

Stock Code : 5434



2024 Annual Shareholders' Meeting

Meeting Handbook

May 30, 2024

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A. 2024 Annual Shareholders' Meeting Procedure

- I 、 Call Meeting to Order
- II 、 Chairman's Address
- III 、 Report Items
- IV 、 Resolutions
- V 、 Discussion
- VI 、 Extemporaneous Motions
- VII 、 Meeting Adjourned

B. 2024 Annual Shareholders' Meeting Agenda

Time : 9:00 a.m., Thursday, May 30, 2024

Place : 9Floor, No. 489, Sec. 2, Tiding Blvd., Neihu Dist., Taipei City.

Shareholders meeting is held by means of physical shareholders meeting

I、 Call Meeting to Order

II、 Chairman's Address

III、 Report Items

(1) The 2023 Business Report.

(2) The 2023 Audit Committee's Review Report.

(3) The 2023 Remuneration to Employees and Directors.

(4) The 2023 Cash distribution of Earnings and capital reserve.

(5) To report the related party transactions of 2023.

(6) To report the issue of the Second Domestic Unsecured Convertible Bond.

IV、 Resolutions

(1) The 2023 Financial Statements.

(2) The 2023 Earnings Distribution.

V、 Discussion and Election

Amendment of the Articles of "Articles of Incorporation".

VI、 Extemporary Motions

VII、 Meeting Adjourned

1. Report Items

I、The 2023 Business Report.

Explanation:

- (1) The Company's 2023 Business Report is attached hereto as Attachment 1. Please refer to page 8.
- (2) For adoption.

II、The 2023 Audit Committee's Review Report.

Explanation:

- (1) The Company's 2023 Audit Committee's Review Report is attached hereto as Attachment 2. Please refer to pages 10.
- (2) For adoption.

III、The 2023 Remuneration to Employees and Directors.

Explanation:

- (1) Pursuant to Article 20 of the Company's Articles of Incorporation, the Company shall set aside no less than 4% of its earnings for the period, if any, as employees' profit-sharing bonus and not more than 3% of its earnings as remuneration to Directors. Notwithstanding the forgoing, the Company shall reserve a sufficient amount of earnings to offset its accumulated losses.
- (2) In accordance with the Company's Articles, 8% of earnings for the period totaling NT\$306,198,000 has been distributed in cash as profit sharing bonus to employees and 2% of earnings totaling NT\$ 76,549,000 in cash distributed as remuneration to directors.
- (3) For adoption.

IV 、 The 2023 cash distribution of earnings and capital reserve.

Explanation:

- (1) The Company provided NT\$1,698,296,103 from the earnings to pay out shareholders' cash dividends, at NT\$9 per share. In addition, in accordance with Article 241 of the Company Act, cash will be paid out from the capital surplus of NT\$188,699,567 in excess of the par value of the shares issued, at NT\$1 per share.
- (2) The earnings and the capital surplus distributed in cash was rounded down to NT\$1, and the total amount of each payment less than NT\$1 shall be adjusted from the largest decimal figures to the smallest ones sort from large to small until the total meets the total amount of cash dividends to be paid out. The Chairperson is authorized to set the distribution record date and the payout date and decide other relevant matters.
- (3) If there is a change in the Company's share capital affecting the number of outstanding shares and resulting in a change of the payout ratio that requires revision, the Chairperson is authorized to handle it with full authority.
- (4) For adoption.

V 、 To report the related party transactions of 2023.

Explanation:

- (1) The Related Party Transactions of 2023 is attached hereto as Attachment 3. Please refer to pages 11.
- (2) For adoption.

VI、To report the issue of the Second Domestic Unsecured Convertible Bond.

Explanation:

- (1) In order to meet the capital needs of purchasing a building for self-use, the board of directors confirmed the resolution on April 19, 2023, to issue the second domestic unsecured convertible bond. The total par value of the issuance is NT\$1,000,000 thousand, with par value of NT\$100 thousand, the total amount of the issuance is 10,000, issued at 101% of the value with the issuance period of three years. The case has been approved for issuance by the Jin-Guan-Zheng-Fa-Zi No. 11203414271 dated May 19, 2023. The case has completed the fundraising on June 27, 2023 and has been operating at the over-the-counter, securities exchange since June 29, 2023 for transactions.
- (2) The issue of the Second Domestic Unsecured Convertible Bond is attached hereto as Attachment 4. Please refer to pages 12.
- (3) For adoption.

2. Resolutions

I、The 2023 Financial Statements. (Proposed by the Board of Directors)

Explanation:

- (1) The Company's 2023 Financial Statements, including Balance Sheet, Income Statement, Statement of Changes in Shareholders' Equity, and Cash Flow Statement, were audited by independent auditors Kuo, Kuan Ying & Chien, Szu Chuan of KPMG. It was reviewed by Audit Committee and includes Business Reports.
- (2) The Company's 2023 Financial Statements are attached hereto as Attachment 5 and Attachment 6. Please refer to pages 13~28.
- (3) For adoption.

Resolution:

II、The 2023 Earnings Distribution. (Proposed by the Board of Directors)

Explanation:

- (1) The Board of Directors resolved to adopt the proposal of the Company's 2023 earnings.
- (2) Earnings Distribution Proposal for the Year 2023 is attached hereto as Attachment 7. Please refer to page 29.
- (3) For adoption.

Resolution:

3. Discussion

Amendment of the Articles of “Articles of Incorporation”.

(Proposed by the Board of Directors)

Explanation:

- (1) In accordance with the company's operational requirements, the Company’s “Articles of Incorporation” were amended.
- (2) Comparison Table of Revision to the Company’s Articles of Incorporation is attached hereto as Attachment 8. Please refer to page 30.
- (3) For resolution.

Resolution:

4. Extemporaneous Motions

5. Meeting Adjourned

C. Attachment

Attachment 1.

2023 Business Report

In 2023, with the joint efforts of the TOPCO management team and all members, we continued to develop new products and expand the impact of our headquarters. Despite the unfavorable global inflation, continuous restructuring of the supply chain, and the spread of war in the Middle East and Europe, the team completed and achieved numerous records, second to the highest record over the years, reaching NT\$49.27 billion in revenue, NT\$2.853 billion in net income, and earnings per share of NT\$15.36.

TOPCO is in line with the international standards and strives to achieve global carbon reduction and corporate sustainability goals. In 2023, we received the “National Sustainable Development Award” of Executive Yuan, “The 100 Best Corporate Citizens,” “The Top 100 Decarbonization Company by *Business Weekly Magazine*,” “Taiwan Best-in-Class 100,” “Taiwan Sustainability Action Award (TSAA) – Gold,” “Taiwan Corporate Sustainability Awards (TCSA),” etc., and passed the ISO 14001 certification, and made continuous efforts in implementing the UN SDGs in environmental, social, and governance (ESG) aspects.

According to the statistics of the Industry, Science and Technology International Strategy Center (ISTI), Industrial Technology Research Institute (ITRI), Taiwan’s 2023 IC industry output reached NT\$4.3 trillion, declined by 11.2% compared to 2022. Semiconductor materials account for about 80% of TOPCO's revenue. Benefiting from the rapid development of AI, the demand for advanced materials for processing procedures such as photoresist, silicone, and chemicals is still large. The performance of advanced packaging continues to grow. New customers and suppliers of the Foundry Service are increasing, and suitable OEMs are being matched to increase manufacturing capacity and accelerate product launches on the market. In addition, overseas subsidiaries in the United States, Vietnam and Japan have also experienced a significant growth. The company will continue to strengthen its partnership with the semiconductor supply chain and provide comprehensive services.

In the environmental protection and green energy section, in addition to obtaining numerous large-scale wastewater treatment, air conditioning equipment cross-strait projects, and exploring new overseas markets in Malaysia and Vietnam, we are also actively expanding operational projects with investments and businesses under national policies and legal regulation; business performance of industrial waste removal, chemical sales, environmental impact assessment and renewable energy, etc., have achieved good results. The “Taiwan Sugar Corporation Huwei Sugar Factory Agricultural Modernization Circulating Production Ground” project was awarded the FIABCI-Taiwan Real Estate Excellence Awards – 2023 Best Design Planning Award, implementing environmental sustainability. In areas related to people’s daily life, Anyo Co., Ltd., holds the purpose of improving consumer health. Its main products such as sea-bass essence have been recognized by R&D and product quality awards in the United States and Japan and other countries. The amount of the sales has reached more than 200,000 boxes, and its sales performance has grown steadily.

Looking forward to 2024, driven by emerging applications such as AI PC, electric vehicles and 6G, the advanced semiconductor manufacturing processes will continuously drive demand for wafers, photoresists and other related materials, and the revenue is expected to grow. We will continue to evaluate and introduce new products, and establish value-added technologies and services, including used machine business and factory construction consulting services. In response to the decentralized shift of the global supply chain, the base in Japan will become the focus of operations to fulfill nearby customer needs. At the same time, we will expand overseas markets such as Singapore, Malaysia,

Thailand, and Vietnam with Singapore as the operation center, providing warehousing and water treatment engineering services. We are optimistic about the potential of the future development of the European semiconductor industry and are considering establishing a base in the Czech Republic to provide semiconductor supply chain solutions and services. In the environmental protection and green energy section, we will integrate development including turn-key project, energy development, environmental impact assessment, carbon reduction and resource recycling, and continue to develop overseas engineering business markets. In the field of people's daily life, we use innovative marketing methods to expand domestic and overseas markets, create "Anyo Freshmart" high-quality products and professional sports training brand XSPORTS, integrating the group's resources, and building a comprehensive health business with scientific and technological mindsets.

TOPCO plays the role of developer, integrator and innovator. In the future, it will continue to delve into the high-tech field, increase machine equipment and factory consulting services, accelerate new businesses through mergers, acquisitions and strategic alliances, expand overseas market arrangements, and promptly meet customers' expectations for products and services; integrating the development of environmental protection, green energy and comprehensive health businesses, recruiting and training diverse talents, taking care of employees, reciprocating shareholders, implementing corporate governance, fulfilling corporate social responsibilities, and pursuing sustainable corporate development.

Topco Scientific Co., Ltd.



Jeffery Pan
Chairman



Simon Tseng / Charles Lee
President



Nicole Lee
Chief Accounting Officer

Attachment 2.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2023 Business Report, Financial Statements and proposal for Earnings Distribution. Consolidated and parent company only Financial Statements have been audited and certified by Kuo, Kuan-Ying, CPA, and Chien, Szu Chuan, CPA, of KPMG and audit reports relating to the Financial Statements have been issued. The Business Report, Financial Statements and Earnings Distribution Proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of TOPCO SCIENTIFIC CO., LTD. According to relevant requirements of the Securities and Exchange Act and the Company Law, we hereby submit this report.

TOPCO SCIENTIFIC CO., LTD.

Chairman of the Audit Committee: Sheu, Her-Jiun



February 29, 2024

Attachment 3.

The Related Party Transactions of 2023

Execution of transactions between significant related parties

Unit:NT\$1,000

Item	Counter Party	Amount	Trading conditions
Sales Revenue	Topco Shanghai	266,635,772	There is no significant difference between the related parties and the third-parties.
	Shin Etsu Handotai Taiwan	20,802,355	
Services revenue	Shin Etsu Handotai Taiwan	43,387,624	The terms is based on the contracts, and no significant difference between the related parties and the third-parties.
	Topco Quartz	76,961,761	
Purchase	Topco Quartz	609,425,662	There is no significant difference between the related parties and the third-parties.
	Topchem Materials	31,405,871	
	Fong Rong Smart Machinery	19,160,240	
	EastWind Tsusho	14,930,790	
	Taiwan E&M	14,775,000	

Attachment 4.

The issue of the Second Domestic Unsecured Convertible Bond

Issuance	Second domestic unsecured convertible bond
Date of Board Resolution	April 19, 2023
Purpose	Purchasing a building for self-use
Document Number of Official Approval	Official Letter No. Financial-Supervisory-Securities-Corporate-11203414271 issued by the FSC on May 19, 2023 Official Letter No. Securities-TPEX-Bond-11200060512 issued by the TPEX on June 21, 2023
Issue Date	June 29, 2023
Total Amount	NT\$ 1 billion
Maturity	3 years, June 29, 2023~June 29, 2026
Number of Bonds Issued/ Denomination	10,000 units/ NT\$100,000 (each)
Issue Price	101% of par value
Coupon Rate	0%
Conversion Price at Issuance	NT\$200/share
Latest Conversion Price	NT\$200/share
Conversion Period	September 30, 2023~June 29, 2026
Repayment	Except where holders of the convertible bonds convert the bonds into common shares of the Company pursuant to Article 10 of the Rules or cancel the bonds purchased from TPEX, the Company will redeem the bonds at par value with a lump sum cash payment on the maturity date. Payments will be made within 10 business days (inclusive) from the maturity.
Amount of Converted Common Shares	NT\$100,000 as of March 31, 2024 500 common shares have been converted

Attachment 5.

Independent Auditors' Report

To the Board of Directors of Topco Scientific Co., Ltd.:

Opinion

We have audited the financial statements of Topco Scientific Co., Ltd. ("the Company"), which comprise the balance sheet as of December 31, 2023 and 2022 (restated) and January 1, 2022 (restated), the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022 (restated) and January 1, 2022 (restated), and its financial performance and its cash flows for the years ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of 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 Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Emphasis of Matter

We draw attention to note 6(a) of the financial statements, according to the IFRSs Q&A updated by the Financial Supervisory Commission, Securities and Futures Bureau, the repatriated offshore funds account balance amounted to \$1,035,558 thousands and \$942,939 thousands on December 31, 2022 and January 1, 2022, respectively, was reclassified from other current financial assets to cash and cash equivalents, and the financial statements were restated retrospectively. Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements for certain investments accounted for using equity method in the financial statements of the Company for 2023 and 2022. The investments accounted for using equity method constituted 9.79% and 10.34% of the total assets as of December 31, 2023 and 2022; and the share of profit of associates and joint ventures accounted for using equity method constituted 13.91% and 14.60% of profits before tax for the years ended December 31, 2023 and 2022, respectively. These financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amount of investments accounted for equity method, is based solely on the reports of the other auditors.

Key Audit Matters

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

1. Recognition of Operating Revenue

Please refer to note 4(o) "Revenue" for accounting policies related to revenue recognition; and note 6(t) "Revenue" for details of revenue.

Description of Key Audit Matters:

Due to the wide variety of the Company's products, different transactions were generated according to customers and product portfolio. Identification of revenue recognition has significant influence on the financial statements of the Company. Therefore, revenue recognition is considered as one of the key matters in our audits.

How the matter was addressed in our audits:

Our principal audit procedures included: testing related manual and systematic control over sales cycle to assess if the revenue recognition policies of the Company are in accordance with the related standards. In addition, we examined the sales contracts between the Company and its customers to understand their trading modality and conditions, evaluating and comparing if revenue recognition is consistent with the terms of the contracts; conducting testing for details of revenue before and after the balance sheet date and verifying if revenue recognition is in accordance with the contract terms.

2. Investments accounted for using equity method- Recognition of Operating Revenue of subsidiaries

Please refer to note 4(i) "Investment in subsidiary" for accounting policies related to revenue recognition; and note 6(f) Investments accounted for using equity method.

Description of Key Audit Matters:

Some of the Company's subsidiaries, which are recognized under the equity method, are distributors for the purchase and sale of semiconductor material, electronic material and construction of environmental engineering business, such as water purification plants and dust-proof rooms. The amounts and changes in operating revenues, which are significant sources of revenues from the perspective of consolidation, may affect the users' understanding of the overall financial statements. Therefore, we have included this as one of the key audit matters.

How the matter was addressed in our audits:

Our principal audit procedures included: testing related manual and systematic control over sales cycle of certain subsidiaries using the equity method of investment, performing analytical procedures to operating income, and testing relevant vouchers, as well as assessing whether the Company's timing on revenue recognition and the amounts recognized are in accordance with related standards, and acquiring construction contracts that have significant effects on financial results to verify that there is no diffidence in the percentage of completion calculated by the Company.

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

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

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

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

Auditors' Responsibilities for the Audit of the 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 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 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 these 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 Kuan-Ying Kuo and Szu-Chuan Chien.

KPMG

Taipei, Taiwan (Republic of China)
February 29, 2024

Notes to Readers

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

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

Independent Auditors' Report

To the Board of Directors of Topco Scientific Co., Ltd.:

Opinion

We have audited the consolidated financial statements of Topco Scientific Co., Ltd. ("the Group"), and its subsidiaries ("the Group"), which comprise the consolidated balance sheet as of December 31, 2023 and 2022(restated) and January 1, 2022 (restated), and the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material policies.

In our opinion, based on our audits and the reports of other auditors (please refer to Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years 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 Financial Statement Audit and Attestation Engagements of 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. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Emphasis of Matter

We draw attention to note 6(a) of the consolidated financial statements, according to the IFRSs Q&A updated by the Financial Supervisory Commission, Securities and Futures Bureau, the repatriated offshore funds deposit account balance amounted to \$1,035,558 thousands and \$942,939 thousands on December 31, 2022 and January 1, 2022, respectively, was reclassified from other current financial assets to cash and cash equivalents, and the financial statements were restated retrospectively. Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements for certain investments accounted for using equity method in the consolidated financial statements of the Group for 2023 and 2022. The investments accounted for using equity method constituted 7.31% and 7.13% of the total consolidated assets as of December 31, 2023 and 2022; and the share of profits of associates and joint ventures accounted for using equity method constituted 12.35% and 12.85% of profit before tax for the years ended December 31, 2023 and 2022, respectively. These financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amount of investments accounted for equity method, is based solely on the reports of the other auditors.

The Company has prepared its parent-company-only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued unmodified opinions with emphasis of matter and other matter paragraph.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audits of the consolidated financial statements of the current period. These matters were addressed in the context of our audits 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Recognition of Operating Revenue

Please refer to note 4(p) "Revenue" for accounting policies related to revenue recognition; note 5(a) for revenue recognition of construction and the percentage of completion method for construction contracts; and note 6(x) "Revenue" for details of revenue.

Description of Key Audit Matters:

Due to the wide variety of the Group's products, different transactions were generated according to customers and product portfolio. Identification of revenue recognition has significant influence on the consolidated financial statements of the Group. In addition, the budgets for construction contracts highly depend on the management's judgments. The evaluation of above budgets may result in significant changes in income and losses for the reporting period. Therefore, revenue recognition is considered as one of the key matters in our audits.

How the matter was addressed in our audits:

Our principal audit procedures included: testing related manual and systematic control over sales cycle to assess if the revenue recognition policies of the Group is in accordance with the related standards. In addition, we examined the sales contracts between the Group and its customers to understand their trading modality and conditions, evaluating and comparing if revenue recognition is consistent with the terms of the contracts; acquiring construction contracts that have significant effects on financial results to verify that there is no diffidence in the percentage of completion calculated by the Group; conducting testing for details of revenue before and after the balance sheet date and verifying if revenue recognition is in accordance with the contract terms.

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, 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 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 Kuan-Ying Kuo and Szu-Chuan Chien.

KPMG

Taipei, Taiwan (Republic of China)
February 29, 2024

Notes to Readers

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

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

Attachment 6.

2023 Financial Statements

(English Translation of Financial Statements and Report Originally Issued in Chinese)
TOPCO SCIENTIFIC CO., LTD.

Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2023		December 31, 2022 (Restated)		January 1, 2022 (Restated)			December 31, 2023		December 31, 2022 (Restated)		January 1, 2022 (Restated)		
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%	
Assets														
Current assets:														
1100 Cash and cash equivalents (note 6(a))	\$ 3,354,582	14	2,274,408	11	1,332,396	8	2100	Short-term borrowings (note 6(k))	\$ 1,255,000	5	630,000	3	1,300,000	7
1110 Current financial assets at fair value through profit or loss (note 6(b))	2,491	-	4,451	-	6,425	-	2120	Current financial liabilities at fair value through profit or loss (note 6(b))	-	-	-	-	302	-
1170 Notes and accounts receivable, net (note 6(d))	3,005,880	13	3,023,028	15	3,385,944	19	2130	Current contract liabilities (note 6(t))	165,230	1	177,221	1	180,755	1
1180 Notes and accounts receivable due from related parties, net (notes 6(d) and 7)	153,315	1	115,965	1	117,874	1	2170	Notes and accounts payable	3,123,425	13	3,929,012	19	3,010,343	17
1476 Other current financial assets (notes 6(j), 7 and 8)	24,453	-	21,369	-	80,502	-	2180	Notes and accounts payable to related parties (note 7)	228,309	1	210,883	1	214,944	1
1311 Inventories, net (note 6(e))	2,130,605	9	2,694,994	13	1,881,788	10	2200	Other current financial liabilities	773,509	4	857,425	4	610,483	4
1479 Other current assets, others	128,562	-	181,590	1	162,670	1	2251	Current provisions	-	-	-	-	773	-
	8,799,888	37	8,315,805	41	6,967,599	39	2230	Current tax liabilities	447,339	2	410,324	2	145,738	1
Non-current assets:							2280	Current lease liabilities (note 6(n))	53,748	-	57,237	-	31,248	-
1510 Non-current financial assets at fair value through profit or loss (note 6(b))	577,498	2	434,362	2	248,329	1	2365	Current refund liabilities	8,549	-	13,105	-	14,434	-
1517 Non-current financial assets at fair value through other comprehensive income (note 6(c))	1,319,167	6	1,280,032	6	1,189,933	7	2399	Other current liabilities	103,574	-	54,009	-	66,326	-
1550 Investments accounted for using equity method (notes 6(f), 6(g) and 7)	8,970,163	38	7,883,215	38	6,929,475	39			6,158,683	26	6,339,216	30	5,575,346	31
1600 Property, plant and equipment (notes 6(h) and 7)	2,155,216	9	2,204,449	11	2,148,800	12	2530	Non-Current liabilities:						
1755 Right-of-use assets (note 6(i))	110,128	1	158,516	1	117,766	1	2541	Bonds payable (note 6(m))	956,809	4	-	-	-	-
1840 Deferred tax assets (note 6(p))	63,925	-	50,697	-	87,573	-	2541	Long-term borrowings (note 6(l))	600,000	3	600,000	3	-	-
1900 Other non-current assets (notes 6(j) and 8)	1,610,154	7	256,098	1	149,052	1	2570	Deferred tax liabilities and others (note 6(p))	590,050	2	449,808	2	401,828	2
	14,806,251	63	12,267,369	59	10,870,928	61	2580	Non-current lease liabilities (note 6(n))	58,914	-	103,328	1	87,827	1
							2640	Non-current net defined benefit liabilities (note 6(o))	132,618	1	131,178	1	176,954	1
									2,338,391	10	1,284,314	7	666,609	4
								Total liabilities	8,497,074	36	7,623,530	37	6,241,955	35
								Equity attributable to owners of parent: (note 6(q))						
							3100	Ordinary shares	1,886,996	8	1,816,996	9	1,816,996	10
							3200	Capital surplus	2,688,841	12	2,343,848	11	2,345,202	13
							3300	Retained earnings	9,757,304	41	8,041,653	39	6,604,677	37
							3400	Other equity	775,924	3	757,147	4	829,697	5
								Total equity	15,109,065	64	12,959,644	63	11,596,572	65
Total assets	\$ 23,606,139	100	20,583,174	100	17,838,527	100		Total liabilities and equity	\$ 23,606,139	100	20,583,174	100	17,838,527	100

(English Translation of Financial Statements and Report Originally Issued in Chinese)
TOPCO SCIENTIFIC CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

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

	2023		2022	
	Amount	%	Amount	%
Operating Revenues: (notes 6(t) and 7)				
4110 Sales revenue	\$ 25,286,674	96	27,129,041	96
4800 Other operating revenue	<u>1,102,556</u>	<u>4</u>	<u>1,102,944</u>	<u>4</u>
Operating revenue, net	26,389,230	100	28,231,985	100
Operating costs: (notes 6(e), 7 and 12)				
5110 Cost of sales	22,749,094	86	24,342,245	86
5800 Other operating costs	<u>254,719</u>	<u>1</u>	<u>272,639</u>	<u>1</u>
	<u>23,003,813</u>	<u>87</u>	<u>24,614,884</u>	<u>87</u>
Gross profit	3,385,417	13	3,617,101	13
Operating expenses: (notes 7 and 12)				
6100 Selling expenses	651,891	2	691,457	3
6200 Administrative expenses	1,162,914	5	1,194,564	4
6300 Research and development expenses	<u>33,735</u>	<u>-</u>	<u>26,694</u>	<u>-</u>
Total operating expenses	1,848,540	7	1,912,715	7
Net operating income	1,536,877	6	1,704,386	6
Non-operating income and expenses:				
7100 Interest income	35,673	-	19,945	-
7101 Other income (notes 6(b), 6(c) and 6(v))	147,834	1	117,024	-
7102 Other gains and losses (notes 6(b), 6(g) and 6(v))	137,252	-	287,197	1
7105 Financial costs	<u>(46,183)</u>	<u>-</u>	<u>(17,164)</u>	<u>-</u>
7060 Share of profits of subsidiaries, associates and joint ventures accounted for using equity method (note 6(f))	<u>1,633,273</u>	<u>6</u>	<u>1,621,653</u>	<u>6</u>
	<u>1,907,849</u>	<u>7</u>	<u>2,028,655</u>	<u>7</u>
7900 Profit from continuing operations before tax	3,444,726	13	3,733,041	13
7950 Less: Income tax expenses (note 6(p))	<u>609,702</u>	<u>2</u>	<u>714,563</u>	<u>2</u>
Profit	2,835,024	11	3,018,478	11
8300 Other comprehensive income:				
8310 Items that will not be reclassified to profit or loss				
8311 Gains (losses) on remeasurements of defined benefit plans	(6,215)	-	21,812	-
8316 Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	39,135	-	(159,901)	-
8330 Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, items that will not be reclassified to profit or loss	<u>(1,842)</u>	<u>-</u>	<u>7,293</u>	<u>-</u>
8349 Less: Income tax related to items that will not be reclassified to profit or loss	<u>(1,243)</u>	<u>-</u>	<u>4,363</u>	<u>-</u>
	<u>32,321</u>	<u>-</u>	<u>(135,159)</u>	<u>-</u>
8360 Items that will be reclassified to profit or loss				
8361 Exchange differences on translation of foreign financial statements	(52,692)	-	99,732	-
8399 Less: Income tax related to items that will be reclassified to profit or loss	<u>(9,973)</u>	<u>-</u>	<u>19,669</u>	<u>-</u>
Items that will be reclassified to profit or loss	(42,719)	-	80,063	-
8300 Other comprehensive income	(10,398)	-	(55,096)	-
Comprehensive income	\$ 2,824,626	11	2,963,382	11
Earnings per share: (note 6(s))				
9750 Basic earnings per share (NT Dollars)	<u>\$ 15.36</u>		<u>16.61</u>	
9850 Diluted earnings per share (NT Dollars)	<u>\$ 15.03</u>		<u>16.41</u>	

(English Translation of Financial Statements and Report Originally Issued in Chinese)

TOPCO SCIENTIFIC CO., LTD.

Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Ordinary shares	Capital surplus	Retained earnings		Exchange differences on translation of foreign financial statements	Other equity		Total other equity	Total equity	
			Legal reserve	Unappropriated retained earnings		Total retained earnings	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income			
Balance at January 1, 2022	\$ 1,816,996	2,345,202	1,643,582	4,961,095	6,604,677	(127,797)	957,494	829,697	11,596,572	
Profit for the year ended December 31, 2022	-	-	-	3,018,478	3,018,478	-	-	-	3,018,478	
Other comprehensive income	-	-	-	17,454	17,454	80,063	(152,613)	(72,550)	(55,096)	
Total comprehensive income	-	-	-	3,035,932	3,035,932	80,063	(152,613)	(72,550)	2,963,382	
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	229,146	(229,146)	-	-	-	-	-	
Cash dividends of ordinary share	-	-	-	(1,598,956)	(1,598,956)	-	-	-	(1,598,956)	
Changes in ownership interests in subsidiaries	-	(403)	-	-	-	-	-	-	(403)	
Changes in equity of associates and joint ventures accounted for using equity method	-	(951)	-	-	-	-	-	-	(951)	
Balance at December 31, 2022	1,816,996	2,343,848	1,872,728	6,168,925	8,041,653	(47,734)	804,881	757,147	12,959,644	
Profit for the year ended December 31, 2023	-	-	-	2,835,024	2,835,024	-	-	-	2,835,024	
Other comprehensive income	-	-	-	(5,000)	(5,000)	(42,719)	37,321	(5,398)	(10,398)	
Total comprehensive income	-	-	-	2,830,024	2,830,024	(42,719)	37,321	(5,398)	2,824,626	
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	303,593	(303,593)	-	-	-	-	-	
Cash dividends of ordinary share	-	-	-	(1,090,198)	(1,090,198)	-	-	-	(1,090,198)	
Other changes in capital surplus:										
Cash dividends from capital surplus	-	(726,798)	-	-	-	-	-	-	(726,798)	
Issue of shares	70,000	977,210	-	-	-	-	-	-	1,047,210	
Changes in ownership interests in subsidiaries	-	(1,260)	-	-	-	-	-	-	(1,260)	
Due to recognition of equity component of convertible bonds issued	-	59,026	-	-	-	-	-	-	59,026	
Compensation cost of employee stock option	-	36,815	-	-	-	-	-	-	36,815	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	(24,175)	(24,175)	-	24,175	24,175	-	
Balance at December 31, 2023	\$ 1,886,996	2,688,841	2,176,321	7,580,983	9,757,304	(90,453)	866,377	775,924	15,109,065	

(English Translation of Financial Statements and Report Originally Issued in Chinese)
TOPCO SCIENTIFIC CO., LTD.

Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	2023	2022 (Restated)
Cash flows from (used in) operating activities:		
Profit before tax	\$ 3,444,726	3,733,041
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	176,912	173,414
Amortization expense	22,471	26,179
Expected credit (gains) loss	(992)	866
Net gain on financial assets at fair value through profit or loss	(120,650)	(185,655)
Interest expense	46,183	17,164
Interest income	(35,673)	(19,945)
Dividend income	(100,357)	(70,706)
Compensation cost of share-based payment	36,815	-
Share of profits of subsidiaries, associates and joint ventures accounted for using equity method	(1,633,273)	(1,621,653)
Loss on disposal of property, plant and equipment, net	375	5,775
Others	(99)	(1,135)
Total adjustments to reconcile profit	(1,608,288)	(1,675,696)
Changes in operating assets and liabilities:		
Changes in operating assets:		
(Increase) decrease in notes and accounts receivable	(19,210)	363,959
Decrease (increase) in inventories	564,389	(813,206)
Increase in financial assets at fair value through profit or loss	(41,348)	(10,802)
Decrease (increase) in other current assets	53,028	(18,920)
Decrease in other financial assets	203	64,114
Total changes in operating assets	557,062	(414,855)
Changes in operating liabilities:		
(Decrease) increase in notes and accounts payable	(788,161)	914,608
Decrease in contract liabilities	(11,991)	(3,534)
(Decrease) increase in other current financial liabilities	(63,436)	238,863
Decrease in provisions	-	(773)
Decrease in refund liabilities	(4,556)	(1,329)
Increase (decrease) in other current liabilities	49,565	(12,317)
Decrease in net defined benefit liabilities	(4,775)	(23,964)
Total changes in operating liabilities	(823,354)	1,111,554
Total changes in operating assets and liabilities	(266,292)	696,699
Total adjustments	(1,874,580)	(978,997)
Cash inflow generated from operations	1,570,146	2,754,044
Interest received	33,809	19,031
Interest paid	(37,079)	(17,149)
Dividends received	985,750	1,652,484
Income taxes paid	(434,457)	(367,665)
Net cash flows from operating activities	2,118,169	4,040,745
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	-	(250,000)
Proceeds from capital reduction of financial assets at fair value through profit or loss	20,922	12,096
Acquisition of investments accounted for using equity method	(387,026)	(821,018)
Acquisition of property, plant and equipment	(60,878)	(177,223)
Proceeds from disposal of property, plant and equipment	250	2,140
(Decrease) increase in refundable deposits	6,336	(116,009)
Acquisition of intangible assets	(7,339)	(17,216)
Increase in restricted assets	(1,431)	(4,067)
Payment of remuneration to employees of subsidiaries	(28,724)	-
Increase in prepayments of land and buildings	(1,375,516)	-
Net cash flows used in investing activities	(1,833,406)	(1,371,297)
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term borrowings	625,000	(670,000)
Cash dividends paid	(1,816,996)	(1,598,956)
Proceeds from issuance of bonds	1,007,039	-
Addition of long-term borrowings	-	600,000
Decrease in guarantee deposits	-	(600)
Payment of lease liabilities	(66,842)	(57,880)
Issue of shares	1,047,210	-
Net cash flows from (used in) financing activities	795,411	(1,727,436)
Net increase in cash and cash equivalents	1,080,174	942,012
Cash and cash equivalents at beginning of period	2,274,408	1,332,396
Cash and cash equivalents at end of period	\$ 3,354,582	2,274,408

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

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

		2023		2022	
		Amount	%	Amount	%
Operating Revenues: (notes 6(x) and 7)					
4110	Sales revenue	\$ 40,098,389	81	43,781,509	82
4520	Construction revenue	6,846,020	14	6,773,590	13
4800	Other operating revenue	<u>2,329,046</u>	<u>5</u>	<u>2,423,116</u>	<u>5</u>
	Operating revenue, net	<u>49,273,455</u>	<u>100</u>	<u>52,978,215</u>	<u>100</u>
Operating costs: (notes 6(e), 6(s), 6(y), 7 and 12)					
5110	Cost of sales	35,473,660	72	38,737,337	73
5500	Construction cost	6,312,056	13	6,621,772	13
5800	Other operating costs	<u>1,068,939</u>	<u>2</u>	<u>1,093,742</u>	<u>2</u>
		<u>42,854,655</u>	<u>87</u>	<u>46,452,851</u>	<u>88</u>
5910	Less: Unrealized profit (loss) from sales	<u>12,022</u>	-	<u>(292)</u>	-
	Gross profit	<u>6,406,778</u>	<u>13</u>	<u>6,525,656</u>	<u>12</u>
Operating expenses: (notes 6(d), 6(s), 6(y), 7 and 12)					
6100	Selling expenses	1,660,981	4	1,617,562	3
6200	Administrative expenses	1,430,119	3	1,521,832	3
6300	Research and development expenses	<u>117,479</u>	-	<u>156,411</u>	-
	Total operating expenses	<u>3,208,579</u>	<u>7</u>	<u>3,295,805</u>	<u>6</u>
	Net operating income	<u>3,198,199</u>	<u>6</u>	<u>3,229,851</u>	<u>6</u>
Non-operating income and expenses:					
7100	Interest income	86,586	-	51,929	-
7010	Other income (notes 6(b), 6(c), 6(r) and 6(z))	183,786	1	125,124	-
7020	Other gains and losses, net (notes 6(b), 6(f), 6(r) and 6(z))	39,643	-	346,212	1
7050	Finance costs (note 6(p))	<u>(99,567)</u>	-	<u>(53,106)</u>	-
7060	Share of profit of associates and joint ventures accounted for using equity method (note 6(f))	<u>471,821</u>	<u>1</u>	<u>541,721</u>	<u>1</u>
		<u>682,269</u>	<u>2</u>	<u>1,011,880</u>	<u>2</u>
	Profit before tax	<u>3,880,468</u>	<u>8</u>	<u>4,241,731</u>	<u>8</u>
7950	Less: Income tax expenses (note 6(t))	<u>1,027,554</u>	<u>2</u>	<u>1,166,556</u>	<u>2</u>
	Profit	<u>2,852,914</u>	<u>6</u>	<u>3,075,175</u>	<u>6</u>
8300	Other comprehensive income:				
8310	Items that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	(6,215)	-	21,812	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	37,464	-	(152,613)	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, items that will not be reclassified to profit or loss	<u>(28)</u>	-	<u>5</u>	-
8349	Less: income tax related to items that will not be reclassified to profit or loss (note 6(t))	<u>(1,243)</u>	-	<u>4,363</u>	-
		<u>32,464</u>	-	<u>(135,159)</u>	-
8360	Items that will be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(52,776)	-	99,732	-
8399	Less: income tax related to items that will be reclassified to profit or loss (note 6(t))	<u>(9,973)</u>	-	<u>19,669</u>	-
		<u>(42,803)</u>	-	<u>80,063</u>	-
8300	Other comprehensive income	<u>(10,339)</u>	-	<u>(55,096)</u>	-
	Comprehensive income	<u>\$ 2,842,575</u>	<u>6</u>	<u>\$ 3,020,079</u>	<u>6</u>
Profit, attributable to:					
8610	Attributable to owners of parent	2,835,024	6	3,018,478	6
8620	Attributable to non-controlling interests	<u>17,890</u>	-	<u>56,697</u>	-
		<u>\$ 2,852,914</u>	<u>6</u>	<u>\$ 3,075,175</u>	<u>6</u>
Comprehensive income attributable to:					
	Attributable to owners of parent	\$ 2,824,626	6	2,963,382	6
	Attributable to non-controlling interests	<u>17,949</u>	-	<u>56,697</u>	-
		<u>\$ 2,842,575</u>	<u>6</u>	<u>\$ 3,020,079</u>	<u>6</u>
Earnings per share: (note 6(w))					
9750	Basic net income per share	<u>\$ 15.36</u>		<u>16.61</u>	
9850	Diluted net income per share	<u>\$ 15.03</u>		<u>16.41</u>	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent										
	Ordinary shares	Capital surplus	Legal reserve	Retained earnings		Exchange differences on translation of foreign financial statements	Other equity		Total equity attributable to owners of parent	Non-controlling interests	Total equity
				Unappropriated retained earnings	Total		Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total other equity			
Balance at January 1, 2022	\$ 1,816,996	2,345,202	1,643,582	4,961,095	6,604,677	(127,797)	957,494	829,697	11,596,572	282,076	11,878,648
Profit for the year ended December 31, 2022	-	-	-	3,018,478	3,018,478	-	-	-	3,018,478	56,697	3,075,175
Other comprehensive income	-	-	-	17,454	17,454	80,063	(152,613)	(72,550)	(55,096)	-	(55,096)
Total comprehensive income	-	-	-	3,035,932	3,035,932	80,063	(152,613)	(72,550)	2,963,382	56,697	3,020,079
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	229,146	(229,146)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	(1,598,956)	(1,598,956)	-	-	-	(1,598,956)	-	(1,598,956)
Changes in equity of associates and joint ventures accounted for using equity method	-	(951)	-	-	-	-	-	-	(951)	-	(951)
Changes in ownership interests in subsidiaries	-	(403)	-	-	-	-	-	-	(403)	-	(403)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(27,418)	(27,418)
Balance at December 31, 2022	1,816,996	2,343,848	1,872,728	6,168,925	8,041,653	(47,734)	804,881	757,147	12,959,644	311,355	13,270,999
Profit for the year ended December 31, 2023	-	-	-	2,835,024	2,835,024	-	-	-	2,835,024	17,890	2,852,914
Other comprehensive income	-	-	-	(5,000)	(5,000)	(42,719)	37,321	(5,398)	(10,398)	59	(10,339)
Total comprehensive income	-	-	-	2,830,024	2,830,024	(42,719)	37,321	(5,398)	2,824,626	17,949	2,842,575
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	303,593	(303,593)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	(1,090,198)	(1,090,198)	-	-	-	(1,090,198)	-	(1,090,198)
Other changes in capital surplus:											
Cash dividends from capital surplus	-	(726,798)	-	-	-	-	-	-	(726,798)	-	(726,798)
Issue of shares	70,000	977,210	-	-	-	-	-	-	1,047,210	-	1,047,210
Changes in ownership interests in subsidiaries	-	(1,260)	-	-	-	-	-	-	(1,260)	-	(1,260)
Due to recognition of equity component of convertible bonds issued	-	59,026	-	-	-	-	-	-	59,026	-	59,026
Compensation cost of employee stock option	-	36,815	-	-	-	-	-	-	36,815	-	36,815
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(94,058)	(94,058)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	(24,175)	(24,175)	-	24,175	24,175	-	-	-
Balance at December 31, 2023	\$ 1,886,996	2,688,841	2,176,321	7,580,983	9,757,304	(90,453)	866,377	775,924	15,109,066	235,246	15,344,311

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022 (Restated)
Cash flows from (used in) operating activities:		
Profit before tax	\$ 3,880,468	4,241,731
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	407,401	383,023
Amortization expense	71,581	73,057
Expected credit (gains) loss	(23,390)	34,625
Net gain on financial assets and liabilities at fair value through profit or loss	(80,149)	(248,495)
Interest expense	99,567	53,106
Interest income	(86,586)	(51,929)
Dividends income	(104,268)	(70,984)
Compensation cost of share-based payments	36,815	-
Share of profit of associates and joint ventures accounted for using equity method	(471,821)	(541,721)
Loss on disposal of property, plant and equipment, net	26,108	26,653
Gain on disposal of right-of-use assets, net	(6,780)	(1,172)
Others	12,123	1,160
Total adjustments to reconcile profit	<u>(119,399)</u>	<u>(342,677)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in contract assets	(54,250)	(753,067)
Decrease (increase) in notes and accounts receivable	533,163	(142,052)
Decrease (increase) in inventories	1,148,869	(1,954,869)
(Increase) decrease in financial assets at fair value through profit or loss	(287,268)	52,174
Increase in other current assets	(37,850)	(405,396)
Decrease (increase) in other financial assets	10,664	(21,108)
Total changes in operating assets	<u>1,313,328</u>	<u>(3,224,318)</u>
Changes in operating liabilities:		
(Decrease) increase in contract liabilities	(477,140)	1,008,721
(Decrease) Increase in notes payable	(2,492,290)	1,596,373
(Decrease) increase in other current financial liabilities	(97,851)	319,787
Increase in provisions	121,532	115,021
Decrease in refund liabilities	(4,557)	(1,672)
Increase (decrease) in other current liabilities	19,054	(4,679)
Decrease in others	(4,775)	(23,964)
Total changes in operating liabilities	<u>(2,936,027)</u>	<u>3,009,587</u>
Total changes in operating assets and liabilities	<u>(1,622,699)</u>	<u>(214,731)</u>
Total adjustments	<u>(1,742,098)</u>	<u>(557,408)</u>
Cash inflow generated from operations	2,138,370	3,684,323
Interest received	83,144	50,055
Dividends received	402,247	309,344
Interest paid	(89,994)	(53,040)
Income taxes paid	(913,348)	(807,131)
Net cash flows from operating activities	<u>1,620,419</u>	<u>3,183,551</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(358)	(278,623)
Proceeds from capital reduction of financial assets at fair value through profit or loss	20,922	13,984
Acquisition of investments accounted for using equity method	(16,875)	(30,406)
Acquisition of property, plant and equipment	(397,511)	(368,588)
Proceeds from disposal of property, plant and equipment	2,728	6,891
Increase in prepayments of land and buildings	(1,375,516)	-
Decrease (increase) in refundable deposits	36,040	(137,899)
Acquisition of intangible assets	(43,954)	(23,260)
Net payment for acquisition of subsidiaries	(20,888)	(12,824)
Increase (decrease) in other non-current assets	(9,334)	13,983
Increase (decrease) in restricted assets	(100,792)	33,985
Net cash flows used in investing activities	<u>(1,905,538)</u>	<u>(782,757)</u>
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term borrowings	1,513,361	(697,749)
Proceeds from issuance of bonds	1,007,039	-
Addition of long-term borrowings	161,485	624,080
Repayments of long-term borrowings	(182,364)	(79,851)
(Decrease) increase in guarantee deposits received	(1,642)	81,544
Payment of lease liabilities	(145,959)	(139,545)
Cash dividends paid	(1,816,996)	(1,598,956)
Issue of shares	1,047,210	-
Changes in non-controlling interests	(93,999)	(27,821)
Net cash flows from (used in) financing activities	<u>1,488,135</u>	<u>(1,838,298)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(53,244)</u>	<u>78,082</u>
Net increase in cash and cash equivalents	1,149,772	640,578
Cash and cash equivalents at the beginning of period	5,335,081	4,694,503
Cash and cash equivalents at the end of period	<u>\$ 6,484,853</u>	<u>5,335,081</u>

Attachment 7.

Topco Scientific Co., Ltd.
Earnings Distribution Proposal for the Year 2023

Unit:NT\$

Item	Amount
Unappropriated retained earnings of previous years	4,775,134,891
Subtract :	
Disposal of financial assets at fair value through other comprehensive income	(24,175,000)
Remeasurement of defined benefit plans	(5,000,263)
Adjusted unappropriated retained earnings of previous years	4,745,959,628
Net income of 2023	2,835,023,966
Retained earnings available for distribution as of December 31,2023	7,580,983,594
Subtract : 10% Legal reserve	(280,584,870)
Distribution item- Dividends to common shares holders (cash dividend at NT\$9 per share)	(1,698,296,103)
Unappropriated retained earnings	5,602,102,621



Chairman: Jeffery Pan




President: Simon Tseng

Charles Lee



Chief Accounting Officer: Nicole Lee

Attachment 8.

Comparison Table of Revision to the Company's Articles of Incorporation

After the Revision	Before the Revision	Notes
<p>Articles 13-1 <u>The board of directors shall elect a chairman of the board directors from among the directors by a majority vote at a meeting attended by over two-thirds of the directors, and may also elect in the same manner a vice chairman of the board in accordance with the provisions of the Articles of Incorporation. The chairman of the board of directors shall externally represent the company.</u> The Board of Directors is authorized to determine the remuneration to the Chairman , <u>vice chairman</u> and Directors with industry norm as the benchmark. The Company may purchase indemnity insurance to cover the liabilities of Directors appropriate for exercising their business duties during their office.</p>	<p>Articles 13-1 The Board of Directors is authorized to determine the remuneration to the Chairman and Directors with industry norm as the benchmark. The Company may purchase indemnity insurance to cover the liabilities of Directors appropriate for exercising their business duties during their office.</p>	<p>Add a vice chairman</p>
<p>Articles 22 These Articles of Incorporation were adopted on February 6, 1990....(omitted) the thirty-third on June 14, 2017; the thirty-fourth on June 10, 2019; the thirty-fifth on June 22, 2020; the thirty-sixth on May 30, 2023; <u>the thirty-seventh on May 30, 2024.</u></p>	<p>Articles 22 These Articles of Incorporation were adopted on February 6, 1990....(omitted) the thirty-third on June 14, 2017; the thirty-fourth on June 10, 2019; the thirty-fifth on June 22, 2020. the thirty-sixth on May 30, 2023.</p>	<p>Add revision dates.</p>

D. Appendix

Appendix 1.

Rules and Procedures of Shareholders' Meeting

1. Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with the Rules and Procedures.
2. Shareholders attending the Meeting shall sign in the attendance book or the attendance cards shall be submitted for the purpose of signing in. The number of shares represented by shareholders attending the Meeting shall be calculated in accordance with the attendance book or the attendance cards submitted as well as the proxies submitted in hard copy or electronically.
3. Attendance and voting at the shareholders' meeting shall be calculated in accordance with the number of shares.
4. The Meeting shall be held at the head office of the Company or at any other appropriate place that is convenient for the shareholders to attend. The time to start the Meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m.
5. The Chairman of the Board of Directors shall be the chairman presiding at the Meeting in the case that the Meeting is convened by the Board of Directors. If, for any reason, the Chairman of the Board of Directors cannot preside at the Meeting, the representative or one of the Directors shall preside at the Meeting. If the Meeting is convened by another person entitled to convene the Meeting, such person shall be the Chairman to preside at the Meeting. Where there are two or more persons having the convening right, the Chairman of the Meeting shall be elected from among themselves.
6. The Company may appoint designated legal counsel, Certified Public Accountant or other related to attend the Meeting. Persons handling affairs of the Meeting shall wear an identification card or badge.
7. The process of the Meeting shall be tape-recorded or videotaped and these tapes shall be kept for at least one year except in the event of a litigation filed by shareholders in accordance with Article 189 of the Company Act, the relevant audio or video recordings shall be kept until the litigation is concluded.
8. The Chairman shall call the Meeting to order if the number of shares represented by the shareholders present at the Meeting has reached the quorum at the time scheduled for the Meeting. Where the quorum has not been reached at the time scheduled for the Meeting, the Chairman may postpone the meeting. The postponements shall be limited to two times at the most and the Meeting shall not be postponed for long than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one third of the total outstanding shares, tentative resolutions by more than 50 percent of the shareholders present may be made in accordance with Section 1, Article 175 of the Company Act. If during the process of the Meeting the number of outstanding shares represented by the shareholders present at the Meeting becomes sufficient to constitute the quorum, the Chairman may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Act.
9. The agenda of the Meeting shall be set by the Board of Directors and the Meeting shall proceed in accordance with the agenda unless otherwise resolved at the Meeting. The Chairman shall refrain anyone from making the speech shall he or she be in violation of the meeting procedures and advise such person to speak during special motion. The aforementioned provision applies *mutatis mutandis* to cases where the Meeting is convened by any person, other than the Board of directors, entitled to convene such Meeting. The shareholders cannot designate any other person as Chairman and continue the Meeting in the same or other place after the Meeting is adjourned.
10. When a shareholder present at the Meeting wishes to speak, a Speech Note shall be filled out with summary of the speech, the shareholders' number (or the number of the Attendance Card)

and the name of the shareholder. The sequence of speeches by shareholders shall be determined by the Chairman. If any shareholder present at the Meeting submits a Speech Note but does not speak, no speech shall be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of the actual speech shall prevail. Unless otherwise permitted by the Chairman and the shareholder speaking, no shareholder shall interrupt the speeches of the other shareholders, otherwise the Chairman shall stop such interruption.

11. Each shareholder making a speech shall not speak for more than three minutes except where the Chairman permits, the speech may be extended for an additional two minutes. The Chairman may terminate the speech shall the allotted time be exceeded.
12. Unless otherwise permitted by the chairman, each shareholder shall not, for each discussion item, speak more than two times, and each time not exceeding 3 minutes. In case the speech of any shareholder violates the above provision or exceeds the scope of the discussion item, the chairman may stop the speech of such shareholder.
13. Corporate shareholders may only designate one representative to attend the Meeting. If a corporate shareholder designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.
14. After the speech of a shareholder, the chairman may respond himself/herself or appoint an appropriate person to respond.
15. The Chairman may announce to end the discussion of any resolution and go into voting if the Chairman deems it appropriate.
16. Except otherwise specified in the Company Act or the Company's Articles of Incorporation of, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting. The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after solicitation by the Chairman.
17. If there is amendment to or substitute for a discussion item, the Chairman shall decide the sequence of voting for such discussion item, the amendment or substitute. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is necessary.
18. The person(s) to check and the person(s) to record the ballots during a vote by casting ballots shall be appointed by the Chairman. The person(s) checking the ballots shall be a shareholder(s). The result of voting shall be announced at the Meeting and placed on record.
19. During the Meeting, the Chairman may, at his discretion, set time for intermission. In case of incident of force majeure, the Chairman may decide to temporarily suspend the Meeting and announce, depending on the situation, when the Meeting will resume. If the Meeting is unable to continue at the same place prior to the discussion items (including special motions) listed in the agenda being resolved, shareholders present at the meeting may resolve to find another alternative location to continue the meeting. Shareholders present at the Meeting may resolve either to postpone or resume the Meeting within five days in accordance with Article 182 of the Company Act.
20. The Chairman may conduct the disciplinary officers or (security guards) to assist in keeping order of the Meeting place. Such disciplinary officers (or security guards) shall wear badges for identification purpose.
21. Attendees of the Meeting shall obey the instructions given by the Chairman or the disciplinary officers or (security guards) who are authorized to remove anyone who violates the rules and orders from the premise. Anyone who is ordered to leave the premise shall do so immediately.
22. Any matters not covered herein shall be governed by the Company Act and the Company's Articles of Incorporation.
23. The Rules and Procedures and any amendments hereafter shall be effective from the date approved by the shareholders' meeting.

Adopted on April 23, 1999.

First revision on May 17, 2002.

Second revision on June 6, 2012.

Appendix 2.

Articles of Incorporation

Chapter 1 General Provision

- Article 1 The Company is incorporated under the Company Act and its name is Topco Scientific Co., Ltd.
- Article 2 The Company engages in the following business activities:
- (1) CB01010 Machinery and Equipment Manufacturing
 - (2) CB01030 Pollution Controlling Equipment Manufacturing
 - (3) CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery
 - (4) CC01080 Electronic Parts and Components Manufacturing
 - (5) CC01090 Batteries Manufacturing
 - (6) E103101 Environmental Protection Construction
 - (7) E599010 Pipe Lines Construction
 - (8) E601010 Electric Appliance Construction
 - (9) E603040 Fire Fighting Equipment Construction
 - (10) E603050 Cybernation Equipment Construction
 - (11) E604010 Machinery Installation Construction
 - (12) E701030 Restrained Telecom Radio Frequency Equipment and Materials Construction
 - (13) E701040 Basic Telecommunications Equipment Construction
 - (14) F102170 Wholesale of Food and Grocery
 - (15) F106050 Wholesale of Pottery, Porcelain and Glassware
 - (16) F107990 Wholesale of Other Chemical Products
 - (17) F108031 Wholesale of Drugs, Medical Supplies
 - (18) F108040 Wholesale of Cosmetics
 - (19) F113010 Wholesale of Machinery
 - (20) F113020 Wholesale of Household Appliance
 - (21) F113100 Wholesale of Pollution Controlling Equipment
 - (22) F113110 Wholesale of Batteries
 - (23) F117010 Wholesale of Fire Fighting Equipment
 - (24) F119010 Wholesale of Electronic Materials
 - (25) F203010 Retail of Food Products and Groceries
 - (26) F208031 Retail of Medical Equipment
 - (27) F208040 Retail of Cosmetics
 - (28) F213010 Retail of Household Appliances
 - (29) F213080 Retail of Machinery and Equipment
 - (30) F213100 Retail of Pollution Controlling Equipment
 - (31) F213110 Retail of Batteries
 - (32) F217010 Retail of Fire Fighting Equipment
 - (33) F219010 Retail of Electronic Materials
 - (34) F401010 International Trade
 - (35) F401021 Restrained Telecom Radio Frequency Equipment and Materials Construction
 - (36) IG03010 Energy Technical Services
 - (37) J101030 Waste Disposal Services
 - (38) J101040 Waste Treatment Services
 - (39) J101080 Waste Recycling Services

- (40) J802010 Sport Training Business
- (41) J803020 Sport and Competition Business
- (42) ZZ99999 All other business activities not prohibited or restricted by law.

- Article 2-1 The Company may provide guarantees to external parties and in return charge the company receiving the guarantee a guarantee fee where appropriate.
- Article 2-2 The Company may, for business requirements, re-invest in other business enterprises and shall not be bound by Article 13 of the Company Act which stipulates that the total value of investments in such other business enterprises shall not exceed 40% of the Company's paid-up capital.
- Article 3 The registered office of the Company is located in Taipei City and whenever the Company deems necessary the Board of Directors may resolve to set up representative and branch offices at various locations within and outside the territory of the Republic of China.
- Article 4 Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

Chapter 2 Capital Stock

- Article 5 The total capital stock of the Company shall be in the amount of NT\$2,200,000,000, divided into 220,000,000 common shares with a par value of NT\$10. The Board of Directors may resolve to issue any unissued shares from time to time. The Company shall reserve NT\$100,000,000 of the capital stock mentioned in the preceding paragraph for issuing 10,000,000 shares employee stock options with a par value of NT\$10. The Board of Directors may resolve to issue the employee stock options in instalments. The Board of Directors is authorized to administer the buy-back of the Company's shares where required by law.
- Article 5-1 When the Company issues new shares, the employees who can subscribe for the shares include the employees of the subsidiaries who meet certain criteria, and the criteria and subscription methods shall be approved by resolution of the board of directors as delegated. The recipients of the restricted stock awards issued by the Company include employees of the subsidiaries who meet certain criteria, and the criteria and distribution methods shall be approved by resolution of the board of directors as delegated.
- Article 6 Deleted.
- Article 7 The Company may issue shares without physical printed certificates provided that it arranges for book-entry registration with a central securities depository.
- Article 8 Registration for transfer of shares shall be suspended sixty (60) days immediately before the date of general meeting of shareholders, and thirty (30) days immediately before the date of any special meeting of shareholders, or within five (5) days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.

Chapter 3 Meeting of Shareholders

- Article 9 Shareholders' meetings of the Company are of two types, namely: (1) general meetings and (2) special meetings. General meetings shall be convened, by the Board of Directors, within six (6) months after the close of each fiscal year. Special meetings shall be convened in accordance with the relevant laws, rules and regulations of the Republic of China.
The Company may convene shareholders' meetings by video conference or through other methods as announced by the central competent authority.
- Article 9-1 Matters to be resolved at a shareholders' meeting shall be as follows:
1. Adoption of and amendment to these Articles of Incorporation.
 2. Election and discharge of directors.
 3. Authorize a director who does anything for himself or on behalf of another person that is within the scope of the Company's business.
 4. Enter into, amend, or terminate any contract for lease of the Company's business in whole, or for entrusted business, or for regular joint operations with others.
 5. Transfer the whole or any essential part of its business or assets.
 6. Accept the transfer of another's whole business or assets, which has great bearing on the business operation of the Company.
 7. Resolution on any other matters required by law or regulation.
- Article 10 A shareholder appointing a person as proxy to attend a shareholders' meeting in the place of the shareholder shall sign or affix his/her seal thereon a proxy form printed and issued by the Company. A shareholder may issue only one proxy form and appoint only one proxy for a meeting. Shareholders appointing a person as proxy to attend a shareholders' meeting shall be handled in accordance with the relevant provision of the Company Act and the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies".
- Article 11 Each shareholder of the Company is entitled to one vote for each share held, except those with no voting rights stipulated in Articles 179 and 197-1 of the Company Act.
- Article 12 Unless otherwise provided by the Company Act or other applicable laws or regulations, a resolution of a shareholders' meeting shall be made with the approval of a majority of the voting rights of the shareholders present at a meeting at which shareholders representing a majority of the total issued shares are present.
- Article 12-1 Meetings of shareholders shall be handled in accordance with the Company Act and the Articles of Incorporation as well as the Company's "Rules and Procedures of Shareholders' Meetings". All resolutions adopted at a shareholders' meeting shall be recorded in the meeting minutes and handled in accordance with Article 183 of the Company Act.

Chapter 4 Directors

- Article 13 The Company shall have seven to eleven Directors, serving a term of office of three (3) years. Directors shall be elected under the candidate nomination system of directors set out in Article 192-1 of the Company Act at the shareholders meetings and are eligible for re-election and re-appointment. The election shall adopt the cumulative voting system.
The aforesaid Board of Directors must have at least three (3) Independent Directors. The number of Independent Directors shall constitute at least one-fifth or more of the

total number of Directors. Independent Directors shall be elected from the list of Independent Directors' nominees. The qualification of Independent Directors shall comply with the relevant regulations of the governing authority.

- Article 13-1 The Board of Directors is authorized to determine the remuneration to the Chairman and Directors with industry norm as the benchmark.
The Company may purchase indemnity insurance to cover the liabilities of Directors appropriate for exercising their business duties during their office.
- Article 14 Any Director who has transferred more than one half of his or her shares owned at the time of being elected during office shall be subject to ipso facto dismissal. In the case that vacancies on the Board of Directors exceed, for any reason, one third of the total number of the Directors, then the Board of Directors shall convene an extraordinary shareholders' meeting within sixty (60) days of the occurrence of the event to elect new Directors to fill such vacancies.
The number of name-bearing shares of the Company held by the Directors, shall be no less than a specified percentage of the Company's total number of issued shares. The aforesaid percentage shall be stipulated in accordance with Article 26, paragraph 2 of the "Minimum Percentages of Registered Shares to Be Held by Directors and Supervisors" of the Securities and Exchange Act.
- Article 14-1 Duties of the Board of Directors: The duties of the Board of Directors are to conduct the Company's business activities. The Board of Directors is authorised to resolve any matters other than those that require the resolution at the Shareholders' Meeting in accordance with the Company Act or the Company's Articles of Incorporation.
The Company's Board of Directors may resolve to establish a Remuneration Committee or other functional committees to meet business and operational requirements.
- Article 14-2 Meeting of the Board of Directors: Except otherwise provided by the Company Act, the Chairman shall convene at least one meeting of the Board of Directors each quarter and may host special meetings where required. The aforementioned meetings shall be convened in accordance with the provisions of Articles 203 and 204 of the Company Act and the Company's "Rules and Procedures for Meetings of Board of Director".
- Article 15 Where the Chairman is on leave or is unable to be present at the meeting to exercise his or her duties, he or she can appoint a representative in accordance with Article 208 of the Company Act.
- Article 15-1 Unless otherwise provided by the Company Act or the Company's Articles of Incorporation, a resolution of the Board of Directors shall be made with the approval of a majority of the Directors present at a meeting at which a majority of the Directors is present. Directors shall be present in person at meetings of the Board of Directors. A Director unable to be present at a meeting may appoint another Director to act at the meeting on behalf of such absent Director, but shall in each instance issue a proxy form specifying the scope of authorization with respect to the reasons of the meeting limited to one proxy per attending Director.
- Article 16 Deleted.
- Article 16-1 The Audit Committee and its members are responsible for carrying out the duties of supervisors set out in the Company Act, Securities and Exchange Act and other

relevant laws and regulations.

Article 16-2 Deleted.

Article 16-3 Deleted.

Chapter 5 Managerial Officers

Article 17 The Company may appoint one or more President(s). The appointment or dismissal of the Company's President(s) shall be approved at a meeting of Board of Directors by a majority of the Directors present at the meeting attended by a majority of the Directors. The President is authorized for the appointment or dismissal of other managerial officers. The Company's managerial officers are authorized to sign on behalf of the Company in accordance with the Company's relevant rules and within the authorization limit granted.

Chapter 6 Accounting

Article 18 After the close of each fiscal year, the Board of Directors shall prepare and submit the following reports to the ordinary shareholders' meeting for acceptance: (1) Business Report; (2) Financial Statements; (3) Proposal for Distribution of Earnings or Covering of Losses.

Article 19 Deleted.

Article 20 The Company shall set aside no less than 4% of its earnings for the period, if any, as employees' profit-sharing bonus and not more than 3% of its earnings as remuneration to Directors. Notwithstanding the forgoing, the Company shall reserve a sufficient amount of earnings to offset its accumulated losses. Where remuneration to employees are distributed by way of shares or cash, employees of affiliated enterprises of the Company may be eligible provided that certain criteria are met that approved by the Board of Directors.

The Company's earnings for the current fiscal year shall be distributed in the following order: (1) first to be offset against losses; (2) 10 percent of the remaining earnings, if any, be set aside as legal reserve; (3) allocate or reverse special reserve in accordance with regulations or rules of the governing authority; (4) the sum of any balance remaining and accumulated retained earnings for the current period will be accumulated earnings available for distribution. The aforesaid accumulated earnings may be distributed in the manner set out in the proposal put forward by the Board of Directors and upon adoption at the meeting of shareholders.

The Company authorizes the Board of Directors to resolve by a majority vote at a Board of Directors' meeting attended by at least two-thirds of the total number of directors to distribute dividends or bonuses in whole or in part by way of cash or to distribute the legal reserve and capital reserve in whole or in part and report such distributions to the shareholders' meeting.

Article 20-1 The Company may distribute dividends by way of cash or issuance of new shares, taking into account earnings for the current fiscal year and the overall industry environment, provided that the total value of cash dividends distributed shall be at least 10 percent of the total value of dividends distributed and any shortfall may be supplemented by the issuance of new shares upon resolution at a shareholders' meeting pursuant to the Company Act.

Article 21 Any matters not covered herein shall be governed by the Company Act.

Article 22 These Articles of Incorporation were adopted on February 6, 1990. The first amendment was made on September 29, 1992; the second on April 15, 1993; the third on May 10, 1993; the fourth on August 10, 1994; the fifth on March 1, 1995; the sixth on February 1, 1996; the seventh on March 25, 1996; the eighth on June 10, 1997; the ninth on September 5, 1997; the tenth on April 10, 1998; the eleventh on April 23, 1999; the twelfth on July 13, 1999; the thirteenth on April 17, 2000; the fourteenth on April 17, 2000; the fifteenth on May 7, 2001; the sixteenth on May 7, 2001; the seventeenth on May 17, 2002; the eighteenth on June 12, 2003; the nineteenth on June 12, 2003; the twentieth on June 15, 2004; the twenty-first on June 15, 2004; the twenty-second on June 14, 2005; the twenty-third on June 14, 2005; the twenty-fourth on June 14, 2006; the twenty-fifth on June 15, 2007; the twenty-sixth on June 13, 2008; the twenty-seventh on June 19, 2009; the twenty-eighth on June 15, 2010; the twenty-ninth on June 15, 2011; the thirtieth on June 6, 2012; the thirty-first on June 17, 2013; the thirty-second on June 15, 2016; the thirty-third on June 14, 2017; the thirty-fourth on June 10, 2019; the thirty-fifth on June 22, 2020; the thirty-sixth on May 30, 2023.

Topco Scientific Co., Ltd.

Chairman: Jeffery Pan

Appendix 3.

Shareholding All of the Company's Directors

1. Pursuant to 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 minimum number of shares and percentage of shares held by the all of the Company's Directors are as follows:

The Company's issued ordinary shares	188,700,067 shares
Percentage of shares held by All Directors required by law	6%
Number of shares held by All Directors required by law	11,322,004 shares

2. The numbers of shares held by the directors and supervisors individually and by the entire bodies thereof respectively as recorded in the shareholders' register as of the book closure date (April 1, 2024) for that shareholders' meeting.

Title	Name	Shareholding
Director	Jeffery Pan	1,553,181
Director	Simon Tseng	1,068,709
Director	Charles Lee	634,555
Director	Kuo, Kuan-Hung	1,455,513
Director	Jia Pin Investment Development Co., Ltd. Representative: Joyce Lu	7,181,043
Director	Pei-fen, Chang	1,233,605
Independent Director	Sheu, Her-Jiun	0
Independent Director	Hsin, Ta-Chih	0
Independent Director	Chen, Yu-Shan	0
Number of sharesholding by all Directors		13,126,606