution on the shareholder dividend allocation.

When the Company sets aside special surplus reserves according to the law, if the "net increase in fair value of investment-type real estate accumulated in the previous period" and the "net decrease in other equity accumulated in the previous period" are under-reported, the same amount of special surplus reserve from the undistributed surplus in the previous period shall be set aside before the surplus distribution. If

that is still insufficient, the amount other than the current after-tax net profit plus the current after-tax net profit shall be included in the current undistributed surplus.

The Company's dividend policy is based on current and future development plans, consideration of the investment environment, funding demands, and domestic/foreign competition conditions, and takes into account the interests of shareholders and other factors. For each fiscal year, no less than 20% of the distributable earnings for the current fiscal year shall be allocated as dividends to shareholders. However, when the accumulated distributable earning is less than 70% of the paid-in capital, no distribution will be made; the shareholders' dividends may be made in shares or cash. The cash dividends shall not be less than 10% of the total dividends.

Chapter VII Supplemental Provisions

Article31. The board of directors shall establish the Company's organization procedures and operation rules.

Article32. Matters not addressed in the Articles of Incorporation shall be governed by the Company Act and other relevant laws and regulations.

Article33. The Articles of Incorporation shall be implemented following resolution of the Shareholders' Meeting and be submitted to the competent authority for approval. The same shall apply to any revisions.

Article34. This Articles of Incorporation were established on October 19, 1989.

The 1st amendment was effected on June 9, 1990.

The 2nd amendment was effected on March 13, 1991.

The 3rd amendment was effected on June 8, 1991.

The 4th amendment was effected on April 23, 1993.

The 5th amendment was effected on November 1, 1993.

The 6th amendment was effected on June 21, 1994.

The 7th amendment was effected on November 28, 1994.

The 8th amendment was effected on May 16, 1996.

The 9th amendment was effected on June 24, 1997.

The 10th amendment was effected on June 24, 1998.

The 11th amendment was effected on November 10, 1998

The 12th amendment was effected on June 24, 1999.

The 13th amendment was effected on September 1, 1999.

The 14th amendment was effected on June 23, 2000.

The 15th amendment was effected on March 27, 2001.

The 16th amendment was effected on November 16, 2001.

The 17th amendment was effected on November 16, 2001.

The 18th amendment was effected on June 28, 2002.

The 19th amendment was effected on June 28, 2004.

The 20th amendment was effected on June 24, 2005.

The 21st amendment was effected on June 27, 2006.

The 22nd amendment was effected on June 25, 2010.

The 23rd amendment was effected on June 24, 2011.

The 24th amendment was effected on June 27, 2012.

The 25th amendment was effected on June 26, 2013.

The 26th amendment was effected on June 22, 2015.

The 27th amendment was effected on June 22, 2016.

The 28th amendment was effected on June 24, 2020.

The 29th amendment was effected on July 27, 2021.

The 30th amendment was effected on June 27, 2022.

Appendix 3

Shareholdings Status for all Directors of the Company

1. According to the provisions of Article 26 of the Securities and Exchange Act and the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies (the Company complies with independent director provisions):
 - (1) The total number of shares held by all non-independent directors of the company shall not be less than 4,804,791 shares issued by the Company.
 - (2) The Company has established an Audit Committee so the provision on the number of shares that the supervisor must hold is inapplicable.
2. The number of shares held by the Company's directors as of the closing date of this General Shareholders' Meeting is recorded in the shareholder register as follows:

General Shareholders' Meeting date: June 30, 2023

Title	Name	Number of shares currently held	
		Number of shares	Shareholding ratio
Chairman	Chieh Fu International Co., Ltd. Representative: Kuo-Chou Tsai	10,785,057	17.95%
Vice Chairman	Kuo-Ping Tsai	389,439	0.64%
Director	Hui-Yu Liu Chen	2,396,975	3.99%
Director	Chieh Fu International Co., Ltd. Representative: Yi-Shan Tsai	10,785,057	17.95%
Director	Formosa Electronics Co., Ltd. Representative: Tzu-Chiang Chueh	874,115	1.45%
Director	Chiwei Investment Co., Ltd. Representative: Chi-Wei Chang	1,300,972	2.16%
Director	Hsiu-Pi Yao	0	0.00%
Independent Director	Yu-Ching Tsai	0	0.00%
Independent Director	Chung-Chi Wen	0	0.00%
Independent Director	Meng-Jou Wu	0	0.00%
Independent Director	Jung-Hui, Liang	0	0.00%
Number of shares held by all independent directors		15,746,558	26.21%

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