

Z-COM Inc.

**Handbook for the 2023
Annual Meeting of
Shareholders**

Convening method : Entity shareholders meeting

Meeting time : May 24, 2023

**Place : 2F., No. 2, Zhanye 1st Rd., Hsinchu Science Park,
Hsinchu City
(The Allied Association for Science Park Industries
Room 201)**

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I . Z-COM Inc. Procedure for the 2023 Annual Meeting of Shareholders

- (I) Call the Meeting to Order
- (II) Chairperson Remarks
- (III) Management Presentation (Company Reports)
- (IV) Proposals
- (V) Discussion
- (VI) Questions and Motions
- (VII) Adjournment

II. Z-COM, Inc. Agenda of the 2023 Annual Meeting of Shareholders

Time: 9:00 a.m. on Weekday, May 24, 2023

Place: 2F., No. 2, Zhanye 1st Rd., Hsinchu Science Park, Hsinchu City(The Allied Association for Science Park Industries Room 201)

(I) Call the Meeting to Order

(II) Chairperson Remarks

(III) Management Presentation (Company Reports)

A. 2022 Business Report

B. Audit Committee's Review Report on the 2022 Financial Statements

C. Amendment to the Rules of Procedure for the Board of Directors

(IV) Proposals

A. Adoption of the 2022 Business Report and Financial Statements

B. Adoption of the Proposal for 2022 Deficit Compensation

(V) Discussion

A. Amendment to the Rules of Procedure for Shareholder Meetings

(VI) Questions and Motions

(VII) Adjournment

Management Presentations (Company Reports)

Report No. 1

2022 Business Report

Explanation: The 2022 Business Report is attached as pp. [5-7], Annex (I)

Report No. 2

Audit Committee's Review Report on the 2022 Financial Statements

Explanation: The 2022 Audit Committee's Review Report is attached as pp. 8, Annex (II).

Report No. 3

Amendment to the Rules of Procedure for the Board of Directors

Explanation:

1. According to the letter No. 1110064012 of the Taiwan Securities OTC Trading Center of the Republic of China on August 9, 2022, it is proposed to amend some provisions of the company's the Rules of Procedure for the Board of Directors.
2. For the comparison table before and after the amendments, please refer to Annex (III) (see pages 9 to 11 for details).

Proposals

Proposal 1:(Proposed by the Board)

Adoption of the 2022 Business Report and Financial Report

Explanation:

1. Z-COM, Inc. Company's Financial Statements were audited by independent auditors, LIU,JUNG-CHIN and CHANG, CHENG-TAO of Taiwan Ernst & Young Private Limited Firm. Also Business Report and Financial Statements have been approved by the Board and examined by the audit committee of Z-COM, Inc.
2. The 2022 Business Report, independent auditors' audit report, and the above-mentioned Financial Statements are attached in the Meeting Agenda, Annex (I), pp. 5-7 and Annex(IV)-(V), pp. 12-27.

Resolution:

Proposal 2:(Proposed by the Board)

Adoption of the Proposal for 2022 Deficit Compensation

Explanation:

1. In accordance with Article 27 of the company's articles of association, the company shall distribute employee remuneration based on 10% to 15% of the current year's profit status and shall distribute director's remuneration no more than 3% of the current year's profit status. However, if the company still has accumulated losses, it should be made up; because there was no profit in 2022, the remuneration of employees and directors will not be distributed according to regulations.
2. The net loss after tax for the year 2022 was NTD 64,853,849, with the addition of the accumulated deficit at the beginning of the year of NTD 136,324,019, resulting in an accumulated deficit of NTD 201,177,868 at the end of the year. If there is net income in the future fiscal years, the deficit will be compensated first according to Article 28 of the company's articles of association.
3. The Deficit Compensation Statement for 2022 has been approved by the Board of Directors and submitted for audit by the Audit Committee, please refer to Annex (VI), pp. 28.

Resolution:

Discussion

1 Proposal (Proposed by the Board)

Amendment to the Rules of Procedure for Shareholder Meetings.

Explanation:

1. According to the letter No. 11100543771 of the Republic of China Securities OTC Trading Center on March 11, 2022, it is proposed to amend some provisions of the company's "Rules of Procedure for the Shareholders' Meeting".
2. For the comparison table before and after the amendments, please refer to Annex (VII) of this handbook, pp. 29-50.

Resolution:

Questions and Motions

Adjournment

III. Annex

(I) 2022 Business Report

Dear Shareholders,

Thanks for your care and supports for Z-COM. We would like to report on the business performance of the Company in 2022 and the outline of the business plan for 2023.

The COVID-19 pandemic has been spreading for more than three years, and its impact still remains in 2022. Particularly, China is still implementing strict lockdown measures and a zero-tolerance policy, and it was not until the end of the year that they suddenly lifted the restrictions. In addition, the Russia-Ukraine War at the beginning of 2022 has had a huge impact on global resources and energy, causing economic turbulence and gradually leading to a decline in demand. The war has lasted for more than a year, and the international community is full of pessimistic views. The security of the Taiwan Strait has repeatedly been discussed, which is not conducive to future economic growth momentum.

In the first half of last year, the company was still affected by labor and material shortages, leading to a decline in performance. It was not until the second half of the year that the situation gradually improved, and the performance began to stabilize and recover from the bottom, with losses gradually narrowing but still resulting in a deficit. However, with the easing of the pandemic and more active interaction with customers, there is a sense of optimism for the future.

The company has been working hard to increase brand exposure. Last year, Z-COM was selected as one of Taiwan Outstanding SME 2022-2023 by TEEMA (Taiwan Electrical and Electronic Manufacturers' Association). Besides, SP230 series point-to-point bridge (SP230-S5) has been recognized by hundreds of professionals in various fields at home and abroad, and has won the 31st Taiwan Excellence Award. The newly applied Industry High Value Program has also been approved by Industrial Development Bureau, which will help promote the brand and create opportunities for vertical applications.

(I) Financial performance of 2022:

- A. Financial performance : Unconsolidated revenue reached NT\$271 million, which was still sluggish but has grown compared with the previous year. The gross profit margin was 24%,

the net operating loss was (37,052) thousand, and the net loss after tax was (64,854) thousand, and the loss per share was NT\$0.94. The consolidated operating income is NT\$326 million, the gross profit margin is 28%, the operating net loss is NT\$75,210 thousand, and the consolidated net loss after tax is NT\$64,670 thousand.

- B. Budget execution status: The company did not publicly disclose any financial forecast for 2022.
- C. Analysis of financial revenue and expenditure and profitability: the company's consolidated operating income in 2022 was NT\$326 million, an increase from the previous year, the gross profit margin was 28%, slightly higher than the previous year's 26%, and the consolidated net loss after tax was new NT\$ (64,670) thousand, the net loss attributable to the parent company after tax was NT\$ (64,854) thousand, and the loss per share was NT\$ (0.94). Due to the poor performance in the past two years, the company made effects to reduce various expenses.
- D. Technological Developments :
 - a) Continuous upgrading of zMEC function as a 5G-Wi-Fi private network AIoT application platform: The company had also applied Industry High Value Program (4Q22- 4Q24) and got approved by Industrial Development Bureau, using MEC as the platform to integrate and manage heterogeneous networks of 5G and Wi-Fi 6. Z-COM will continue to enhance the development of vertical applications.
 - b) The application of the system is promoted in the field of new energy, including energy creation, energy storage, energy consumption monitoring and energy saving, and rail communication applications. With the Internet of Things technology, it cuts into the new field of energy saving and carbon reduction.
 - c) The company launched Wi-Fi 6E, which enables Wi-Fi 6 to achieve speeds of up to 10 Gbps. We also built smart poles for outdoor, industrial, and rail applications, meeting industry standards for IoT AI applications.

(II) Summary of 2023 Operational Plan and Future Development Strategy for the Company:

- A. Provide high-performance, high-quality products and services to domestic enterprise customers, and strengthen strategic partnerships to jointly develop new markets.
- B. Enterprise network systems and outdoor application systems have been launched by major domestic communication service providers for sales promotion. The company hopes to expand business opportunities and increase brand visibility by pushing vertical applications to Southeast Asia and India in the future.
- C. Product Development: In addition to producing Wi-Fi 6E for industrial customers, we will also develop a product line for Wi-Fi 7 (40 Gbps). We will also continue to enhance our Wi-

Fi 6+ 5G/AIoT IoT application solutions. The zMEC edge server has already integrated with the 5G Gateway product line, and we plan to establish a security protection mechanism (UTM) to manage critical devices effectively, promoting the application opportunities for 5G Wi-Fi private networks and AIoT.

- D. Marketing policy: In addition to strengthening the OEM customers, the company will deepen Z-COM brand layout and vertical application success cases, and increase opportunities for strategic cooperation with SI companies at home and abroad.
- E. Lean production, flexible manufacturing, and fast delivery: Improving logistics capabilities to reduce raw material risks.

(III) The impact of external competitive environment and overall business environment on the company:

- A. In the post-pandemic era, the pandemic may become widespread and frequent, while industries require digitization, information security, remote monitoring, and AI/ML applications like ChatGPT.
- B. Promotion of renewable energy policies: Environmental sustainability, ESG, and new energy issues are gradually becoming requirements for corporate governance.
- C. Macroeconomic environment: Inflation drives the interest rate cycle, the international economy grows steadily, and is heading for a stage of normal and slow recovery.
- D. External competitive environment: In response to changes in market business models, profit models will be dynamically adjusted.

(IV) Conclusion: Thank you for the support of our shareholders. The management team and all employees will overcome difficulties, reverse the situation, and bring profits to our shareholders. We will also strictly adhere to corporate governance norms and fulfill our corporate social responsibility.

Best wishes to all our shareholders for good health and everything going smoothly!

Chairman, Fan En Technology Co., Ltd.

Legal representative, John S. Shieh

CEO: WU CHIA-FANG

Accounting Officer: CHUANG, HUI-HUA

(II) Audit Committee Report

The Board of Directors has submitted the annual business report, financial statements, and proposal for handling losses for the fiscal year of our company. The financial statements have been audited by Ernst & Young and their audit report has been issued. The aforementioned business report, financial statements, and proposal for handling losses have been reviewed by our Audit Committee, and no issues were found to be in violation. Therefore, we report the above in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please review the information accordingly.

Sincerely,
2023 Annual General Shareholders Meeting of ZCOM

Z-COM,INC
Chairman of the Audit Committee: CHOU, YIH-HENG

March 06th, 2023

(III) The comparison table before and after the amendments of the Rules of Procedures for the board of directors.

Amendment article	Existing article	Explanation
<p>Article 3</p> <p>The board meeting <u>shall</u> be held at least <u>once</u> a quarter, and <u>shall</u> be <u>clearly stipulated in the rules of procedure</u>. <u>The convening of the board of directors shall specify the reasons for the convening</u> and notify all directors seven days in advance. However, in case of emergency, it can be called at any time. The notification of the convening referred to in the preceding paragraph may be done electronically with the consent of the counterparty. Items mentioned in the first subparagraph of Article 7 shall be listed in the reason for the convening, and shall not be proposed as ad hoc motions.</p>	<p>Article 3</p> <p>The board of directors of the company shall convene at least once every quarter. The reason for the convening shall be clearly stated and all directors shall be notified seven days in advance. However, in case of emergency, the convening may be held at any time. The notice of convening in the preceding paragraph may be done electronically with the consent of the counterparty. Items mentioned in the subparagraphs of Article 7 shall be listed in the reasons for the convening, and shall not be proposed as ad hoc motions, unless there is an emergency or a justifiable reason.</p>	<p>In accordance with the letter No. 1110064012 of the Republic of China Securities OTC Trading Center on August 9, 2022, Article 3 was amended.</p>
<p>Article 7</p> <p>The company shall submit the following matters to the board of directors for discussion:</p> <ol style="list-style-type: none"> 1. Omitted. 2. Annual financial reports and semi-annual financial reports. <u>However, if the semi-annual financial report is not required to be audited and certified by an accountant according to laws and regulations, it shall not be subject to this requirement.</u> 3. Omitted. 4. Omitted. 5. Omitted. <u>6. If the board of directors does not have an executive director, the election or dismissal of the chairman.</u> <u>7. Appointment and dismissal</u> 	<p>Article 7</p> <p>The company shall submit the following matters to the board of directors for discussion:</p> <ol style="list-style-type: none"> 1. Omitted. 2. Annual financial report and the second quarter financial report that must be audited and certified by CPAs. 3. Omitted. 4. Omitted. 5. Omitted. 6. Appointment and dismissal of financial, accounting or internal audit officers. 7. Donations to related parties or major donations to non-related parties. However, due to major natural disasters, public welfare donations for emergency relief may be submitted to the next board of 	<ol style="list-style-type: none"> 1. In compliance with the letter of the letter No. 1110064012 of the Republic of China Securities Over-the-Counter Trading Center on August 9, 2022, Article 7 was amended. 2. A new provision is added as article 7, paragraph 6, and the subsequent provisions are renumbered accordingly.

<p>of financial, accounting or internal audit officers.</p> <p><u>8.</u> Donations to related parties or major donations to non-related parties. However, due to major natural disasters, public welfare donations for emergency relief may be submitted to the next board of directors for ratification.</p> <p><u>9.</u> Pursuant to Article 14-3 of the Securities and Exchange Act, other major matters that should be resolved by the shareholders' meeting or the board of directors in accordance with laws and regulations or the articles of incorporation, or stipulated by the competent authority. The term “related party” referred to in <u>Subparagraph 8</u> of the preceding paragraph refers to the person regulated by the Financial Reporting Standards for Securities Issuers. Related parties; the so-called major donations to non-related parties refer to the amount of each donation or the cumulative amount of donations to the same object within one year reaching NT\$100 million or more, or reaching the net operating income in the financial report of the most recent year certified by an accountant 1% of the paid-in capital or 5% or more of the paid-in capital.</p> <p>The following is omitted.</p>	<p>directors for ratification.</p> <p>8. Pursuant to Article 14-3 of the Securities and Exchange Act, other major matters that should be resolved by the shareholders' meeting or the board of directors in accordance with laws and regulations or the articles of incorporation, or stipulated by the competent authority. The term “related party” referred to in Subparagraph 7 of the preceding paragraph refers to the person regulated by the Financial Reporting Standards for Securities Issuers. Related parties; the so-called major donations to non-related parties refer to the amount of each donation or the cumulative amount of donations to the same object within one year reaching NT\$100 million or more, or reaching the net operating income in the financial report of the most recent year certified by an accountant 1% of the paid-in capital or 5% or more of the paid-in capital.</p> <p>The following is omitted.</p>	
<p>Article 19</p> <p>If the board of directors has an executive director, the provisions of Article 2, Paragraph 2 of Article 3, Articles 4 to 6, Article 9, and</p>	<p>Article 19</p> <p>Where the board of directors has an executive director, the provisions of Article 2, Paragraph 2 of Article 3, Articles 4 to 6, Article 9, and</p>	<p>Article 19 was amended to comply with the provisions of the letter No. 1110064012 of the Republic of China Securities OTC Trading Center on August 9, 2022.</p>

<p>Article 11 to the preceding Article shall apply mutatis mutandis to the proceedings of the executive board of directors; <u>Paragraph 4 of Article 3 shall apply mutatis mutandis to the election or dismissal of the chairman.</u> However, if the executive board of directors convenes regularly within seven days, the executive directors may be notified two days in advance.</p>	<p>Articles 11 to 18 shall apply mutatis mutandis to the proceedings of the executive board of directors. However, if the executive board of directors convenes regularly within seven days, the executive directors may be notified two days in advance.</p>	
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(IV) Independent Auditors' Report and Consolidated Financial Statements for 2022

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of Z-Com, Inc.

Opinion

We have audited the accompanying consolidated balance sheets of Z-Com, Inc. (the “Company”) and its subsidiaries (collectively, the “Group”) as at December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key audit matters

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

Key audit matters for the Group's consolidated financial statements for the year ended December 31, 2022 are stated as follows:

Evaluation of inventories

The Group is engaged in the manufacturing and selling of products related to wireless data network systems. Its inventories were measured at the lower of cost and net realisable value. The Group's inventories were significant to the consolidated financial statements and the determination of net realizable value for the inventories involves subjective judgement. Therefore, the evaluation of inventories was identified as a key audit matter.

Our audit procedures including (but are not limited to) assessing the appropriateness of the management's accounting policy for inventory evaluation; evaluating and testing the effectiveness of relevant internal control; sampling and testing the entry timing in the inventory aging report and checking accuracy of inventory aging calculation; assessed the reasonableness of provision on inventory allowance through testing the determination of net realisable values; notice if any obsolete and damaged inventories while stock-taking.

Please refer to Notes 4, 5 and 6(6) of the consolidated financial statements for the accounting policies on inventories, critical accounting estimation uncertainty and the details of inventories, respectively.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by 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 ability to continue as a going concern of the Company and its subsidiaries, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

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 auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.
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 ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, 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 Company and its subsidiaries 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 2022 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's 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.

Other

We have audited and expressed an unqualified opinion on the parent company only financial statements of the Company as of and for the years ended December 31, 2022 and 2021.

Liu, Jung Chin
Chang, Cheng-Tao

Ernst & Young, Taiwan
March 17, 2023

Notice to Readers

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

Z-COM, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollars)

ASSETS	Notes	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
CURRENT ASSETS					
Cash and cash equivalents	6(1)	\$223,595	29	\$189,280	25
Financial assets at amortised cost-current	6(4) and 8	2,770	-	42,269	6
Contract assets-current	6(15)	-	-	2,010	-
Notes receivable, net	6(5)	29,449	4	6,853	1
Accounts receivable, net	5 and 6(5)	25,804	3	46,540	6
Other receivables		48	-	1,113	-
Current tax assets		104	-	168	-
Inventories, net	5 and 6(6)	202,938	26	167,880	23
Prepayments and other current assets		29,586	4	22,271	3
Total Current Assets		514,294	66	478,384	64
NON-CURRENT ASSETS					
Financial assets at fair value through profit or loss-non-current	6(2)	-	-	109	-
Financial assets at fair value through other comprehensive income-non-current	6(3)	1,200	-	1,900	-
Financial assets at amortised cost-non-current	6(4) and 8	7,302	1	7,302	1
Investments accounted for using equity method	6(7)	15,000	2	-	-
Property, plant and equipment	6(8)	135,208	18	150,375	21
Right-of-use assets	6(10)	57,301	7	53,176	7
Investment property, net	6(9)	5,730	1	6,414	1
Intangible assets		785	-	1,081	-
Deferred tax assets	6(19)	36,314	5	44,135	6
Prepayment for equipment		463	-	-	-
Refundable deposits		850	-	397	-
Total Non-current Assets		260,153	34	264,889	36
TOTAL ASSETS		<u>\$774,447</u>	<u>100</u>	<u>\$743,273</u>	<u>100</u>
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Short-term borrowings	6(11)	\$100,000	13	\$25,000	3
Contract liabilities-current	6(15)	1,311	-	9,575	1
Accounts payable		64,742	8	42,791	6
Other payables	6(12)	61,619	8	34,951	5
Lease liabilities-current	6(10)	3,014	1	564	-
Other current liabilities		695	-	572	-
Total Current Liabilities		231,381	30	113,453	15
NON-CURRENT LIABILITIES					
Lease liabilities-non	6(10)	14,136	2	11,885	2
Other liabilities-current	6(13)	12,170	1	11,807	1
Total Non-current Liabilities		26,306	3	23,692	3
TOTAL LIABILITIES		<u>257,687</u>	<u>33</u>	<u>137,145</u>	<u>18</u>
EQUITY					
Share capital - common stock	6(14)	717,010	93	725,000	99
Capital surplus	6(14)	33	-	2,577	-
Retained earnings	6(14)				
Legal reserve		-	-	10,264	1
Special reserve		37,884	5	37,884	5
Accumulated deficit		(201,179)	(26)	(148,696)	(20)
Other equity		(24,731)	(3)	(36,069)	(5)
Treasury stocks	6(14)	(27,210)	(4)	(35,901)	(5)
Equity attributable to owners of the parent		501,807	65	555,059	75
Non-controlling interests	6(21)	14,953	2	51,069	7
TOTAL EQUITY		<u>516,760</u>	<u>67</u>	<u>606,128</u>	<u>82</u>
TOTAL LIABILITIES AND EQUITY		<u>\$774,447</u>	<u>100</u>	<u>\$743,273</u>	<u>100</u>

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

Z-COM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollars)

		For the Year Ended December 31, 2022		For the Year Ended December 31, 2021	
	Notes	Amount	%	Amount	%
Operating revenue	6(15)	\$326,030	100	\$259,775	100
Operating costs	6(6) and 6(16)	(233,282)	(72)	(191,403)	(74)
Operating margin		92,748	28	68,372	26
Operating expenses	6(16)				
Selling expenses		(25,238)	(8)	(44,059)	(17)
General and administrative expenses		(52,731)	(16)	(77,492)	(30)
Research and development expenses		(68,015)	(21)	(75,745)	(29)
Expected credit losses	12(4)	(21,194)	(6)	(2,178)	(1)
Total operating expenses		(167,178)	(51)	(199,474)	(77)
Net other (expenses) income	6(9)	(780)	-	539	-
Operating loss		<u>(75,210)</u>	<u>(23)</u>	<u>(130,563)</u>	<u>(51)</u>
Non-operating income and expenses					
Interest income	6(17)	1,641	1	938	-
Other income	6(17)	5,861	2	10,342	4
Other gains and losses	6(17)	10,193	3	145,081	56
Finance costs	6(17)	(1,848)	(1)	(6,975)	(2)
Total non-operating income and expenses		15,847	5	149,386	58
Net (loss) income before income tax		<u>(59,363)</u>	<u>(18)</u>	<u>18,823</u>	<u>7</u>
Income tax expense	6(18)	(5,307)	(2)	(22,938)	(9)
Net loss for the year		<u>(64,670)</u>	<u>(20)</u>	<u>(4,115)</u>	<u>(2)</u>
Other comprehensive income (loss)					
Items that may not be reclassified subsequently to profit or loss:					
Unrealized losses from equity instrument investments measured at fair value through other comprehensive income		(700)	-	-	-
Items that may be reclassified subsequently to profit or loss:					
Financial statements translation differences of foreign operations		9,267	3	(3,424)	(1)
Income tax related to the items comprehensive income that may be reclassified subsequently to profit or loss	6(18)	(2,521)	(1)	708	-
Other comprehensive income (loss) for the year		6,046	2	(2,716)	(1)
Total comprehensive loss for the year		<u>\$ (58,624)</u>	<u>(18)</u>	<u>\$ (6,831)</u>	<u>(3)</u>
Net loss for the year attributable to:					
Owners of the parent		\$ (64,854)	(20)	\$ (60,952)	(24)
Non-controlling interests		184	-	56,837	22
		<u>\$ (64,670)</u>	<u>(20)</u>	<u>\$ (4,115)</u>	<u>(2)</u>
Total comprehensive (loss) income attributable to:					
Owners of the parent		\$ (53,516)	(16)	\$ (63,782)	(25)
Non-controlling interests		(5,108)	(2)	56,951	22
		<u>\$ (58,624)</u>	<u>(18)</u>	<u>\$ (6,831)</u>	<u>(3)</u>
Basic earnings per share (in New Taiwan Dollars)	6(19)	<u>\$ (0.94)</u>		<u>\$ (0.88)</u>	
Diluted earnings per share (in New Taiwan Dollars)	6(19)	<u>\$ (0.94)</u>		<u>\$ (0.88)</u>	

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

Z-COM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollars)

Items	Equity attributable to owners of the parent										
	Share capital - common stock	Capital surplus	Retained Earnings			Other equity		Treasury stocks	Total	Non-controlling interests	Total equity
			Legal reserve	Special reserve	Accumulated deficit	Financial statements translation differences of foreign operations	Unrealized loss on financial assets at fair value through other comprehensive income				
Balance at January 1, 2021	\$725,000	\$2,577	\$14,909	\$37,884	\$(86,233)	\$(33,239)	\$-	\$(35,901)	\$624,997	\$(3,298)	\$621,699
Net loss for the year	-	-	-	-	(60,952)	-	-	-	(60,952)	56,837	(4,115)
Other comprehensive loss for the year	-	-	-	-	-	(2,830)	-	-	(2,830)	114	(2,716)
Total comprehensive income (loss) for the year	-	-	-	-	(60,952)	(2,830)	-	-	(63,782)	56,951	(6,831)
Cover the deficit of 2020											
Legal reserve cover the deficit	-	-	(4,645)	-	4,645	-	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	-	-	-	(6,156)	-	-	-	(6,156)	(2,584)	(8,740)
Balance at December 31, 2021	\$725,000	\$2,577	\$10,264	\$37,884	\$(148,696)	\$(36,069)	\$-	\$(35,901)	\$555,059	\$51,069	\$606,128
Balance at January 1, 2022	\$725,000	\$2,577	\$10,264	\$37,884	\$(148,696)	\$(36,069)	\$-	\$(35,901)	\$555,059	\$51,069	\$606,128
Net loss for the year	-	-	-	-	(64,854)	-	-	-	(64,854)	184	(64,670)
Other comprehensive income (loss) for the year	-	-	-	-	-	11,679	(341)	-	11,338	(5,292)	6,046
Total comprehensive income (loss) for the year	-	-	-	-	(64,854)	11,679	(341)	-	(53,516)	(5,108)	(58,624)
Cover the deficit of 2021											
Legal reserve and capital surplus cover the deficit	-	(2,107)	(10,264)	-	12,371	-	-	-	-	-	-
Treasury stocks transaction	-	33	-	-	-	-	-	231	264	277	541
Treasury stocks cancellation	(7,990)	(470)	-	-	-	-	-	8,460	-	-	-
Capital reduction by cash-non-controlling interests	-	-	-	-	-	-	-	-	-	(31,285)	(31,285)
Balance at December 31, 2022	\$717,010	\$33	\$-	\$37,884	\$(201,179)	\$(24,390)	\$(341)	\$(27,210)	\$501,807	\$14,953	\$516,760

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

Z-COM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollars)

	For the Year Ended December 31, 2022	For the Year Ended December 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (loss) income before income tax	\$(59,363)	\$18,823
Adjustments for:		
Depreciation	21,288	29,929
Amortization	313	2,213
Expected credit losses	21,194	2,178
Net gains on financial assets at fair value through profit or loss	(2)	(270)
Interest expenses	1,848	6,975
Interest income	(1,641)	(938)
Loss (gain) on disposal of property, plant and equipment	4,542	(148,686)
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	-	374
Contract assets	2,010	(748)
Notes receivable	22,596	(1,065)
Accounts receivable	(458)	9,945
Other receivables	1,065	1,479
Inventories, net	(35,058)	(34,915)
Prepayments and other current assets	(7,315)	2,361
Contract liabilities	(8,264)	7,573
Accounts payable	21,951	(8,161)
Other payables	7,006	(10,293)
Other current liabilities	123	(673)
Other liabilities-non-current	363	(661)
Cash flows used in operating activities	(52,994)	(124,560)
Interest received	1,641	938
Interest paid	(1,848)	(6,975)
Income taxes refunded	57	1,106
Net cash used in operating activities	(53,144)	(129,491)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	111	-
Decrease in financial assets measured at amortised cost	39,499	31,949
Acquisitions of investment accounted for using equity method	(15,000)	-
Acquisitions of property, plant and equipment	(4,493)	(2,109)
Proceeds from disposal of property, plant and equipment	80	226,600
(Increase) decrease in refundable deposits	(453)	2,207
Increase in prepaid equipment	(463)	-
Net cash provided by investing activities	19,281	258,647
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in short-term borrowings	340,000	138,623
Decrease in short-term borrowings	(265,000)	(193,165)
Repayment of principal portion of lease liabilities	(2,715)	(555)
Price of treasury stock disposal	541	-
Proceeds from disposal of treasury stock	-	-
Acquisitions of ownership interests in subsidiaries	(4,348)	(4,392)
Capital reduction by cash-non-controlling interests	(7,275)	-
Net cash provided by (used in) financing activities	61,203	(59,489)
EFFECT OF CHANGES IN EXCHANGE RATES	6,975	(1,800)
NET INCREASE IN CASH AND CASH EQUIVALENTS	34,315	67,867
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	189,280	121,413
CASH AND CASH EQUIVALENTS, END OF THE YEAR	\$223,595	\$189,280

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

(V) Independent Auditors' Report and Unconsolidated Financial Statements for 2022

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of Z-Com, Inc.

Opinion

We have audited the accompanying parent company only balance sheets of Z-Com, Inc. (the "Company") as at December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2022 and 2021, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key audit matters

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

Key audit matters for the Company's parent company only financial statements for the year ended December 31, 2022 are stated as follows:

Evaluation of inventories

The Company is engaged in the manufacturing and selling of products related to wireless data network systems. Its inventories were measured at the lower of cost and net realisable value. The Company's inventories were significant to the parent company only financial statements and the determination of net realizable value for the inventories involves subjective judgement. Therefore, the evaluation of inventories was identified as a key audit matter.

Our audit procedures including (but are not limited to) assessing the appropriateness of the management's accounting policy for inventory evaluation; evaluating and testing the effectiveness of relevant internal control; sampling and testing the entry timing in the inventory aging report and checking accuracy of inventory aging calculation; assessed the reasonableness of provision on inventory allowance through testing the determination of net realisable values; notice if any obsolete and damaged inventories while stock-taking.

Please refer to Notes 4, 5 and 6(4) of the parent company only financial statements for the accounting policies on inventories, critical accounting estimation uncertainty and the details of inventories, respectively.

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

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

In preparing the parent company only financial statements, management is responsible for assessing the ability to continue as a going concern of the Company, 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 audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's 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 parent company only financial statements, including the accompanying notes, and whether the parent company only 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 Company and its subsidiaries to express an opinion on the parent company only 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 2022 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor's 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.

Liu, Jung Chin
Chang, Cheng-Tao

Ernst & Young, Taiwan
March 17, 2023

Notice to Readers

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

Z-COM, INC.
BALANCE SHEETS
December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollars)

Assets	Notes	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
CURRENT ASSETS					
Cash and cash equivalents	6(1)	\$124,289	19	\$35,217	5
Financial assets at amortised cost-current	6(2) and 8	-	-	24,912	4
Accounts receivable, net	5 and 6(3)	18,949	3	40,830	6
Other receivables		31	-	64	-
Current tax assets		7	-	72	-
Inventories, net	5 and 6(4)	43,032	6	28,662	4
Prepayments and other current assets		19,572	3	18,362	3
Total Current Assets		205,880	31	148,119	22
NON-CURRENT ASSETS					
Financial assets at fair value through profit or loss-non-current	6(2) and 8	7,302	1	7,302	1
Investments accounted for using equity method	6(5)	369,252	55	422,755	62
Property, plant and equipment	6(6) and 8	43,758	6	44,984	7
Right-of-use assets	6(7)	11,593	2	12,194	2
Deferred tax assets	6(15)	36,314	5	44,135	6
Refundable deposits		126	-	119	-
Total Non-current Assets		468,345	69	531,489	78
TOTAL ASSETS		\$674,225	100	\$679,608	100
Liabilities and Equity					
CURRENT LIABILITIES					
Short-term borrowings	6(8)	100,000	15	25,000	4
Contract liabilities-current	6(12)	630	-	4,741	1
Accounts payable		2,563	-	648	-
Accounts payable-related parties	7	21,123	3	52,033	8
Other payables	6(9)	23,995	4	17,871	2
Lease liabilities-current	6(7)	577	-	564	-
Total Current Liabilities		148,888	22	100,857	15
NON-CURRENT LIABILITIES					
Lease liabilities-non-current	6(7)	11,360	2	11,885	2
Other liabilities-non-current	6(10)	12,170	2	11,807	2
Total Non-current Liabilities		23,530	4	23,692	4
TOTAL LIABILITIES		172,418	26	124,549	19
EQUITY					
Share capital - common stock	6(11)	717,010	106	725,000	107
Capital surplus	6(11)	33	-	2,577	-
Retained earnings	6(11)				
Legal reserve		-	-	10,264	1
Special reserve		37,884	6	37,884	5
Accumulated deficit		(201,179)	(30)	(148,696)	(22)
Other equity		(24,731)	(4)	(36,069)	(5)
Treasury stocks	6(11)	(27,210)	(4)	(35,901)	(5)
TOTAL EQUITY		501,807	74	555,059	81
TOTAL LIABILITIES AND EQUITY		\$674,225	100	\$679,608	100

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

Z-COM, INC.
STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollars)

		For the Years Ended December 31, 2022		For the Years Ended December 31, 2021	
	Notes	Amount	%	Amount	%
Operating revenue	6(12) and 7	\$270,871	100	\$214,645	100
Operating costs	6(4) and 7	(205,442)	(76)	(153,767)	(72)
Operating margin before realized		65,429	24	60,878	28
Realized profit on sales to subsidiaries		-	-	1,347	-
Operating margin		65,429	24	62,225	28
Operating expenses	6(13)				
Selling expenses		(20,688)	(8)	(35,120)	(16)
General and administrative expenses		(28,249)	(10)	(32,278)	(15)
Research and development expenses	7	(33,248)	(12)	(39,379)	(18)
Expected credit losses	12(4)	(20,296)	(8)	(598)	-
Total operating expenses		(102,481)	(38)	(107,375)	(49)
Operating loss		(37,052)	(14)	(45,150)	(21)
Non-operating income and expenses					
Interest income	6(14)	179	-	134	-
Other income	6(14)	3,383	1	6,282	3
Other gains and losses	6(14)	6,457	2	(44)	-
Finance costs	6(14)	(1,454)	-	(461)	-
Share of profit and loss of subsidiaries and associates accounted for using equity method	6(5)	(31,060)	(11)	1,159	1
Total non-operating income and expenses		(22,495)	(8)	7,070	4
Net loss before income tax		(59,547)	(22)	(38,080)	(17)
Income tax expense	6(15)	(5,307)	(2)	(22,872)	(11)
Net loss for the year		(64,854)	(24)	(60,952)	(28)
Other comprehensive income (loss)					
Items that may not be reclassified subsequently to profit or loss:					
Unrealized losses from equity instrument investments measured at fair value through other comprehensive income		(341)	-	-	-
Items that may be reclassified subsequently to profit or loss:					
Financial statements translation differences of foreign operations		14,200	5	(3,538)	(2)
Income tax related to the items comprehensive income that may be reclassified subsequently to profit or loss	6(15)	(2,521)	(1)	708	-
Other comprehensive income (loss) for the year		11,338	4	(2,830)	(2)
Total comprehensive loss for the year		<u><u>\$(53,516)</u></u>	<u><u>(20)</u></u>	<u><u>\$(63,782)</u></u>	<u><u>(30)</u></u>
Earnings per share					
Basic earnings per share (in New Taiwan Dollars)	6(16)	<u><u>\$(0.94)</u></u>		<u><u>\$(0.88)</u></u>	
Diluted earnings per share (in New Taiwan Dollars)	6(16)	<u><u>\$(0.94)</u></u>		<u><u>\$(0.88)</u></u>	

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

Z-COM, INC.
STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollars)

Items	Equity attributable to owners of the parent								Total
	Retained Earnings					Other equity		Treasury stocks	
	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Accumulated deficit	Financial statements translation differences of foreign operations	Share of loss of associates and joint ventures accounted for using equity method		
Balance at January 1, 2021	\$725,000	\$2,577	\$14,909	\$37,884	\$(86,233)	\$(33,239)	\$-	\$(35,901)	\$624,997
Profit (loss) for the year	-	-	-	-	(60,952)	-	-	-	(60,952)
Other comprehensive loss for the year	-	-	-	-	-	(2,830)	-	-	(2,830)
Total comprehensive income (loss) for the year	-	-	-	-	(60,952)	(2,830)	-	-	(63,782)
Cover the deficit of 2020									
Legal reserve appropriated	-	-	(4,645)	-	4,645	-	-	-	-
Changes in ownership interests in subsidiaries		-	-		(6,156)	-	-		(6,156)
Balance at December 31, 2021	\$725,000	\$2,577	\$10,264	\$37,884	\$(148,696)	\$(36,069)	\$-	\$(35,901)	\$555,059
Balance at January 1, 2022	\$725,000	\$2,577	\$10,264	\$37,884	\$(148,696)	\$(36,069)	\$-	\$(35,901)	\$555,059
Profit (loss) for the year	-	-	-	-	(64,854)	-	-	-	(64,854)
Other comprehensive loss for the year	-	-	-	-	-	11,679	(341)	-	11,338
Total comprehensive income (loss) for the year	-	-	-	-	(64,854)	11,679	(341)	-	(53,516)
Cover the deficit of 2021									
Legal reserve and capital surplus cover the deficit	-	(2,107)	(10,264)	-	12,371	-	-	-	-
Treasury stocks transaction	-	33	-	-	-	-	-	231	264
Treasury stocks cancellation	(7,990)	(470)	-	-	-	-	-	8,460	-
Balance at December 31, 2022	\$717,010	\$33	\$-	\$37,884	\$(201,179)	\$(24,390)	\$(341)	\$(27,210)	\$501,807

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

Z-COM, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollars)

	For the Years Ended December 31, 2022	For the Years Ended December 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss before income tax	\$(59,547)	\$(38,080)
Adjustments for:		
Depreciation	3,514	8,414
Amortization	-	1,557
Expected credit losses	20,296	598
Net gains on financial assets at fair value through profit or loss	-	(291)
Interest expense	1,454	461
Interest income	(179)	(134)
Share of profit and loss of subsidiaries and associates accounted for using equity method	31,060	(1,159)
Realized profit on sales to subsidiaries	-	(1,347)
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	-	374
Accounts receivable	1,585	774
Other receivables	33	2,314
Inventories, net	(14,370)	24,704
Prepayments and other current assets	(1,210)	926
Contract liabilities-current	(4,111)	4,710
Account payable	1,915	73
Account payable-related parties	(30,910)	(58,233)
Other payables	6,124	(4,228)
Net defined benefit liabilities	363	475
Cash outflows from operating activities	(43,983)	(58,092)
Interest received	179	134
Interest paid	(1,454)	(461)
Income taxes refunded	58	1,345
Net cash flows used in operating activities	(45,200)	(57,074)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Decrease in financial assets at amortised cost	24,912	31,448
Capital reduction from investee accounted for using equity method	51,566	-
Acquisitions of investment accounted for using equity method	(15,000)	-
Acquisitions of property, plant and equipment	(1,632)	(302)
(Decrease) increase in refundable deposits	(7)	1,555
Increase in investment in subsidiaries	-	(19,536)
Net cash flows provided by investing activities	59,839	13,165
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in short-term borrowings	340,000	138,623
Decrease in short-term borrowings	(265,000)	(114,223)
Repayment of principal portion of lease liabilities	(567)	(555)
Net cash flows provided by financing activities	74,433	23,845
NET INCREASE IN CASH AND CASH EQUIVALENTS	89,072	(20,064)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	35,217	55,281
CASH AND CASH EQUIVALENTS, END OF THE YEAR	\$124,289	\$35,217

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

(VI) Deficit Compensation Statement

Z-COM, Inc.
Deficit Compensation Statement for 2022

Unit: NTD\$	
Items	Total
Deficit yet to be compensated – at the beginning of 2022	(130,168,718)
- : The recognized changes in net equity value of affiliated companies and joint ventures by equity method.	(6,155,301)
Adjusted Deficit Compensation at the beginning of 2022	(136,324,019)
+ : net loss for 2022	(64,853,849)
Deficit yet to be compensated – at the end of 2022	(201,177,868)

(Note) According to Article 28 of the Articles of Association, if there is a surplus in the annual financial statements, the deficit should be compensated first.

Chairman : Fan En Technology. Co., Ltd. .

Legal representative, John S. Shieh

CEO : WU CHIA-FANG

Accounting Officer: CHUANG, HUI-HUA

(VII) Comparison table before and after the amendments to the "Rules of Procedure for the Shareholders' Meeting"

Amendment article	Existing article	Explanation
<p>2. Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.</p> <p><u>Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.</u></p> <p>This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting.</p> <p><u>If, however, this Corporation has the paid-in capital of</u></p>	<p>2. Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.</p> <p>This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The</p>	<p>According to the letter No. 11100543771 of the Republic of China Securities OTC Trading Center issued on March 11, 2022, the amendment of Article 2 mainly related to the newly added regulations on holding video shareholder meetings will be processed.</p>

<p><u>NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting.</u> In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby.</p> <p><u>This Corporate shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:</u></p> <p><u>(1) For physical shareholders meetings, to be distributed on-site at the meeting.</u></p> <p><u>(2) For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.</u></p> <p><u>(3) For virtual-only</u></p>	<p>meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby and distributed on the site of shareholders' meeting.</p> <p>The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</p> <p>The following is omitted.</p>	
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<p><u>shareholders meetings, electronic files shall be shared on the virtual meeting platform.</u></p> <p>The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement.</p> <p>With the consent of the addressee, the meeting notice may be given in electronic form.</p> <p>The following is omitted.</p>		
<p>3.</p> <p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation notice is submitted</p>	<p>3.</p> <p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation notice is submitted</p>	<p>In accordance with the letter numbered 11100543771 issued by the Taiwan OTC Securities Exchange Supervisory Committee on March 11, 2022, Article 3 has been amended (which primarily adds regulations related to the holding of video-assisted shareholder meetings).</p>

<p>after that time, votes cast at the meeting by the proxy shall prevail.</p> <p><u>If, after a proxy form is delivered to this Corporation, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>	<p>after that time, votes cast at the meeting by the proxy shall prevail.</p>	
<p>4.</p> <p>The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p> <p><u>The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.</u></p>	<p>4.</p> <p>The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p>	<p>In accordance with the letter numbered 11100543771 issued by the Taiwan OTC Securities Exchange Supervisory Committee on March 11, 2022, Article 4 has been amended (which primarily adds regulations related to the holding of video-assisted shareholder meetings).</p>
<p>5.</p> <p><u>This Corporation shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention. The time during which</u></p>	<p>5.</p> <p>The corporation shall provide an attendance book for shareholders or proxies (collectively "shareholders") to sign in. Or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>Shareholders shall attend the shareholder meeting with attendance certificates, sign-in</p>	<p>According to the letter with Ref. No. 11100543771 issued by the Taiwan Stock Exchange Corporation on March 11, 2022, in compliance with the amendment of Article 5 and the adjustment of the wording (related to holding video shareholder meetings), the following legal content applies.</p>

<p><u>shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.</u></p> <p>Shareholders should attend the shareholder meeting with attendance certificates, attendance sign-in cards, or other attendance documents.</p> <p><u>This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders.</u></p> <p>Solicitors who are required to attend the meeting should bring their identity documents for verification.</p> <p>The corporation shall provide a sign-in book for shareholders to sign or allow shareholders to submit sign-in cards for proxy attendance. The corporation shall provide meeting materials such as the agenda, annual report, attendance certificate, speaking notes, ballot papers, and other meeting documents to the attending shareholders. For director elections, ballot</p>	<p>cards or other attendance credentials. For solicitors who are soliciting proxies, they shall also bring identification documents for verification.</p> <p>The corporation shall deliver the meeting handbook, annual report, attendance certificate, speech notes, voting ballots and other meeting materials to the attending shareholders. If there is a director election, ballots shall be attached separately.</p> <p>In the case of government or legal entity shareholders, the representative attending the shareholder meeting is not limited to one person. When a legal entity is appointed to attend the shareholder meeting, only one person can be designated to represent the entity.</p>	
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<p>papers should be attached. Government or legal entities as shareholders may send more than one representative to attend the meeting. When a legal entity is entrusted to attend the shareholder meeting, only one person may be designated to represent them.</p> <p><u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days before the meeting date.</u></p> <p><u>In the event of a virtual shareholders meeting, this Corporation shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p> <p><u>To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the shareholders meeting notice:</u></p> <p><u>(1) How shareholders attend the virtual meeting and exercise their rights.</u></p> <p><u>(2) Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</u></p> <p><u>a) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and</u></p>		
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<p><u>the date to which the meeting is postponed or on which the meeting will resume.</u></p> <p><u>b) Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.</u></p> <p><u>c) In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>d) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.</u></p> <p><u>(3) To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.</u></p>		

<p>7. <u>This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.</u> <u>The recorded materials of the preceding paragraph shall be retained for at least one year.</u> However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recordings shall be kept until the conclusion of the lawsuit. <u>Where a shareholders meeting is held online, this Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.</u> <u>The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.</u> <u>In case of a virtual shareholders meeting, this Corporation is advised to audio and video record the back-end operation interface of the</u></p>	<p>7. This Corporation shall make an uninterrupted audio and video recording of the whole procedure of the shareholder's meeting, and the recorded materials shall be retained for at least one year. However, if a shareholder files a lawsuit under Article 189 of the Corporation Act, the recordings shall be kept until the end of the lawsuit.</p>	<p>Article 7 has been amended (which primarily adds regulations related to the holding of video-assisted shareholder meetings) in accordance with the letter numbered 11100543771 issued by the Taiwan OTC Securities Exchange Supervisory Committee on March 11, 2022</p>
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<u>virtual meeting platform.</u>		
<p>8. The attendance of a shareholder meeting shall be based on the calculation of the number of shares held. The number of shares attending shall be calculated based on the signature registry or attendance card submitted, <u>as well as the number of shares reported on the video conference platform.</u> In addition, the number of shares exercised by written or electronic means shall also be counted.</p> <p>When the meeting time is approaching, the chairman should announce the commencement of the meeting and at the same time declare the number of shares without voting rights and the number of shares attending.</p> <p>However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.</p> <p><u>In the event of a virtual shareholders meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.</u></p> <p>If the quorum is not met after two postponements as referred</p>	<p>8. The attendance of a shareholder meeting shall be based on the calculation of the number of shares held. The number of shares attending shall be calculated based on the signature registry or attendance card submitted. In addition, the number of shares exercised by written or electronic means shall also be counted.</p> <p>When the meeting time is approaching, the chairman should announce the commencement of the meeting and at the same time declare the number of shares without voting rights, the number of shares attending, and the related information.</p> <p>However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made.</p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.</p> <p>When, prior to conclusion of the meeting, the attending</p>	<p>In accordance with the letter numbered 11100543771 issued by the Taiwan OTC Securities Exchange Supervisory Committee on March 11, 2022, Article 8 has been amended (which primarily adds regulations related to the holding of video-assisted shareholder meetings).</p>

<p>to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.</p> <p><u>In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 6.</u></p> <p>When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p>	<p>shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p>	
<p>10. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</p>	<p>10. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</p>	<p>In accordance with the letter with reference number 11100543771 issued by the Taiwan OTC Securities Exchange on March 11, 2012, and in compliance with the amendment to Article 10 (provisions for convening virtual shareholders' meetings) of the regulations.</p>

<p>Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.</p> <p>When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p> <p><u>Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply. As long as questions so raised in accordance with the preceding paragraph are not in</u></p>	<p>Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.</p> <p>When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p>	
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<p><u>violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.</u></p>		
<p>12. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act. When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals. A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the</p>	<p>12. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act. When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals. A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the</p>	<p>According to the letter with Ref. No. 11100543771 issued by the Taiwan Stock Exchange Corporation on March 11, 2022, in compliance with the amendment of Article 10 (mainly adding regulations related to holding video shareholder meetings), the following legal content applies.</p>

<p>shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</p> <p>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person <u>or online</u>, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p><u>Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person</u></p>	<p>shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</p> <p>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be</p>	
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<p><u>designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</u></p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p> <p><u>When this Corporation convenes a virtual shareholders</u></p>	<p>deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p>	
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<p><u>meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting. In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately. When this Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online. When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p>		
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<p>14. Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.</p> <p>This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.</p> <p><u>Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name,</u></p>	<p>14. Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.</p> <p>This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.</p>	<p>In accordance with the letter with reference number 11100543771 issued by the Taiwan OTC Securities Exchange on March 11, 2012, and in compliance with the amendment to Article 14 (provisions for convening virtual shareholders' meetings) of the regulations.</p>
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<p><u>and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes. When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online</u></p>		
<p>15. On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. <u>In the event a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting. During this Corporation's virtual shareholders meeting,</u></p>	<p>15. On the day of a shareholders meeting, this Company shall prepare a statistical table in the prescribed format to clearly disclose the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies, and the number of shares represented by shareholders. The table shall be displayed at the meeting venue for transparency.</p>	<p>In accordance with the letter with reference number 11100543771 issued by the Taiwan OTC Securities Exchange on March 11, 2012, and in compliance with the amendment to Article 16 (primarily provisions for convening virtual shareholders' meetings) of the regulations.</p>

<p><u>when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting. If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.</u></p>		
<p><u>18. In the event of a virtual shareholders meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.</u></p>		<p>In accordance with the letter with surveillance number 11100543771 issued by the Taiwan Stock Exchange and Gretai Securities Market on March 11, 2022, provisions related to holding videoconferencing shareholder meetings shall be added as Article 18.</p>
<p><u>19. When this Corporation convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.</u></p>		<p>In accordance with the letter with surveillance number 11100543771 issued by the Taiwan Stock Exchange and Gretai Securities Market on March 11, 2022, provisions related to holding videoconferencing shareholder meetings shall be added as Article 19.</p>
<p><u>20. In the event of a virtual</u></p>		<p>In accordance with the letter with surveillance number</p>

<p><u>shareholders meeting, this Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.</u></p> <p><u>In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.</u></p> <p><u>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.</u></p> <p><u>For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and</u></p>		<p>11100543771 issued by the Taiwan Stock Exchange and Gretai Securities Market on March 11, 2022, provisions related to holding videoconferencing shareholder meetings shall be added as Article 20.</p>
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<p><u>voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.</u></p> <p><u>During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.</u></p> <p><u>When this Corporation convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.</u></p> <p><u>Under the circumstances where a meeting should continue as in the preceding paragraph, the</u></p>		
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<p><u>shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting. When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies. For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporations hall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.</u></p>		
<p><u>21. When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative</u></p>		<p>In accordance with the letter with reference number 11100543771 issued by the Taiwan OTC Securities Exchange on March 11, 2012,</p>

<u>measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</u>		a new Article 21 (provisions for convening virtual shareholders' meetings) has been added to the regulations.
<u>22.</u> These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.	18. These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.	Adjustment of article numbering is made to align with the newly added provisions.

Appendix (I): Article of Incorporation

Z-COM,INC.

Article of Incorporation

Chapter 1 General Provisions

- Article 1:** This company is organized in accordance with the regulations of the Company Law for Limited Liability Companies, and is named "智捷科技股份有限公司" in Chinese and "Z-COM, INC." in English.
- Article 2:** The business scope of the Company is as follows:
F401021 Import of Telecommunications Regulatory RF Equipment
CC01101 Manufacture of Telecommunications Regulatory RF Equipment
1. Research, development, production, manufacturing, and sales of the following products:
(1) Fixed-point wireless data network systems including fixed-point data communication machines, network communication software, and network management software.
(2) Mobile data communication machines.
(3) Digital cellular mobile communication systems.
(4) Spread spectrum wireless data communication systems.
(5) Digital subscriber loop systems.
2. Related system integration and consulting services for the above products.
3. Concurrently engaged in import and export trading business related to the Company's business.
- Article 3:** The company has its headquarters located in the Hsinchu Science Park, Taiwan, and may establish branch offices domestically or internationally with the approval of the board of directors and relevant authorities if necessary.
- Article 4:** The company's total investment in subsidiary companies is not subject to the limitation of 40% of the paid-in capital as stipulated in Article 13 of the Company Act.
- Article 4-1:** The company may provide endorsement guarantees to external parties, and such operations shall be carried out in accordance with the company's endorsement guarantee operation procedures.

Chapter 2 Shares

- Article 5:** The authorized capital of the Company is NT\$1 billion divided into 100 million shares (including 10 million shares of employee stock option certificates) with a par value of NT\$10 per share. The unissued shares may be issued by the Board of Directors in several tranches.
The transferees of treasury shares acquired by the Company may include

employees of the Company's subsidiaries or affiliates who meet certain conditions.

The recipients of employee stock option certificates may include employees of the Company's subsidiaries or affiliates who meet certain conditions.

The employees who subscribe for newly issued shares may include employees of the Company's subsidiaries or affiliates who meet certain conditions.

The recipients of restricted stock awards issued to employees may include employees of the Company's subsidiaries or affiliates who meet certain conditions.

Article 6: The stocks of this company are registered and should be numbered, signed or stamped by the directors representing the company, and then certified by the competent authority or the registration institution approved by it before being issued. This company may also choose to issue stocks in an electronic form.

Article 7: Shareholders of this company may conduct stock affairs such as transfer, pledge, loss report, inheritance, gift, seal loss or change, or address change, except for those otherwise stipulated by laws and securities regulations, in accordance with the regulations of the "Regulations Governing the Handling of Shareholder Services of Public Companies Issuing Stocks".

Article 8: Deleted

Chapter 3 Shareholder's Meeting

Article 9: The transfer of shares shall be suspended within 60 days before each annual shareholders' meeting, 30 days before any special shareholders' meeting, or 5 days before the record date for distribution of dividends or other benefits as determined by the Company.

Article 10: The shareholder meetings of the Company shall be classified into the following two types:

1. Annual General Meeting: It shall be convened by the Board of Directors within six months after the end of each fiscal year.

2. Extraordinary General Meeting: It shall be convened when necessary.

Article 11: The notice of calling a regular shareholders' meeting shall be given to all shareholders at least thirty days in advance, and the notice of calling a special shareholders' meeting shall be given at least fifteen days in advance, specifying the date, time, place, and purpose of the meeting.

Article 11-1: The method of convening our company's shareholders' meeting has been decided by the board of directors to allow for physical shareholders' meetings with video assistance, virtual shareholders' meetings, or other methods announced by the competent authority. The company shall comply with the conditions, operating procedures, and other applicable matters as required by the securities regulatory authority.

Article 12: Shareholders of our company may exercise their voting rights in writing or electronically during the shareholders' meeting.

Article 13: In case a shareholder is unable to attend the shareholders' meeting due to unforeseen circumstances, they may issue a power of attorney issued by the

company to authorize a proxy to attend on their behalf. The procedures for shareholders to authorize attendance by proxy shall comply with the "Rules Governing the Use of Powers of Attorney for Attendance at Shareholders' Meetings of Public Companies" promulgated by the competent authority, unless otherwise provided by laws and regulations.

Article 14: Each share held by a shareholder of the corporation carries one voting right, except in cases where the provisions of Article 179 of the Company Act Apply and the shareholder is not entitled to exercise their voting right.

Article 15: Resolutions at a shareholders' meeting shall, unless otherwise provided for in this Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

A company whose shareholders may exercise their voting power in writing or by way of electronic transmission in a shareholders' meeting shall describe in the shareholders' meeting notice the method of exercising their voting power.

Article 15-1: When the corporation plans to delist its publicly issued stocks, it must obtain a resolution from a shareholders' meeting, and the delisting plan shall not be altered during the period when the stocks are listed on the Emerging Stock Market or the Over-the-Counter Market, as applicable.

Chapter 4 Directors, Audit Committee, and Management

Article 16: The company shall have a board of directors consisting of seven to ten members. The number of directors shall be determined by the board of directors and shall follow the system of nomination of candidates. Among the above-mentioned director seats, at least two independent directors shall be appointed, and the number of independent directors shall not be less than one-fifth of the total number of directors. If the chairman of the board and the general manager or equivalent positions are the same person, or if they are spouses or relatives within the first degree, the number of independent directors shall not be less than four. During director elections, the provisions of Article 198 of the Company Act shall be followed, and independent directors and non-independent directors shall be elected together, with separate calculations for the number of elected positions. The candidate with the most votes shall be elected as an independent director or non-independent director, respectively.

The company has established an "Audit Committee" in accordance with the law, and matters related to the number of committee members, term, duties, and rules of procedure shall be governed by the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies". The organization regulations for the Audit Committee shall be separately formulated. The term of office for directors shall be three years, and they shall be appointed by the shareholders' meeting from among individuals with legal capacity, and may be re-elected consecutively.

The total shareholding of the registered shares of the company held by all directors shall be determined in accordance with the standards set forth in the

"Regulations Governing the Shareholding Percentage of Directors and Supervisors and the Implementation of Audit for Public Companies" promulgated by the Financial Supervisory Commission of the Executive Yuan.

The company may purchase liability insurance during the directors' term of office to cover the compensation liability they should bear for their scope of business in accordance with the law.

Article 17: The Board of Directors is organized by the directors and has the following authorities:

1. To prepare the business plan.
2. To propose the distribution of profits or the appropriation of losses.
3. To propose capital increases or decreases.
4. To draft important regulations and contracts.
5. To appoint and dismiss the General Manager and Deputy General Manager of the company.
6. To establish and dissolve branch offices.
7. To formulate budgets and final accounts.
8. To approve the sale and purchase of real estate and investments in other businesses.
9. Other authorities granted by the Company Act or resolutions of the shareholders' meeting.

Article 18: The Board of Directors shall be attended by more than two-thirds of the directors, and with the consent of a majority of the attending directors, one person shall be elected as the Chairman of the Board, and another person may be elected as Vice Chairman of the Board in the same manner.
formal and in the law perspective.

Article 19: The Board of Directors shall be convened by the Chairman of the Board, except as otherwise provided by the Company Law, and shall be held at least once every three months. The resolution of the Board of Directors shall be passed by the affirmative vote of a majority of the attending directors, provided that the attendance of a majority of the directors is required, except as otherwise provided by the Company Law.

Directors shall personally attend the Board of Directors meetings. In case a director is unable to attend due to unavoidable circumstances, he or she may authorize another director to attend on his or her behalf, but the authorized director shall be limited to one person.

The Board of Directors may conduct meetings via video conference, and a director who attends the meeting via video conference shall be deemed to have participated in person.

Article 20: The Chairman of the Board is the President of the Board of Directors. When the Chairman of the Board is absent or unable to perform his duties due to reasons, his representative shall handle the matter in accordance with Article 208 of the Company Law.

Article 21: Deleted

Article 22: In accordance with Article 29 of the Company Act, the appointment, dismissal, and remuneration of the General Manager and several Deputy General Managers shall be handled by the corporation.

Article 23: The General Manager shall be responsible for the management of the company's business in accordance with the resolutions of the Board of Directors.

Article 24: The remuneration of all directors, regardless of profit or loss, may be authorized by the Board of Directors at a level consistent with industry standards. For independent directors, reasonable remuneration may be set differently from that of ordinary directors, with authorization from the Board of Directors.

Chapter 5 Accounting

Article 25: The fiscal year of the company shall be from January 1 to December 31. An annual settlement shall be conducted at the end of each fiscal year.

Article 26: The company shall prepare the following documents in accordance with Article 228 of the Company Law and submit them to the regular shareholders' meeting for approval at the end of each fiscal year:

1. Business report
2. Financial statements
3. Proposal for profit distribution or deficit offset

Article 27: The company shall distribute employee compensation at a rate of 10% to 15% of the profits of the current fiscal year, and shall distribute director compensation at a rate not exceeding 3% of the profits of the current fiscal year. However, if the company has accumulated losses, they shall be compensated first.

Employee compensation may be in the form of stocks or cash, and recipients of stocks or cash may include employees of controlling or subsidiary companies who meet certain conditions.

The profits of the current fiscal year referred to in the first paragraph mean the pre-tax profit for the current fiscal year before deducting employee and director compensation.

The distribution of employee and director compensation shall be approved by a resolution of the board of directors with the attendance of at least two-thirds of the directors and the agreement of a majority of the attending directors, and shall be reported to the shareholders' meeting.

Article 28: If there is a surplus in the annual settlement of this company, after paying taxes and donations in accordance with the law and making up for accumulated losses, 10% of the surplus shall be set aside as legal surplus reserves. However, if the legal surplus reserves have reached the actual paid-in capital of this company, no further provision shall be made. The remaining surplus shall be provisioned or converted into special surplus reserves in accordance with relevant laws and regulations. If there is still a balance, the board of directors shall prepare a surplus distribution proposal and submit it to the shareholders' meeting for approval of dividend distribution to shareholders.

The dividend distribution policy of this company shall take into account the current and future investment environment, capital needs, domestic and

international competitive situation, and capital budgeting, and shall balance the interests of shareholders and the company's long-term financial planning. The dividend payable to shareholders shall be provisioned from the accumulated distributable surplus, of which no less than 50% of the distributable surplus for the current year shall be used, and the proportion of cash dividends shall not be less than 10% of the total dividends.

Article 28-1: The board of directors of the Company is authorized to distribute dividends or allocate the whole or a portion of legal or capital reserves in the form of cash by a resolution passed by at least two-thirds of the directors present at a meeting where a quorum is met and more than half of the attending directors vote in favor. Such resolution shall be reported to the shareholders' meeting and shall not be subject to the provisions related to shareholders' meeting resolutions under this article.

Chapter 6 Supplementary Provisions

Article 29: Separate organizational rules and operational procedures for the company will be established.

Article 30: Any matters not covered by these Articles of Incorporation shall be handled in accordance with the regulations stipulated by the Company Law.

Article 31: This Articles of Incorporation were established by the initiators' meeting and agreed upon by all initiators on February 23, 1995. It shall take effect from the date of approval and registration by the competent authority.

The Articles of Incorporation were first revised on September 2, 1995.

The Articles of Incorporation were second revised on May 20, 1996.

The Articles of Incorporation were third revised on May 26, 1997.

The Articles of Incorporation were fourth revised on June 6, 1998.

The Articles of Incorporation were fifth revised on May 26, 2000.

The Articles of Incorporation were sixth revised on August 8, 2000.

The Articles of Incorporation were seventh revised on May 29, 2001.

The Articles of Incorporation were eighth revised on May 10, 2002.

The Articles of Incorporation were ninth revised on June 1, 2004.

The Articles of Incorporation were tenth revised on June 29, 2006.

The Articles of Incorporation were eleventh revised on May 25, 2012.

The Articles of Incorporation were twelfth revised on May 31, 2013.

The Articles of Incorporation were thirteenth revised on June 6, 2014.

The Articles of Incorporation were fourteenth revised on May 27, 2016.

The Articles of Incorporation were fifteenth revised on May 31, 2018.

The Articles of Incorporation were sixteenth revised on May 31, 2019.

The Articles of Incorporation were seventeenth revised on May 26, 2022.

Appendix (II): Rules of Procedure for Board of the Directors Meeting.

Z-COM,INC. Rules of Procedure for Board of the Directors Meeting.

Date of establishment: April 11, 2006

Revised on: August 29, 2012

Revised on: November 9, 2017

Revised on: May 31, 2018

Revised on: April 16, 2019

Revised on: March 10, 2020

Revised on: August 11, 2020

Article 1 To establish a strong governance system and sound supervisory capabilities for this Corporation's board of directors and to strengthen management capabilities, these Rules are adopted pursuant to Article 2 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.

Article 2 With respect to the board of directors meetings ("board meetings") of this Corporation, unless otherwise provided by law or regulation, shall be as provided in these rules.

Article 3 The board of directors shall meet at least quarterly.

A notice of the reasons for convening a board meeting shall be given to each director and supervisor before 7 days before the meeting is convened. In emergency circumstances, however, a board meeting may be called on shorter notice.

The notice to be given under the preceding paragraph may be effected by means of electronic transmission with the prior consent of the recipients. All matters set forth under Article 7, paragraph 1 of these Rules shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extraordinary motion except in the case of an emergency or for other legitimate reason.

Article 4 The convening of a board meeting shall take place at the registered office of the

Company during regular business hours. In cases where it is necessary for business purposes, the meeting may be held at an alternative location and time that is convenient for all directors to attend and is appropriate for the conduct of board business.

Article 5 The board of directors or its authorized committee responsible for board meetings shall draft agenda items and provide comprehensive meeting materials. These documents shall be delivered along with the notice of the meeting when the corporation convenes a board meeting. A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the unit responsible for board meetings. If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the board of directors.

Article 6 Agenda items for regular board meetings of this Corporation shall include at least the following:

1. Matters to be reported:

- (1) Minutes of the last meeting and action taken.
- (2) Important financial and business matters.
- (3) Internal audit activities.
- (4) Other important matters to be reported.

2. Matters for discussion:

- (1) Items for continued discussion from the last meeting.
- (2) Items for discussion at this meeting.

3. Extraordinary motions.

Article 7 The matters listed below as they relate to this Corporation shall be raised for discussion at a board meeting:

1. The Corporation's business plan.
2. Annual and semi-annual financial reports, with the exception of semi-annual financial reports that are not required under relevant laws and regulations to be audited and attested by a certified public accountant (CPA).
3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act and assessment of the effectiveness of the

internal control system.

4. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of any handling procedures for material financial or business transactions, such as the acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of equity-type securities.
6. The appointment or discharge of a financial, accounting, or internal audit officer.
7. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief that is made for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.
8. Any matter that, under Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw, must be approved by resolution at a shareholders meeting or board meeting, or any material matter as may be prescribed by the competent authority.

The term "related party" in subparagraph 7 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means an individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year.

The term "within a 1-year period" in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current board of directors meeting is convened. Amounts already submitted to and passed by a resolution of the board are exempted from inclusion in the calculation.

In the case of a foreign issuer whose shares have no par value or a par value other than NT\$10, 2.5 percent of shareholders' equity shall be substituted for the calculation of the amount equal to 5 percent of paid-in capital required under paragraph 2.

At least one independent director of this Corporation shall attend the meeting in person. With respect to the matters which must be approved by resolutions at a board meeting as provided in the first paragraph, any and all independent directors shall attend the

meeting. Where an independent director is unable to attend the meeting, that independent director shall appoint another independent director to attend the meeting as proxy. If an independent director objects to or expresses reservations about such a matter, it shall be recorded in the board meeting minutes; if an independent director intends to express an objection or reservation but is unable to attend the meeting in person, then unless there is a legitimate reason to do otherwise, that director shall issue a written opinion in advance, which shall be recorded in the board meeting minutes.

Article 8 Apart from matters referred to in paragraph 1 of the preceding article, which are required to be submitted for discussion by the board of directors, when the board of directors delegates any exercise of its powers pursuant to laws or regulations or the company's articles of incorporation, matters such as the level and substance of the delegation shall be concretely and specifically set out.

Article 9 When a meeting of the board of directors is held, an attendance book shall be made ready for signature by directors attending the meeting and thereafter made available for future reference.

All board directors shall attend board meetings in person; if attendance in person is not possible, they may, pursuant to the company's articles of incorporation, appoint another director to attend as their proxy. Attendance via tele- or video-conference is deemed as attendance in person.

A director appointing another director to attend a board meeting in his or her place shall in each case give to that director a written proxy stating the scope of authorization with respect to the reasons for meeting.

A proxy under paragraph 2 may accept a proxy from one person only.

Article 10 Board meetings shall be convened and chaired by the chairperson of the board.

However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as chair.

When the chairperson of the board is on leave or for any reason unable to exercise the powers of chairperson, the vice chairperson shall act in place of the chairperson; if

there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of vice chairperson, the chairperson shall appoint one of the managing directors to act, or, if there are no managing directors, one of the directors shall be appointed to act as chair. If no such designation is made by the chairperson, the managing directors or directors shall select one person from among themselves to serve as chair.

Article 11 When holding a meeting of the board of directors, a company may, as necessary for the agenda items of the meeting, notify personnel of relevant departments or subsidiaries to attend the meeting as nonvoting participants.

When necessary, the company may also invite certificated public accounts, attorneys, or other professionals to attend as nonvoting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.

Article 12 When the time of a meeting has arrived and one-half all board directors are not present, the meeting chair may announce postponement of the meeting time, provided that only two postponements may be made. If the quorum is still not met after two such delays, the chair shall re-call the meeting following the procedures provided in Article 3, paragraph 2.

The term "all board directors " as used in the preceding paragraph and in Article 17, paragraph 2, subparagraph 2 shall be calculated as the number of directors then in office.

Article 13 A board of directors meeting shall be conducted in accordance with the order of business on the agenda as specified in the meeting notice. However, the order may be changed with the approval of a majority of directors present at the meeting.

The meeting chair may not declare the meeting closed without the approval of a majority of directors present at the meeting.

If at any time during the proceeding of a board of directors meeting the directors sitting at the meeting are not more than half of the directors present at the meeting, then upon motion by the directors sitting at the meeting, the chair shall declare a suspension of meeting, in which case paragraph 1 of the preceding article shall apply mutatis mutandis.

Article 14 When the chair at a board meeting is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call a vote.

When a proposal comes to a vote at a board meeting, if no attending director voices an objection following an inquiry by the chair, the proposal will be deemed approved. If there is an objection following an inquiry by the chair, the proposal shall be brought to a vote.

One voting method for proposals at a board meeting shall be selected by the chair from among those below, provided that when an attending director has an objection, the chair shall seek the opinion of the majority to make a decision:

1. A show of hands or a vote by voting machine.
2. A roll call vote.
3. A vote by ballot.
4. A vote by a method selected at this Corporation's discretion.

"Attending directors," as used in the preceding two paragraphs, does not include directors that may not exercise voting rights pursuant to Article 15, paragraph 1.

Article 15 Except where otherwise provided by the Securities and Exchange Act and the Company Act, the passage of a proposal at a board meeting shall require the approval of a majority of the directors in attendance at a board of directors meeting attended by a majority of all directors.

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

If a vote on a proposal requires monitoring and counting personnel, the chair shall appoint such personnel, providing that all monitoring personnel shall be directors.

Voting results shall be made known on-site immediately and recorded in writing.

Article 16 If a director or a juristic person that the director represents is an interested party in

relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of this Corporation, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director.

Where a director is prohibited by the preceding paragraph from exercising voting rights with respect to a resolution at a board meeting, the provisions of Article 180, paragraph 2 of the Company Act apply mutatis mutandis in accordance with Article 206, paragraph 3 of the same Act.

Article 17 Discussions at a board meeting shall be recorded in the meeting minutes, and the minutes shall fully and accurately state the matters listed below:

1. The meeting session (or year) and the time and place of the meeting.
2. The name of the chair.
3. The directors' attendance at the meeting, including the names and the number of directors in attendance, excused, and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: the method of resolution and the result for each proposal; a summary of the comments made by directors, supervisors, experts, or other persons; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director pursuant to Article 12, paragraph 4.
8. Extraordinary motions: The name of the mover, the method of resolution and the

result, a summary of the comments of any director, supervisor, expert, or other person; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; and their objections or reservations and any recorded or written statements.

9. Other matters required to be recorded.

The occurrence of any of the following circumstances, with respect to a resolution passed at a board meeting, shall be stated in the meeting minutes and shall be publicly announced and filed on the website of the Market Observation Post System designated by the Financial Supervisory Commission, within 2 days from the date of the meeting:

- (1) Any objection or expression of reservations by an independent director expresses of which there is a record or written statement.
- (2) A resolution is adopted with the approval of two-thirds or more of all directors, without having been passed by the audit committee of this Corporation.

The attendance book constitutes part of the minutes for each board meeting and shall be retained for the duration of the existence of this Corporation.

The minutes of a board meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each director and supervisor within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of this Corporation.

The meeting minutes of paragraph 1 may produced and distributed in electronic form.

Article 18 A company shall record on audio or video tape the entire proceedings of a board of directors meeting, and preserve the recordings for at least five years, in electronic form or otherwise.

If before the end of the preservation period referred to in the preceding paragraph any litigation arises in connection with a resolution of a board of directors meeting, the relevant audio or video recordings shall continue to be preserved until the litigation is concluded.

Where a board of directors meeting is held via tele- or video conferencing, the audio

and visual documentation of the meeting form a part of the meeting minutes and shall be well preserved during the existence of the company.

Article 19 If the board of directors has managing directors, the provisions of Article 2, paragraph 2 of Article 3, Articles 4 to 6, Article 9, and Articles 11 to the preceding article shall apply *mutatis mutandis* to the procedure for meetings of the managing directors and the provisions of paragraph 4 of Article 3 shall apply *mutatis mutandis* to the election or discharge of the chairman of the board of directors. However, if a meeting of managing directors is scheduled to be convened within seven days, the notice to each managing director may be made two days in advance.

Article 20 These Rules of Procedure shall be adopted by the approval of meeting of the board of directors and shall be reported to the shareholders meeting. The board of directors may be authorized to adopt, by resolution, any future amendments to these Rules.

Appendix (III): Rules of Procedure for Shareholders' Meeting.

Z-COM,INC.

Rules of Procedure for Shareholders' Meeting

First Amendment: June 6, 1998
Second Amendment: May 26, 2000
Third Amendment: May 10, 2002
Fourth Amendment: June 29, 2006
Fifth Amendment: May 25, 2012
Sixth Amendment: May 29, 2015
Seventh Amendment: May 31, 2019
Eighth Amendment: May 29, 2020
Ninth Amendment: July 26, 2021

1. Except as otherwise provided by law and regulation, the company's shareholders' meeting shall be conducted by these rules.
2. Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.

This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting.

before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby, and it should be distributed on-site at the shareholder's meeting.

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

Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

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

A shareholder holding one percent or more of the total number of issued shares may submit to

this Corporation a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

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

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

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

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

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

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

4. The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.
5. This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors

soliciting proxy forms shall also bring identification documents for verification.

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

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

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

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

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

7. This Corporation shall make an uninterrupted audio and video recording of the proceedings of the shareholders meeting, and the recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

8. Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

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

shall be convened within one month.

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

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

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

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

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

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

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

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

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

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

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

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

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

11. Voting at a shareholders meeting shall be calculated based the number of shares.
With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.
With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.
12. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.
When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.
A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.
After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.
When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.
Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

13. The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected, and the names of directors and supervisors not elected and number of votes they received.
The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
14. Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.
This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.
15. On the day of a shareholders meeting, this Corporation shall prepare a statistical statement in the prescribed format, detailing the number of shares obtained through solicitation, the number of shares represented by proxies, and the number of shares represented by shareholders attending the meeting through correspondence or electronic means. The Corporation shall clearly disclose this information at the location of the shareholders meeting.
16. The staff responsible for the shareholder meeting should wear identification cards or armbands. The chairman may direct the patrol officers or security personnel to assist in maintaining order at the venue. When the patrol officers or security personnel assist in maintaining order at the venue, they should wear armbands or identification cards with the words "patrol officer" on them.
If there is a public address system at the venue, the chairman may prohibit shareholders from speaking using equipment not provided by the corporation.
Shareholders who violate the rules of procedure and refuse to comply with the chairman's correction, and who interfere with the progress of the meeting and do not comply with the prohibition, may be asked to leave the venue by the chairman directing the patrol officers or security personnel.
17. During the meeting, the chairperson may announce a break at their discretion, and in the event of an uncontrollable circumstance, the chairperson may temporarily suspend the meeting and announce the time for resuming the meeting depending on the situation.
If the venue for the meeting is unable to continue to be used before the scheduled agenda of the shareholders' meeting (including temporary motions) is completed, the shareholders' meeting may resolve to find another venue to continue the meeting.

18. These regulations shall become effective upon approval by the shareholders' meeting, and any amendments shall also follow the same process.

Appendix (IV): Total Shares Held and Minimum Shares Required to be Held by Directors and Independent Directors

- (I) The total number of shares issued by the Corporation is 71,701,000 shares. According to Article 26 of the Securities and Exchange Act and the Regulations Governing Shareholdings of Directors and Supervisors of Public Companies, the minimum number of shares that all directors of the Corporation should hold is 7,170,000 shares (10%). As the Corporation has appointed three independent directors, the percentage of shareholding required by all directors (excluding independent directors) is reduced to 80%, so the minimum number of shares required to be held by all directors (excluding independent directors) is 5,736,080 shares.
- (II) As the Corporation has established an audit committee, the Regulations Governing Shareholdings of Supervisors do not apply.

Record Date for Share Transfer: March 26, 2023.

Title	Name	Numbers of share helds	Percentage of share helds
Chairman	Fannee Technology Co., Ltd. Legal Representative Director John S. Shieh	3,618,909	5.05%
Director	Ying Hong Commercial Co., Ltd. Legal Representative Director : WU, TZY-HSIN	521,276	0.73%
Director	CHEN, YU AN	894,935	1.25%
Director	WU CHIA-FANG	907,027	1.27%
Independent Director	CHOU, YIH-HENG	0	0%
Independent Director	HUANG · TAI-SHENG	0	0%
Independent Director	Yuan-liang Su	0	0%
Total Number of Shares Held by All Directors		5,942,147	8.3%
Minimum Number of Shares Each Director Should Hold		5,736,080	8.00%

Appendix (V): Acceptance of Shareholder Proposals at the Annual Shareholders' Meeting

- (I) Pursuant to Article 172-1 of the Company Law, shareholders holding more than one percent of the total issued shares may submit a written proposal to the corporation for consideration at the annual shareholders' meeting. Each proposal is limited to one item and shall not exceed 300 words (including words and punctuation). Any proposal exceeding this limit shall not be included in the agenda. The proposing shareholder shall attend the meeting in person or authorize another person to attend and participate in the discussion of the proposal.
- (II) For the 2023 annual shareholders' meeting, the acceptance period for shareholder proposals was from March 20, 2023 to March 30, 2023, and was duly announced on the Public Information Observation System in accordance with the law.
- (III) During the aforementioned acceptance period, the corporation did not receive any shareholder proposals.