

Stock Symbol: 6129



**普誠科技股份有限公司**  
**Princeton Technology Corp.**

## 2023 General Shareholders' Meeting Agenda

Date: June 16, 2023

Place: 2F, No.219-2, Section 3, Zhong Xing Road, Xindian Dist., New Taipei City  
(The Koos Hotel)

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# 1. MEETING AGENDA

## Princeton Technology Corp. 2023 General Shareholders' Meeting

Time: 9:00AM, June 16, 2023

Place: 2F, No.219-2, Section 3, Zhong Xing Road, Xindian Dist., New Taipei City  
(The Koos Hotel)

1. Meeting called to order
2. Chairman's address
3. Reported items
  - (1) FY2022 business report
  - (2) Audit Committee's review report
  - (3) Remuneration to directors and employees
  - (4) Amendment to Rules and Procedures of Board of Director Meeting
4. Proposed resolutions
  - (1) Submission and acknowledgement the Company's FY2022 financial statements and business report
  - (2) Submission and acknowledgement the Company's FY2022 earnings distribution
5. Items for Election
  - (1) Elect eight Directors (including four independent directors)
6. Other Items
  - (1) Propose for approval of remove non-competition clauses on new board members
7. Special motions
8. Meeting adjourned.

## **2. REPORTED ITEMS**

### **ITEM 1 (Proposed by the board of directors)**

Proposal: FY2022 business report.

Explanation: The 2022 business report is attached hereto as Attachment I.

### **ITEM 2 (Proposed by the board of directors)**

Proposal: Audit Committee's review report.

Explanation: The Audit Committee's review report is attached hereto as Attachment II.

### **ITEM 3 (Proposed by the board of directors)**

Proposal: Remuneration to directors and employees.

Explanation:

- (1) According to Article 23 of the "Articles of Association", if the company makes annual profits, 5%~20% should be allocated as employee remuneration and 1.5% should be allocated as director remuneration.
- (2) In 2022, the company allocated NT\$21,066,633 in employee remuneration and NT\$2,106,663 in director's remuneration, all paid in cash.

### **ITEM 4 (Proposed by the board of directors)**

Proposal: Amendment to Rules and Procedures of Board of Director Meeting.

Explanation:

- (1) In accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies, we propose to amend the Rules and Procedures of Board of Director Meeting.
- (2) The amendment to Rules and Procedures of Board of Director Meeting has been approved by the Board of Directors meeting on March 1, 2023.
- (3) Comparison tables for the amendment is attached hereto as Attachment III.

## **3. PROPOSED RESOLUTIONS**

### **ITEM 1 (Proposed by the board of directors)**

Proposal: Submission and acknowledgement of the Company's FY2022 financial statements and business report.

Explanation:

- (1) The Company's FY2022 consolidated financial statements have been audited by independent auditors and approved by Audit Committee.
- (2) The 2022 Business Report, Independent Auditors' Audit Report, and the above-mentioned Financial Statements are attached hereto as Attachments I and IV.
- (3) Request for acknowledgement of the above-mentioned financial statements and business report.

Resolution:

## **ITEM 2 (Proposed by the board of directors)**

Proposal: Submission and acknowledgement of the Company's FY2022 earnings distribution.

Explanation:

- (1) The company's after-tax net profit in 2022 was NT\$167,891,391, plus FY2022 retained earnings adjustment - confirmed benefit actuarial gains and losses of NT\$5,056,402 and then deducted the provision of statutory surplus reserve of NT\$17,294,779 and the provision of special surplus reserve of NT\$37,192,761, the distributable surplus for the current period is NT\$118,460,253.
- (2) According to the articles of association of the company, the cash dividend of NT\$117,613,389 is planned to be distributed and the cash dividend of NT\$0.65 per share is distributed. Calculated according to the shareholding ratio recorded in the shareholder list on the ex-dividend base day, allotment up to 1 yuan (full round up to 1 yuan). Allotment of less than 1 yuan will authorize the chairman to contact a specific person to adjust it.
- (3) Once the cash dividend is approved by the shareholders' general meeting, the chairman is authorized to set the dividend distribution base date for distribution. If the profit distribution plan is revised by the competent authority, or the number of shares in circulation is affected due to the repurchase of the company's shares, the transfer or cancellation of treasury shares to employees, the execution of employee stock option certificates, etc., and the distribution ratio changes accordingly, it is proposed to submit it to the shareholders' meeting to authorize the chairman of the board to handle it with full authority.
- (4) FY2022 statement of earnings distribution is attached hereto as Attachment V.
- (5) Request for acknowledgement.

Resolution:

## **4. ITEMS FOR ELECTION**

### **ITEM 1 (Proposed by the board of directors)**

Proposal: To elect eight Directors (including four independent directors). Please elect.

Explanation:

- (1) In accordance with the resolution of the Board of Directors meeting on March 1, 2023, a new Board of 8 members including 4 independents will be elected. The tenure of the newly elected directors shall commence on June 16, 2023 and expire on June 15, 2026.
- (2) In accordance with the provisions of Article 192-1 of the Company Law, the election of the directors will be conducted by adopting the "candidate nomination system". In accordance with the regulations, the Company announced the nomination period, number and venue for the election.
- (3) The Board of Directors approved a list of candidates for the Directors on May 4, 2023 accordingly. Please refer to Attachment VI for the list.
- (4) Please elect.

Election Result:

## **5. OTHER ITEMS**

### **ITEM 1 (Proposed by the board of directors)**

Proposal: Propose the removal of non-competition clauses on new board members. Please discuss.

Explanation:

- (1) In accordance to Company Law article 209, a director who is involved, whether himself or on behalf of another person, in activities that are within the scope of the company's business, shall make a disclosure in the shareholders meeting the significant characters of such activities, and shall then solicit the approval of the shareholders.
- (2) For reasons of business practicality the Board of Directors recommends that the shareholders approve the removal of such non-competition clauses on newly elected directors.
- (3) Please discuss

Resolution:

## **6. SPECIAL MOTIONS**

## **7. MEETING ADJOURNED**

## To the Shareholders

### 1. Business Results from Last Year

1. FY2022 revenue of the Company was NT\$1,496,585 thousand. After-tax net gain was NT\$167,891 thousand. After-tax earning per share was NT\$0.93. Total asset at the end of 2022 was NT\$2,407,325 thousand. Total liability was NT\$346,214 thousand. Debt to equity ratio was 15%. Current ratio was 382%. The Company's financial condition remains solid. FY2022 consolidated revenue of the Company was NT\$1,948,855 thousand. After-tax net gain was NT\$167,891 thousand. After-tax earning per share was NT\$0.93. Total asset on the consolidated basis at the end of 2022 was NT\$2,743,646 thousand. Total liability on the consolidated basis was NT\$515,269 thousand. Debt to equity ratio was 19%. Current ratio was 575%. The Company's consolidated financial condition remains solid. Revenue continues to grow, especially in-vehicle application products continue to grow rapidly and in-vehicle application product revenue accounts for more than half of the company's overall revenue.
2. Budget implementation status: The company has not announced financial forecasts for 2022, so it is not applicable.
3. Research and development status: In terms of HUD TFT Driver, the design and quality have been recognized by customers, and we have cooperated with customers again to develop the next generation HUD TFT driver IC with ASIL. In the field of motor drive, a complete solution of MCU base has been developed to expand the industrial field. In terms of automotive LED lighting driver IC, we also continue to develop projects with new specifications. At the same time, in response to the production capacity problems caused by the epidemic, the filing and development of some important products have been completed.

### 2. Business Goals for the Current Year

1. Focus on automotive and consumer electronics applications and high energy efficiency of motor driver and power conversion as product development directions.
2. Expected sales volume: The company has not announced financial forecasts for 2023, so it is not applicable.
3. Important production and marketing policies:
  - I. Development and sales promotion for VIP customers in Japan and China market.
  - II. Continue to expand the development and application promotion of various types of motor drives, car lights and interior lighting.

### 3. Strategy for the Future

PTC will continue to deepen product development and application promotion in automotive, consumer electronics and high energy efficiency. The research and development product line includes display driver / automotive lighting IC / various motor driver ICs. PTC will also continue to seek automotive applications for existing products, in order to further expand the vehicle application market.

### 4. Effects of External Competition, Regulatory Environment and Overall Business Environment

Due to high inflation and rapid rise in interest rates caused recent turmoil in financial institutions, the ongoing war between Russia and Ukraine, heightened geopolitical tensions, and the recovery of economies hit by the epidemic, the IMF predicts that the global economic growth rate will be 2.8% in 2023, down from 3.4% in 2022, and inflation could still be as high as 7.0%.

In 2022, the world's major economies will raise interest rates one after another in order to curb inflation. Manufacturing activities in various countries will slow down significantly. Coupled

with variables such as the continuation of the war between Russia and Ukraine and the resurgence of the US-China technology war, the doubts about the global economic outlook will continue to deepen. Therefore, manufacturers' inventory pressure will continue and Taiwan's foreign trade and investment will continue to slump. The IMF estimates that Taiwan's economic growth rate will be 2.1% in 2023, lower than the 2.5% in 2022.

In terms of operation, in the face of more intense competition in the external environment, PTC will continue to focus on new product research and development, market development and new customer expansion, and strengthen cooperation with suppliers in order to continuously enhance the company's competitiveness.

We appreciate the support and encouragement of the shareholders over the years. Thank you.

Richard Chiang  
Chairman

Princeton Technology Corp.  
Auditing Committee's Report

2022 General Shareholders' Meeting

We have examined the 2022 financial statements of the Company, including balance sheet, income statement, statement of changes in stockholders' equity, and statement of cash flows prepared by the board of directors and audited and certified by Crowe Horwath(TW) CPAs are fairly and general accepted accounting principals. We hereby prepare this report in accordance with provisions specified in Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act and submit it together with the report of the independent auditors for your review.

Independent Director

Wu Hsueh Min

Tsai Yi Chen

Ma Yu Feng

March 1, 2023

**Princeton Technology Corporation**  
**Rules and Procedures of Board of Director Meeting Before and After**  
**Amendment**

Amendment Articles	Current Articles	Description
<p>Article 2</p> <p>The company's regular board meeting is held at least once a quarter.</p> <p>The convening of the board of directors shall be notified to all directors and non-voting personnel seven days before the meeting, and shall specify the time, place, and reason for the meeting; however, it may be called at any time in case of emergency.</p> <p>The notice of convening in the preceding paragraph may be done by fax or electronic means with the consent of the counterparty. The items in the first paragraph of Article 4 shall be listed in the reason for the convening, and shall not be raised as an interim motion.</p>	<p>Article 2</p> <p>The company's regular board meeting is held at least once a quarter.</p> <p>The convening of the board of directors shall be notified to all directors and non-voting personnel seven days before the meeting, and shall specify the time, place, and reason for the meeting; however, it may be called at any time in case of emergency.</p> <p>The notice of convening in the preceding paragraph may be done by fax or electronic means with the consent of the counterparty. The items in the first paragraph of Article 4 shall be listed in the reason for the convening, and shall not be raised as an interim motion, <u>except for emergencies or justified reasons.</u></p>	<p>Cooperate with the competent authority to amend the provisions</p>
<p>Article 4</p> <p>The company shall submit the following matters to the board of directors for discussion:</p> <ol style="list-style-type: none"> <li>1. The company's business plan.</li> <li>2. The annual financial report and the second quarter financial report that must be audited and certified by an accountant.</li> <li>.....</li> <li>5. Offering, issuing, or private placement of securities with equity nature.</li> </ol>	<p>Article 4</p> <p>The company shall submit the following matters to the board of directors for discussion:</p> <ol style="list-style-type: none"> <li>1. The company's business plan.</li> <li>2. The annual financial report and the second quarter financial report that must be audited and certified by an accountant.</li> <li>.....</li> <li>5. Offering, issuing, or private placement of securities with equity nature.</li> </ol>	<p>Cooperate with the competent authority to amend the provisions</p>

Amendment Articles	Current Articles	Description
<p><u>6. If the board of directors does not have an executive director, the election or dismissal of the chairman.</u></p> <p>7. Appointment and dismissal of financial, accounting or internal audit supervisors.</p> <p>The following is omitted.</p>	<p>6. Appointment and dismissal of financial, accounting or internal audit supervisors.</p> <p>The following is omitted.</p>	
<p>Article 17</p> <p>This procedure is set on June 6, 2003 in accordance with the decree promulgated by the Securities and Futures Commission on 2002.12.10.</p> <p>The first revision was made on June 1, 2004.</p> <p>.....</p> <p>The eighth revision was made on May 6, 2022.</p> <p><u>The ninth revision was made on March 1, 2023.</u></p>	<p>Article 17</p> <p>This procedure is set on June 6, 2003 in accordance with the decree promulgated by the Securities and Futures Commission on 2002.12.10.</p> <p>The first revision was made on June 1, 2004.</p> <p>.....</p> <p>The eighth revision was made on May 6, 2022.</p>	<p>In line with this updated clause, the clauses are adjusted.</p>

## **Independent Auditors' Report**

The Board of Directors and Stockholders  
Princeton Technology Corp.

### **Opinion**

We have audited the accompanying consolidated financial statements of Princeton Technology Corp. and subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to the Other Matter), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 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, and we do not provide a separate opinion on these matters.

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

#### Allowance for Inventory Valuation and Obsolescence Losses

The Company's inventories consist of wafers and integrated circuits. Due to the rapid technological changes and volatile market, the estimate of the realizable value of inventories and the identification of slow-moving inventories require significant management judgment. We believe that the allowance for inventory valuation and obsolescence losses is a Key Audit Matter item. Refer to Notes 5&11.

Our Key audit procedures performed in respect of the above included the following:

1. Assessed the adequacy of inventory valuation policy adopted by the management.
2. Obtained the valuation report of inventories prepared by the management ; Selected samples to examine whether inventories are stated at the lower of cost or net realizable value and assessed the reasonableness of the management's assumption.
3. Obtained 、 tested and inspected the inventory aging report prepared by the management ; Observed physical inventory-taking to evaluate whether the allowance of inventories obsolescence losses was appropriate.

### **Other Matter**

As shown in the accompanying consolidated financial statements, the Company had long-term investment in Microlink Communications Inc. accounted for under equity method based on financial

statements as of December 31, 2022 and 2021, which were audited by the other auditor. Our audit, insofar as it related to the investment accounted for under the equity method balances both to NT\$0 as of December 31, 2022 and 2021, the related share of the investment loss from the associates and joint ventures both amounted to NT\$0 for the years ended December 31, 2022 and 2021, is based solely on the report of the other independent accountant.

We have also audited the parent company only financial statements of Princeton Technology Corp as of and for the years ended December 31, 2022 and 2021 on which we have issued an unmodified opinion with other matter paragraph.

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

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

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

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

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

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

WU MENG TA

PAN JIN SHU

Crowe (TW) CPAs

March 1, 2023

Notice to Readers

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

For the convenience of readers, the auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language auditors' report and consolidated financial statements shall prevail.

**English Translation of Consolidated Financial Statements Originally Issued in Chinese**

Princeton Technology Corp. and Subsidiaries

Consolidated Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousand New Taiwan Dollars)

Assets	Note	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
<b>Current assets</b>					
Cash and cash equivalents	Note 6	\$ 275,310	10	\$ 491,103	20
Financial assets at fair value through profit or loss	Note 7	214,306	8	212,662	9
Financial assets at amortized cost	Note 9	76,681	3	100,348	4
Notes receivable, net	Note 10	13,169	-	13,868	-
Accounts receivable, net	Note 10	383,373	14	337,731	14
Other receivables	Notes 10&31	11,190	-	6,342	-
Current tax assets	Note 28	481	-	328	-
Inventories, net	Note 11	719,641	27	321,873	14
Prepayments		16,028	1	13,431	-
Other financial assets	Notes 6&32	2,065	-	2,053	-
Total current assets		<u>1,712,244</u>	<u>63</u>	<u>1,499,739</u>	<u>61</u>
<b>Non-current assets</b>					
Financial assets at fair value through profit or loss	Note 7	20,995	1	-	-
Financial assets at fair value through other comprehensive income	Note 8	8,201	-	9,416	-
Investments accounted for under the equity method	Note 12	6,645	-	11,753	-
Property, plant and equipment	Notes 13&32	429,512	16	418,888	18
Right-of-use assets	Note 14	8,361	-	9,140	-
Investment property	Note 15	271,040	10	249,375	10
Intangible assets	Note 16	4,050	-	4,123	-
Deferred tax assets	Note 28	4,925	-	15,604	1
Other noncurrent assets	Notes 17&33	277,673	10	243,517	10
Total non-current assets		<u>1,031,402</u>	<u>37</u>	<u>961,816</u>	<u>39</u>
Total assets		<u>\$ 2,743,646</u>	<u>100</u>	<u>\$ 2,461,555</u>	<u>100</u>
<b>Liabilities and stockholders' equity</b>					
<b>Current liabilities</b>					
Contract liability	Note 23	\$ 17,581	1	\$ 6,596	-
Accounts payable		163,533	6	167,489	7
Other payables	Note 18	115,932	4	83,705	3
Lease liabilities	Notes 14	-	-	1,450	-
Other current liabilities		652	-	502	-
Total current liabilities		<u>297,698</u>	<u>11</u>	<u>259,742</u>	<u>10</u>
<b>Non-current liabilities</b>					
Long-term loans payable	Notes 19&32	91,980	3	82,890	3
Net defined benefit liability	Note 20	15,556	1	23,701	1
Refundable deposits	Note 21	110,035	4	110,334	5
Total non-current liabilities		<u>217,571</u>	<u>8</u>	<u>216,925</u>	<u>9</u>
Total liabilities		<u>515,269</u>	<u>19</u>	<u>476,667</u>	<u>19</u>
<b>Equity attributable to the parent company</b>					
Capital	Note 22	1,809,437	66	1,809,437	73
Additional paid-in capital	Note 22	21,144	1	18,995	1
Retained earnings	Note 22				
Legal reserve		94,775	3	306,123	13
Accumulated losses		172,948	6	(211,348)	(9)
Total retained earnings		<u>267,723</u>	<u>9</u>	<u>94,775</u>	<u>4</u>
Other components of equity	Note 22	(37,193)	(1)	(88,785)	(3)
Total equity attributable to the parent		<u>2,061,111</u>	<u>75</u>	<u>1,834,422</u>	<u>75</u>
Non-controlling interests	Note 22	167,266	6	150,466	6
Total equity		<u>2,228,377</u>	<u>81</u>	<u>1,984,888</u>	<u>81</u>
Total liabilities and equity		<u>\$ 2,743,646</u>	<u>100</u>	<u>\$ 2,461,555</u>	<u>100</u>

The accompanying notes are integral parts of consolidated financial statements.

**English Translation of Consolidated Financial Statements Originally Issued in Chinese**

Princeton Technology Corp. and Subsidiaries

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2022 &amp; 2021

(Expressed in Thousand New Taiwan Dollars, Except for Earnings Per Share Amounts)

	Note	2022		2021	
		Amount	%	Amount	%
Net sales	Notes 23&31	\$ 1,948,855	100	\$ 1,637,702	100
Cost of goods sold	Notes 11.20&24	(1,254,555)	(64)	(1,002,609)	(61)
Gross profit		694,300	36	635,093	39
Operating expenses	Notes 20.24&31				
Marketing		(52,953)	(3)	(54,521)	(3)
General and administrative		(164,286)	(9)	(154,376)	(10)
Research and development		(338,394)	(17)	(311,014)	(19)
Total operating expenses		(555,633)	(29)	(519,911)	(32)
Operating gain		138,667	7	115,182	7
Non-operating income and expenses					
Interest income	Note 25	3,339	-	1,931	-
Other gain and loss	Notes 26&31	34,616	2	57,335	4
Finance costs	Note 27	(2,852)	-	(1,762)	-
Share of loss of associates and joint ventures	Notes 4&12	(7,257)	-	(11,615)	(1)
Subtotal		27,846	2	45,889	3
Income from continuing operations before income tax		166,513	9	161,071	10
Income tax benefit (expense)	Note 28	1,669	-	(3,481)	-
Net income		168,182	9	157,590	10
Other comprehensive income and loss					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of defined benefit plans	Note 20	6,321	-	3,815	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	Note 22	(1,215)	-	6,853	1
Income tax expense related to items that will not be reclassified subsequently to profit or loss	Note 28	(1,264)	-	(763)	-
Subtotal		3,842	-	9,905	1
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations	Note 22	79,917	3	(16,772)	(1)
Income tax benefit related to items that may be reclassified subsequently to profit or loss	Notes 22&28	(10,601)	-	2,647	-
Subtotal		69,316	3	(14,125)	(1)
Total other comprehensive income or (loss), net of tax		73,158	3	(4,220)	-
Total comprehensive income		\$ 241,340	12	\$ 153,370	10
Net income attributable to:					
Stockholders of the parent		\$ 167,891	9	\$ 113,815	7
Non-controlling interests		291	-	43,775	3
		\$ 168,182	9	\$ 157,590	10
Comprehensive income attributable to:					
Stockholders of the parent		\$ 224,540	11	\$ 113,131	7
Non-controlling interests		16,800	1	40,239	3
		\$ 241,340	12	\$ 153,370	10
Earnings per share	Note 29				
Basic earnings per share		\$ 0.93		\$ 0.63	
Diluted earnings per share		\$ 0.92		\$ 0.63	

**English Translation of Consolidated Financial Statements Originally Issued in Chinese**

Princeton Technology Corp. and Subsidiaries  
 Consolidated Statements of Changes in Equity  
 For the years ended December 31, 2022 & 2021  
 (Expressed in Thousand New Taiwan Dollars)

	Equity attributable to the parent											
	Additional paid-in capital			Retained earnings			Other components of equity					
	Common Stock	Premiums	Recognize changes in subsidiaries' ownership	Share of changes in equities of associates and joint venture	Employee stock options	Legal reserve	Unappropriated earnings (Accumulated losses)	Exchange differences arising on translation of foreign operations	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	Total equity attributable to the parent	Non-controlling interests	Total Equity
Balance as of January 1, 2021	\$ 1,809,437	\$ 1,102	\$ 39	\$ 6,501	\$ 4,592	\$ 306,123	\$ (326,636)	\$ (42,336)	\$ (44,292)	\$ 1,714,530	\$ 110,227	\$ 1,824,757
Adjustments to share of changes in equities of associates and joint venture	-	-	-	6,761	-	-	-	-	-	6,761	-	6,761
Net income for the year ended December 31, 2021	-	-	-	-	-	-	113,815	-	-	113,815	43,775	157,590
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	-	-	3,052	(10,589)	6,853	(684)	(3,536)	(4,220)
Total comprehensive income (loss)	-	-	-	-	-	-	116,867	(10,589)	6,853	113,131	40,239	153,370
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	(1,579)	-	1,579	-	-	-
Balance as of December 31, 2021	1,809,437	1,102	39	13,262	4,592	306,123	(211,348)	(52,925)	(35,860)	1,834,422	150,466	1,984,888
Deficit compensated through legal reserve	-	-	-	-	-	(211,348)	211,348	-	-	-	-	-
Adjustments to share of changes in equities of associates and joint venture	-	-	-	2,149	-	-	-	-	-	2,149	-	2,149
Net income for the year ended December 31, 2022	-	-	-	-	-	-	167,891	-	-	167,891	291	168,182
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	-	-	5,057	52,807	(1,215)	56,649	16,509	73,158
Total comprehensive income (loss)	-	-	-	-	-	-	172,948	52,807	(1,215)	224,540	16,800	241,340
Balance as of December 31, 2022	\$ 1,809,437	\$ 1,102	\$ 39	\$ 15,411	\$ 4,592	\$ 94,775	\$ 172,948	\$ (118)	\$ (37,075)	\$ 2,061,111	\$ 167,266	\$ 2,228,377

The accompanying notes are integral part of financial statements.

**English Translation of Consolidated Financial Statements Originally Issued in Chinese**

Princeton Technology Corp. and Subsidiaries

Consolidated Statements of Cash Flows

For the years ended December 31, 2022 & 2021

(Expressed in Thousand New Taiwan Dollars)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Net income before tax	\$ 166,513	\$ 161,071
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation	49,550	52,304
Amortization expense	135	137
Expected credit gains	32	2,799
Net loss (income) of financial assets at fair value through profit or loss	9,404	(36,542)
Finance costs	2,852	1,762
Interest income	(3,339)	(1,931)
Share of loss of associates and joint ventures	7,257	11,615
(Gain) loss on disposal of property, plant and equipment, net	(43)	5
Loss on disposal of investments	-	176
Changes in operating assets and liabilities:		
Decrease (increase) in :		
Mandatorily classified FVTPL	(9,844)	86,605
Notes receivable	699	(3,710)
Accounts receivable	(45,674)	(85,879)
Other receivables	(4,169)	(3,612)
Inventories	(397,768)	(100,542)
Prepayments	(2,597)	11,388
Other financial asset	(12)	(7)
Increase (decrease) in :		
Contract liability	10,985	5,456
Accounts payable	(3,956)	58,046
Other payables	30,934	15,117
Other current liabilities	150	150
Net defined benefit liabilities	(1,824)	(1,638)
Cash (used in) provided by operations	(190,715)	172,770
Interest received	2,660	2,192
Interest paid	(1,560)	(1,905)
Income tax paid	436	(3,925)
Net cash (used in) provided by operating activities	<u>(189,179)</u>	<u>169,132</u>

( Continued )

	<u>2022</u>	<u>2021</u>
Cash flows from investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	20,804
Proceeds from Financial assets at amortized cost	23,667	74,652
Acquisition of financial assets at fair value through profit or loss	(21,000)	-
Acquisition of property, plant and equipment	(37,459)	(46,966)
Proceeds from disposal of property, plant and equipment	43	-
Acquisition of intangible assets	(22)	(17)
Increase in other noncurrent assets	(26,205)	(218,381)
Net cash used in investing activities	<u>(60,976)</u>	<u>(169,908)</u>
Cash flows from financing activities		
Decrease in long-term loans	-	(45,045)
Increase in guarantee deposits received	-	108,180
Decrease in guarantee deposits received	(299)	-
Repayment of the principal portion of lease liabilities	(1,450)	(2,857)
Increase (decrease) in non-controlling interests	16,509	(3,536)
Net cash provided by financing activities	<u>14,760</u>	<u>56,742</u>
Effect of exchange rate changes on cash and cash equivalents	<u>19,602</u>	<u>1,594</u>
Net (decrease) increase in cash and cash equivalents	(215,793)	57,560
Cash and cash equivalents at beginning of period	<u>491,103</u>	<u>433,543</u>
Cash and cash equivalents at end of period	<u>\$ 275,310</u>	<u>\$ 491,103</u>

(Concluded)

The accompanying notes are integral part of consolidated financial statements.

## Princeton Technology Corp.

## FY2022 Statement of Earnings Distribution

Jan. 1 ~ Dec. 31, 2022

Item	Unit: NT\$
	Amount
Earning yet to be compensated – beginning of year	-
The retained earnings adjustment for the year 2022 - the actuarial profit	5,056,402
Net profit of 2022	167,891,391
Less: Provision of statutory surplus reserve (10%)	(17,294,779)
Less: Provision of special surplus reserve	(37,192,761)
Distributable surplus at the end of 2022	118,460,253
Less: Distribution of shareholder dividends	(117,613,389)
Undistributed surplus at the end of 2022	846,864

Princeton Technology Corp.  
Candidate List of Independent Directors

<b>Items</b>	<b>Candidates</b>	<b>Shares</b>	<b>Current positions</b>	<b>Education</b>	<b>Past positions</b>
Director	Chiang Chang-An	11,557,256	Chairman Princeton Tech. Corp.	Electrophysics National Chiao Tung University	Chairman Princeton Tech. Corp.
Director	Tai Hsin Co., Ltd. Representative: Zhang Wei-Ru	6,546,000	Director Foresight Co., Ltd.	Bachelor of Tourism Ming Chuan University	Director Optotech Co., Ltd.
Director	Tai Hsin Co., Ltd Representative: Zhong Lin	6,546,000	President Zhonglin Architects	Master of Architecture Cheng Kung University	President Kuansyu Decoration Co., Ltd.
Director	National Chiao Tung University Representative: Chen Wei-Kuo	1,225	Professor National Chiao Tung University	PhD of Electronic Engineering State University of New York at Buffalo	Professor National Chiao Tung University
Independent director	Ma Yu-Feng	0	Assistant Professor Enterprise Management Dept. St. John's University	Doctor Enterprise Management Dept. National Taipei University	Assistant Professor Enterprise Management Dept. St. John's University

Independent director	Wu Hsueh-Min	0	Independent director Princeton Technology Co., Ltd.	Master Business Department Chicago University of USA	Vice President Business Editing Directorate, DaChan Greatwall Group
Independent director	Tsai Yi-Chen	0	Independent director Princeton Technology Co., Ltd.	Master Business Department Ohio State University of USA	Independent director AV TECH Corp
Independent director	Chen Zhi-Ling	0	Partner Nexia Sun Rise CPAs & Co.	Master of Accounting National Chengchi University	Partner Nexia Sun Rise CPAs & Co.

# Articles of Incorporation Princeton Technology Corp.

## Chapter 1 - General

Article 1: The Company is established in conformity with the Company Act and named Princeton Technology Corporation.

Article 2: The Company engages in the following businesses:

- (1) Manufacture and sale of electronic instruments and parts and components (except for controlled devices, medical instruments, and measuring instruments).
- (2) Design and plan of computer application systems.
- (3) Manufacture and sale of computer, computer peripherals and parts and components.
- (4) Design, manufacture and install of industrial automation systems.
- (5) Design and manufacture of integrated circuits.
- (6) Consult for the latest technologies for the aforementioned businesses.
- (7) Import and export related to the aforementioned businesses.
- (8) Operation and investment of aforementioned businesses.

Article 2-1: Where the Company invests in another company as a shareholder with limited liability, the restriction that such investment may not exceed 40% of paid-in capital shall not apply.

Article 2-2: The Company may make endorsement or issue guarantee for business needs. Related operations shall follow the Company's Procedure for Endorsement and Guarantee Operations.

Article 3: The Company has its principal office in New Taipei City, Taiwan, and if deemed necessary, may set up domestic and foreign branches or offices in accordance with the resolution adopted by the board of directors.

Article 4: Public announcements by the Company shall be made in accordance with Article 28 of Company Act.

## Chapter 2 - Shares

Article 5: The authorized capital of the Company shall be NT\$2,500,000,000, divided into 250,000,000 shares with a par value of NT\$10 each. The board of directors is authorized to issue the aforesaid shares in several tranches.

Of the aforesaid capital stock, NT\$345,000,000 is reserved for stock options of employees with the issue of 34,500,000 shares with a par value of NT\$10 each in the form of stock options and issued in several tranches in accordance with the resolution adopted by the board of directors.

In the case of stock buy-back as permitted by law, the board of directors is authorized

to make such decision according to rules and regulations.

Any decision to transfer shares to employees lower the actual average buyback price or issue employee stock options at below-the-market prices shall be approved by shareholders in a shareholders' meeting attended by shareholders holding and representing more than one-half of all issued and outstanding shares and at which meeting more than two thirds of the votes held by shareholders present cast in favor of such decision.

- Article 6: The share and bond certificates of the Company shall be issued as registered shares. The share and bond certificates shall be signed or sealed by at least three directors, serially numbered, and duly authenticated by the competent authority or as required by law before issued. Pursuant to the Company Act, when the Company issues new shares or bonds, the total new shares or bonds can be printed on one single certificate or issued in dematerialized form. However the Company shall request the securities central depository institution for custody or registration of the certificates issued.
- Article 7: Transfer of shares shall be suspended within sixty (60) days before any general shareholders' meeting, within thirty (30) days before any special shareholders' meeting, and within five days before the base date on which dividends, bonuses or other interest are scheduled to be paid by the Company.

### **Chapter 3 - Shareholders' Meeting**

- Article 8: The shareholders' meetings of the Company shall be classified as either general meetings or special meetings. General meetings shall be called by the board of directors according to law once a year within six months after the end of the fiscal year. Special meetings shall be called as necessary in accordance with the law.
- Article 8-1: When the shareholders' meeting of the company is held, it may be held by video conference or other methods announced by the Ministry of Economic Affairs.
- Article 9: In case a shareholder is unable to attend a shareholders' meeting, he/she may appoint someone to attend the meeting on his/her behalf with a written proxy prepared by the Company with his/her signature or seal and stating therein the scope of authorization with reference to the subjects to be discussed at the meeting. The appointment of proxy to attend a shareholders' meeting shall follow the Rules for Attending Shareholders' Meeting of a Public Company by Proxy promulgated by the competent authority except Article 177 of the Company Act.
- Article 10: Shareholders of the Company shall be entitled with one vote for each share of capital stock held, except for situations of no voting right set out in the Company Act. With the exceptions to trust enterprises or transfer agents approved by the securities authority, the votes of any shareholder represented by a proxy shall not exceed 3% of the total shares issued and outstanding of the Company; the votes of shares exceeding the aforesaid limit shall not be counted.
- Article 11: Except as otherwise provided by Company Act or relevant regulations, no resolution shall be adopted at a shareholders' meeting unless it is attended by shareholders holding and representing over one-half of all issued and outstanding shares and at which meeting over one-half of the votes held by shareholders present cast in favor of such resolution.

### **Chapter 4 - Directors and Supervisors**

Article 12: The Company shall have seven to eleven directors and the actual quota of their seats of each session elected by the shareholders' meeting was authorized to be decided by the board meeting. The nomination system is selected by the shareholders' meeting on the list of directors' candidates. The term of office of directors shall be three years; re-election shall be permissible.

After the Company's shares are issued to the public, the percentage of shareholdings of all the directors selected shall follow the regulation of the competent authority in charge of securities affairs. When a shareholder elects a director, each share has the same right of election as the number of directors to be elected, and may elect one person or a number of electors, and the more votes of the votes shall be elected

In conformity with Article 183 of Security and Exchange Act, among the previous said directors quota, the independent directors shall not be fewer than three persons in number, one of whom shall be convener, and at least one of whom shall have accounting or financial expertise. The candidates nomination system is adopted and the shareholders shall elect from among the nominees listed in the roster of independent director candidates. Their professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to independent directors shall follow the regulation of the competent authority in charge of securities affairs.

Article 13: According to Article 14-4 of Security and Exchange Act, the Company shall establish a Audit Committee which shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be convener, and at least one of whom shall have accounting or financial expertise. The Audit Committee shall in charge of executing the power ruled by Company Act, Security and Exchange Act and other related regulations.

Article 14: The following relationships may not exist among more than half of the Company's directors:

1. a spousal relationship.
2. a familial relationship within the second degree of kinship.

Article 15: The board of directors shall be organized by directors, among them the Chairman of the Board shall be elected by more than half of directors present at a meeting attended by more than two thirds of directors. The Vice Chairman of the Board shall be elected in the same manner by and among the directors. The Chairman of the Board shall internally be the Chairman of the meetings of shareholders and meetings of the board of directors and externally represent the Company. The board of directors' meetings may be held by video conference. Directors who attend meetings by video conference are deemed as attend the meetings in person.

Article 16: Directors should attend the board of directors' meetings in person. In case a director is unable to attend a board of directors' meeting, he/she may submit a written proxy stating the scope of authorization for the proxy to present on his/her behalf.

If the chairman of the board of directors is on leave or unable to perform his/her duties, the vice chairman shall act on his/her behalf. If both the chairman and the vice chairman are on leave or unable to perform their duties, the chairman shall designate a director to act on his/her behalf.

Article 17: Remunerations for directors of the Company shall be authorized for approval of the board of directors and at the normal levels adopted by other firms of the same industry no matter the Company has profit or not.

The Company shall authorize the chairman of the board to buy duty security insurance for all the directors to secure their benefit.

Article 18: The authority and responsibility of the board of directors are as follows:

1. Approval of operational policy and medium- and long-term development plans.
2. Approval and oversight of execution of annual business plans.
3. Approval of annual budget and examination of the final settlement of account.
4. Examination of capital increase/decrease plans.
5. Examination of earnings distribution or deficit makeup plans.
6. Approval of important contracts.
7. Examination of Articles of Incorporation or amendments thereof.
8. Approval of organization bylaws and important business rules and systems.
9. Approval of establishment, reorganization or removal of branch offices.
10. Approval of major capital expenditure plans.
11. Appointment and discharge of president and vice presidents.
12. Execution of resolutions adopted at shareholders' meeting.
13. Approval of items proposed by the president.
14. Approval of calling shareholders' and board of directors' meetings and deciding business report items thereof.
15. Handling of other items in accordance with the law.

Article 19: In calling a meeting of the board of directors, a notice setting forth therein the meeting date, venue, and subject(s) to be discussed at the meeting shall be given to each director and supervisor no later than 7 days prior to the scheduled meeting date. However, in the case of emergency, the meeting may be convened at any time. The notice set forth in the preceding Paragraph may be effected by means of writing, facsimile, electronic transmission.

Article 20: The Company's operating policies and other important matters shall be decided and approved by the board of directors. The board of directors may also set up governance committee, audit committee and other functional committees and approve the authorities and rules of respective committees.

## **Chapter 5 - Managers**

Article 21: The Company shall have one president and several vice presidents. All other matters concerning their appointment, removal and payment shall be handled in accordance with Article 29 of Company Act.

## **Chapter 6 - Accounting**

Article 22: The company's fiscal year is from January 1<sup>st</sup> to December 31<sup>st</sup> each year.

At the close of each fiscal year, the board of directors shall prepare the following statements and records and present to the general meeting of shareholders for approval.

1. the business report;
2. the financial statements; and
3. the surplus earning distribution or loss off-setting proposals.

Article 23: The company's annual profit, if any, should be set aside 5% to 20% for employees remunerated by the board resolution to grant stock or cash distribution, which were issued contain subordinate employees meet certain conditions of. The company allocated profit by resolution of the Board to set aside no more than 1.5% for the remuneration of directors. The proposal of employee remuneration and compensation of directors assigned should be reported to the shareholders' meeting. While there are accumulated losses of the company, it should be reserved in advance to make up the amount, then allocated to employee remuneration and compensation of directors according to the proportion of pre-term charges.

Article 24: After the final settlement of account each year, the Company shall allocate its surplus earnings, if any, to pay taxes according to the law. After the make up accumulated losses, the Company should allocate 10% of statutory surplus reserve until the statutory surplus reserve has reached the company paid-in capital. then make provisions set aside by law or rotary special reserve. If there are balances, the board drafted a proposal for distribution of profits with the unallocated surplus accumulated and draw proposal of dividend allocation to the shareholder meeting. The company's dividend policy is in line with the current and future development plans, taking into consideration the investment environment, capital requirements and competition at home and abroad, and taking into account the interests of shareholders. Earnings available for distribution each year set aside not less than 50% of the dividend distribution to shareholders dividend. The allocation of shareholder dividends, to whom cash or in shares, cash dividend will be not less than 50% of the total dividend.

## **Chapter 7 - Supplemental Provisions**

Article 25: The organization bylaws of the Company shall be provided separately.

Article 26: For items not provided in the rules, Articles of Incorporation, the Company Act and other relevant laws and regulations shall govern.

Article 27: These Article of Incorporation were drawn up on April 29, 1986 and underwent the

First amendment on December 22, 1986;

Second amendment on July 24, 1987;

Third amendment on October 6, 1987;

Fourth amendment on December 31, 1987;

Fifth amendment on June 25, 1988;

Sixth amendment on July 16, 1988;

Seventh amendment on May 21, 1990;

Eighth amendment on December 8, 1990;

Ninth amendment on June 10, 1991;

Tenth amendment on September 8, 1998;

Eleventh amendment on June 9, 2000;

Twelfth amendment on June 9, 2000;

Thirteenth amendment on November 3, 2000;  
Fourteenth amendment on July 4, 2001;  
Fifteenth amendment on May 17, 2002;  
Sixteenth amendment on May 17, 2002;  
Seventeenth amendment on June 6, 2003;  
Eighteenth amendment on June 1, 2004;  
Nineteenth amendment on June 1, 2004;  
Twentieth amendment on June 12, 2006;  
Twenty-first amendment on June 13, 2007;  
Twenty-second amendment on June 13, 2008;  
Twenty-third amendment on June 17, 2010;  
Twenty-fourth amendment on June 10, 2011  
Twenty-fifth amendment on June 18, 2012  
Twenty-sixth amendment on June 8, 2016.  
Twenty-seventh amendment on June 14, 2017.  
and  
Twenty-eighth amendment on June 16, 2022.

## Rules and Procedures of Shareholders Meeting Princeton Technology Corp.

Article 1: The shareholders' meetings of Princeton Technology Corp. (hereinafter referred to as "the Company") shall be implemented in accordance with the provisions of these Rules, unless otherwise required by law.

Article 2: Unless otherwise stipulated by laws and regulations, the shareholders' meeting of the company shall be convened by the board of directors.

Changes to the method of convening the shareholders' meeting of the Company shall be subject to a resolution of the board of directors, and shall be made no later than before the notice of the shareholders' meeting is dispatched.

The company shall, 30 days before the ordinary shareholders' meeting or 15 days before the extraordinary shareholders' meeting, submit the notice of the shareholders' meeting, the proxy paper, the relevant approvals, discussion proposals, election or dismissal of directors, supervisors, etc. The case and explanatory data are made into electronic files and sent to the Public Information Observatory. Twenty-one days before the ordinary shareholders' meeting or fifteen days before the extraordinary shareholders' meeting, the shareholders' meeting procedure manual and supplementary materials of the meeting shall be prepared as electronic files and sent to the public information observatory. However, if the company's paid-in capital at the end of the most recent fiscal year is NT\$10 billion or more, or the company holds an ordinary meeting of shareholders in the most recent fiscal year, and the total shareholding ratio of foreign and mainland capital recorded in the shareholder register is more than 30% . , the transmission of the pre-opened electronic files shall be completed 30 days before the ordinary shareholders' meeting. Fifteen days before the shareholders' meeting, prepare the current shareholders' meeting procedure manual and meeting supplementary materials for shareholders to request at any time, and display them in the company and the professional stock agency agency appointed by the company.

The procedure manual and meeting supplementary materials mentioned in the preceding paragraph shall be provided to shareholders for reference by the Company on the day of the shareholders' meeting in the following ways:

1. When a physical shareholders meeting is held, it shall be distributed on the spot of the shareholders meeting.
2. When convening a video-assisted shareholders meeting, it shall be distributed on the spot of the shareholders' meeting and sent to the video conference platform as an electronic file.
3. When holding a video conference of shareholders, the electronic file shall be transmitted to the video conference platform.

The notice and announcement shall specify the reason for the convening; if the notice is approved by the counterparty, it may be done electronically.

Election or dismissal of directors, supervisors, changes to articles of association, capital reduction, application for cessation of public offering, directors' non-compete license, capital increase from surplus, capital increase from public reserves, company dissolution, merger, division, or Article 185 of the Company Law Matters in each subparagraph, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Issuer's Handling Standards for Offering and Issuing Securities , it shall list and explain its main contents in the convening reasons, and shall not be proposed as an interim motion.

The reasons for convening the general meeting of shareholders have stated the

general re-election of directors and the date of their inauguration. After the re-election of the shareholders' meeting is completed, the same meeting shall not change the date of their inauguration by temporary motions or other means. Shareholders who hold more than 1% of the total issued shares may submit a written proposal to the company for the general meeting of shareholders. However, it is limited to one item, and any proposal with more than one item will not be included in the proposal. In addition, the proposal proposed by the shareholders falls under any of the circumstances of Subparagraph 4 of Article 172-1 of the Company Law, and the board of directors may not list it as a proposal. Shareholders may put forward proposals to urge the company to promote public interests or fulfill its social responsibilities. The procedure shall be limited to one proposal in accordance with the relevant provisions of Article 172-1 of the Company Law. If there are more than one proposal, all Not included in the bill.

The company shall announce the acceptance of shareholders' proposals, the method of acceptance in writing or electronically, the place of acceptance and the acceptance period prior to the day before the holding of the ordinary shareholders' meeting, and the acceptance period shall not be less than ten days. Proposals proposed by shareholders shall be limited to 300 words, and those exceeding 300 words shall not be included in the proposal; the proposing shareholders shall attend the general meeting of shareholders in person or by proxy, and participate in the discussion of the proposal.

The company shall notify the proposing shareholders of the handling results before the notice of convening the shareholders meeting, and list the resolutions in compliance with the provisions of this article in the meeting notice. For shareholder proposals that are not included in the resolutions, the reasons for not being included shall be recorded in the shareholders' meeting procedure manual.

Article 3: Shareholders may, at each shareholders' meeting, issue a power of attorney issued by the company, specifying the scope of authorization, and appoint a proxy to attend the shareholders' meeting.

A shareholder shall issue a power of attorney, and only one person shall be entrusted, which shall be delivered to the company five days before the shareholders' meeting. However, it is not limited to those who declare to revoke the previous entrustment. After the proxy letter is delivered to the company, shareholders who wish to attend the shareholders' meeting in person or exercise their voting rights in writing or electronically shall notify the company in writing of the revocation of the proxy at least two days before the shareholders' meeting; The voting rights exercised by the proxy shall prevail.

After the power of attorney is delivered to the company, shareholders who wish to attend the shareholders' meeting by video conferencing shall notify the company in writing of the revocation of the proxy two days before the shareholders' meeting.

Article 4: The company shall state in the meeting notice the time and place of the registration of the accepting shareholders, solicitors, and entrusted agents (hereinafter referred to as shareholders), and other matters that should be noted.

The time for accepting shareholders' registration in the preceding paragraph shall be made at least 30 minutes before the start of the meeting; the registration office shall be clearly marked, and appropriate and competent personnel shall be assigned to handle it; the video conference of the shareholders' meeting shall be held 30 minutes before the start of the meeting by video-conference of the shareholders' meeting The meeting platform accepts registration, and shareholders who complete the registration are deemed to have attended the shareholders meeting in person. Shareholders should present the attendance certificate, attendance card or other attendance certificate to attend the shareholders meeting. The company shall not

arbitrarily add other certification documents to the certification documents relied on by shareholders to attend; the applicant who is soliciting the power of attorney should bring identification documents for verification.

The company shall set up a signature book for the attending shareholders to sign in, or the attending shareholders shall hand in the sign-in card to sign in on their behalf.

The company shall deliver the procedure manual, annual report, attendance certificate, speech slips, votes and other meeting materials to shareholders present at the shareholders' meeting. If there is an election of directors and supervisors, an additional ballot shall be attached.

When the government or legal person is a shareholder, the number of representatives attending the shareholders' meeting is not limited to one. When a legal person is entrusted to attend the shareholders' meeting, only one representative may be appointed to attend the meeting.

If the shareholders' meeting is held by video conference, shareholders who wish to attend by video conference should register with the company two days before the shareholders' meeting.

If the shareholders' meeting is held by video conference, the company shall upload the procedure manual, annual report and other relevant materials to the video conference platform of the shareholders' meeting at least 30 minutes before the start of the meeting, and continue to disclose it until the end of the meeting.

Article 5: When the company holds a video conference of the shareholders' meeting, the following matters shall be stated in the notice of convening the shareholders' meeting:

1. Shareholders' participation in video conferences and methods for exercising their rights.

2. The handling of obstacles to the video conference platform or participation in video conferences due to natural disasters, incidents or other force majeure events, including at least the following:

(1) The time for the meeting to be adjourned or re-adjourned due to the continued failure of the pre-occurrence obstacle, and the date of the meeting if it is to be adjourned or re-adjourned.

(2) Shareholders who have not registered to participate in the original shareholders' meeting by video conferencing shall not participate in the extension or renewal meeting.

(3) To hold a video-assisted shareholders meeting, if it is not possible to continue the video conference, after deducting the number of shares attending the shareholders meeting by video, and the total number of shares attending the shareholders meeting reaches the statutory quota for the shareholders meeting, the shareholders meeting should continue and participate by video. Shareholders, whose number of shares present shall be included in the total number of shares attended by shareholders, shall be deemed to abstain from voting on all the resolutions of the shareholders' meeting.

(4) In the event that all the motions have been announced, but no provisional motion has been made, the handling method.

3. To convene a video conference of shareholders, and to specify appropriate alternatives to shareholders who have difficulty participating in shareholders by video.

Article 6: The company's shareholders' meeting shall be held in the county or city where the head office is located or in a place that is convenient for shareholders to attend and is suitable for holding the shareholders' meeting. The meeting shall start no earlier than 9:00 a.m. or later than 3:00 p.m. , the opinions of independent directors shall be fully considered.

When the company convenes a video-conference shareholders meeting, it is not

subject to the restriction on the venue of the preceding paragraph.

Article 7: If the shareholders' meeting is convened by the board of directors, the chairman of the board of directors shall serve as the chairman; if the chairman of the board of directors requests leave or is unable to exercise his powers for some reason, the vice-chairman shall act on his behalf; there is no vice-chairman or the vice-chairman also asks for leave or cannot exercise his powers for any reason. At the time, the chairman of the board shall designate a managing director to act as his agent; if there is no managing director, a director shall be appointed to act as his agent; if the chairman of the board of directors does not designate an agent, the managing director or one of the directors shall act as his agent.

The chairman of the preceding paragraph shall be a managing director or a director who has served for more than six months and who has an understanding of the company's financial and business conditions. The same applies if the chairman is the representative of the corporate directors.

The chairman of the board of directors should preside over the shareholders' meeting convened by the board of directors in person, and more than half of the directors of the board of directors, at least one supervisor, and at least one representative of various functional committee members should be present in person, and the attendance should be recorded in the shareholders' meeting. .

If the shareholders meeting is convened by a person with the right to convene other than the board of directors, the chairman of the meeting shall be the person with the right to convene.

Article 8: The company may designate appointed lawyers, accountants or relevant personnel to attend the shareholders' meeting as nonvoting delegates.

Article 9: The company shall make continuous and uninterrupted audio and video recordings of the shareholders' registration process, the meeting process, and the voting counting process from the time of acceptance of the shareholders' registration, and keep them for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Law, it shall be kept until the lawsuit is concluded.

If the shareholders' meeting is held by video conference, the company shall record and preserve the shareholders' registration, registration, registration, questioning, voting and company vote counting results, etc., and make continuous and uninterrupted audio and video recording of the entire video conference.

The above-mentioned materials and audio and video recordings shall be properly preserved by the company during the period of existence, and the audio and video recordings shall be provided to those who are entrusted to handle the video conference affairs for preservation.

If the shareholders' meeting is held by video conference, the company should record and record the background operation interface of the video conference platform.

Article 10: Attendance at the shareholders' meeting shall be calculated on the basis of shares. The number of shares attended is calculated by adding the number of shares registered in the signature book or the paid-in sign-in card and the video conferencing platform, plus the number of shares exercising voting rights in writing or electronically.

When the meeting time has expired, the chairman shall announce the meeting and announce the number of non-voting rights and the number of shares present at the same time.

However, when shareholders representing more than half of the total number of issued shares are not present, the chairman may announce the postponement of the meeting. The number of postponements shall be limited to two times, and the total postponement time shall not exceed one hour. If there are not enough shareholders representing more than one-third of the total number of issued shares to attend after

two delays, the chairman will announce the adjournment of the meeting; if the shareholders' meeting is held by video conference, the company shall also announce the adjourned meeting on the video conference platform of the shareholders' meeting. If the number of shareholders who represent more than one-third of the total number of issued shares is present after the second delay in the preceding paragraph, a false resolution may be made in accordance with Paragraph 1 of Article 175 of the Company Law, and the false resolution shall be notified to each party. Shareholders shall convene the shareholders meeting again within one month; if the shareholders meeting is held by video conference, shareholders who wish to attend by video conference shall re-register with the company in accordance with Article 4. Before the end of the current meeting, if the number of shares represented by shareholders present reaches more than half of the total number of issued shares, the chairman may re-submit the false resolution to the general meeting for voting in accordance with Article 174 of the Company Law.

Article 11: If the shareholders' meeting is convened by the board of directors, the agenda shall be determined by the board of directors, and relevant proposals (including interim motions and amendments to original proposals) shall be voted on a case-by-case basis. .

If the shareholders meeting is convened by a person other than the board of directors who has the right to convene, the provisions of the preceding paragraph shall apply mutatis mutandis. Before the agenda (including provisional motions) scheduled in the preceding two paragraphs has been concluded, the chairman shall not declare the meeting adjourned without a resolution. If the chairman violates the rules of procedure and announces the adjournment of the meeting, other members of the board of directors shall promptly assist the shareholders present in accordance with the legal procedures, so that more than half of the voting rights of the shareholders present agree to nominate a person to be the chairman and continue the meeting. The chairman shall give sufficient explanations and opportunities for discussion on the proposal and the amendment or interim motion proposed by the shareholders. When he deems that the resolution has reached the level of voting, he may announce that the discussion has been suspended, put forward for voting, and arrange a suitable time for voting.

Article 12: Before attending shareholders' speeches, they must fill in a speech slip stating the gist of the speech, the shareholder's account number (or attendance certificate number) and account name, and the chairman will determine the order of their speeches.

The shareholders present who only put forward a statement without speaking are deemed to have not spoken. If the content of the speech is inconsistent with the record of the speech, the content of the speech shall prevail. When a shareholder is present to speak, other shareholders shall not interfere with their speech unless they have obtained the consent of the chairman and the speaking shareholder, and the chairman shall stop the violation.

Article 13: Each shareholder's speech on the same proposal shall not exceed two times without the consent of the chairman, and each time shall not exceed five minutes. If a shareholder's speech violates the provisions of the preceding paragraph or exceeds the scope of the agenda, the chairman may stop him from speaking.

Article 14: When a legal person shareholder appoints two or more representatives to attend the shareholders' meeting, only one person may speak on the same proposal.

Article 15: After attending shareholders' speeches, the chairman may reply in person or designate relevant personnel.

If the shareholders meeting is held by video conference, the shareholders participating by video conference may ask questions in text form on the video

conference platform of the shareholders meeting after the chairman announces the meeting and before the announcement of the adjournment of the meeting. Items 1 to 5 do not apply to the limit of 200 characters.

If the question mentioned in the preceding paragraph does not violate the regulations or does not exceed the scope of the proposal, it is advisable to expose the question on the video conference platform of the shareholders' meeting for public knowledge.

Article 16: The number of shares acquired by the solicitor, the number of shares represented by the proxy, and the number of shares attended by shareholders in writing or electronically, the company shall, on the day of the shareholders' meeting, prepare a statistical table in the prescribed format, and make it clear at the shareholders' meeting venue. If the shareholders' meeting is held by video conference, the company shall upload the aforementioned information to the video conference platform of the shareholders' meeting at least 30 minutes before the start of the meeting, and continue to disclose it until the end of the meeting.

The company holds a video conference of the shareholders' meeting. When announcing the meeting, the total number of shareholders' shares present shall be disclosed on the video conference platform. The same shall apply if the total number of shares and voting rights of the shareholders attending the meeting are otherwise counted during the meeting.

If the resolutions of the shareholders' meeting are material information stipulated by laws and regulations or the Taiwan Stock Exchange Corporation (the Taiwan Stock Exchange Securities Trading Center), the company shall transmit the content to the public information observatory within the specified time.

Article 17: The scrutineer and vote counting staff for voting on the resolution shall be appointed by the chairman, but the scrutineer shall have the identity of a shareholder. Counting of votes for votes or election proposals at the shareholders' meeting shall be done publicly at the shareholders' meeting, and after the votes are counted, the voting results shall be announced on the spot, including the counted weights, and records shall be made.

The company convened a video conference of the shareholders' meeting. Shareholders who participated by video should conduct voting on various resolutions and voting on election proposals through the video conference platform after the chairman announces the meeting. The voting should be completed before the chairman announces the close of voting. deemed a waiver.

If the shareholders meeting is held by video conference, after the chairman announces the close of voting, the votes shall be counted at one time, and the voting and election results shall be announced.

When the company holds a video-assisted shareholders meeting, shareholders who have registered to attend the shareholders' meeting by video-conference in accordance with the provisions of Article 6, who wish to attend the physical shareholders' meeting in person, shall cancel the registration in the same manner as the registration two days before the shareholders' meeting; Those who cancel within the time limit can only attend the shareholders' meeting by video conferencing.

Those who exercise their voting rights in writing or electronically without revoking their intentions and participate in the shareholders' meeting by video conferencing shall not exercise their voting rights on the original proposal or propose amendments to the original proposal or exercise the voting rights for amendments to the original proposal, except for temporary motions.

Article 18: During the meeting, the chairman may announce a break at his discretion. In the event of force majeure, the chairman may decide to suspend the meeting temporarily, and announce the meeting time as appropriate. Before the end of the meeting, if the venue

for the meeting cannot continue to be used, the shareholders meeting may decide to find another venue to continue the meeting.

The shareholders meeting may, in accordance with Article 182 of the Company Law, decide to postpone or renew the meeting within five days.

Article 19: A shareholders' meeting's resolution shall be based on the represent vote of the shares.

Shares held by shareholders who do not have voting rights shall not be included when calculating the total number of shares issued and outstanding by the Company. In the event that a shareholder is an interested party with respect to a given proposal, consequently the shareholder's interest may conflict with those of the Company, the shareholder shall be prohibited from voting for himself or being appointed as a proxy to vote for others on that proposal.

The votes of shareholders aforesaid, who are not eligible to vote on a given proposal shall not be included when calculating the number of votes present at the meeting.

With the exception of investment and trust companies, or transfer agents that are registered with the regulatory authorities, while a single individual is appointed as a proxy by two or more shareholders, the total number of votes for which that individual serves as proxy may not exceed 3% of the total shares issued by the Company; any excess votes will not be counted when voting on proposals.

Article 20: Shareholders have one vote per share; however, those who are restricted or have no voting rights listed in Paragraph 2 of Article 179 of the Company Law are not subject to this limitation.

When the company convenes a shareholders' meeting, it shall use electronic means and may exercise its voting rights in writing; when it exercises its voting rights in writing or electronically, its exercise method shall be specified in the notice of convening the shareholders' meeting. Shareholders who exercise their voting rights in writing or electronically are deemed to have attended the shareholders' meeting in person. However, the provisional motion and the amendment to the original proposal at the shareholders' meeting shall be regarded as an abstention. Therefore, the Company should refrain from putting forward the provisional motion and the amendment to the original proposal.

In the case of exercising voting rights in writing or electronically in the preceding paragraph, the statement of intent shall be delivered to the company two days before the shareholders' meeting. However, those who express their intentions before the declaration of revocation are not subject to this limitation.

After shareholders exercise their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person or by video, they shall revoke their intention to exercise the voting rights in the preceding paragraph two days before the shareholders' meeting in the same manner as the exercise of voting rights; or the voting rights exercised electronically. If voting rights are exercised in writing or electronically and a proxy is entrusted to attend the shareholders' meeting by proxy, the voting rights that are entrusted to attend and exercise shall prevail.

Article 21: Unless otherwise stipulated in the Company Law and the articles of association of the company, voting on a resolution shall be approved by the consent of more than half of the voting rights of the shareholders (or proxies) present. When voting, the chairman or his designee shall announce the total number of voting rights of the shareholders present on a case-by-case basis, and then the shareholders shall vote on a case-by-case basis, and on the day after the shareholders' meeting, the results of shareholders' approval, objection and abstention shall be entered into the public information observatory.

Article 22: If a revised or alternative proposal is put forward for a given proposal, the chair shall

combine them as a serial and decide the order on which the revised or alternative proposal and the original proposal shall be voted. When one of the serial proposals is passed, the other(s) shall be deemed to be rejected and they need not to put to a vote.

Article 23: When the shareholders' meeting elects directors and supervisors, it shall be handled in accordance with the relevant selection and appointment regulations set by the company, and the election results shall be announced on the spot, including the list of elected directors and supervisors and their election rights, and the list of unsuccessful directors and supervisors and their voting rights. .

The ballots for the election matters mentioned in the preceding paragraph shall be sealed and signed by the scrutineers, and shall be properly kept for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Law, it shall be kept until the lawsuit is concluded.

Article 24: The resolutions of the shareholders' meeting shall be made into minutes, which shall be signed or sealed by the chairman, and the minutes shall be distributed to all shareholders within 20 days after the meeting. The production and distribution of minutes of proceedings may be done electronically.

For the distribution of the minutes of the preceding paragraph, the company may enter the public information observatory in the way of announcement.

The minutes of the meeting shall be recorded in accordance with the year, month, day, venue, name of the chairman, method of resolution, essentials of the proceedings, and voting results (including statistical weights). When directors and supervisors are elected, each candidate shall be disclosed. People's votes. During the existence of the company, it should be kept permanently.

If the shareholders' meeting is held by video conference, the minutes of the shareholders' meeting shall record the start and end time of the shareholders' meeting, the method of convening the meeting, the name of the chairman and the record, and the name of the chairman of the shareholders' meeting, as well as the events caused by natural disasters, incidents or other force majeure. The handling method and handling situation when an obstacle occurs to the video conferencing platform or participation by video conferencing.

In addition to complying with the provisions of the preceding paragraph when convening a video-conference shareholders meeting, the Company shall specify in the minutes of the meeting the alternative measures provided by shareholders who have difficulty participating in video-conference.

Article 25: The chairman may direct the pickets (or security personnel) to assist in maintaining order at the venue. When the pickets (or security personnel) are present to assist in maintaining order, they should wear an armband or identification card with the word "picket".

If the venue is equipped with amplifying equipment, the chairman may stop the shareholders from speaking with the equipment provided by the company.

If a shareholder violates the rules of procedure and refuses to obey the chairman's corrections, and obstructs the progress of the meeting and fails to comply, the chairman may direct the pickets or security personnel to ask them to leave the venue.

Article 26: If the shareholders' meeting is held by video conference, the company shall immediately disclose the voting results and election results of various resolutions on the video conference platform of the shareholders' meeting in accordance with regulations, and shall continue to disclose for at least 15 years after the chairman announces the adjournment of the meeting minute.

Article 27: When the company holds a video-video shareholders meeting, the chairman and the recorder shall be at the same place in China, and the chairman shall announce the address of the place at the time of the meeting.

Article 28: If the shareholders' meeting is held by video conference, the chairman shall, when announcing the opening of the meeting, separately announce that there is no need to postpone or continue the meeting, except for the cases stipulated in Paragraph 24, Article 44-24 of the Stock Management Standards for Public Offering Companies, that the chairman announces the meeting. Before the meeting, due to natural disasters, incidents or other force majeure events, if there is an obstacle to the video conference platform or participation by video, which lasts for more than 30 minutes, the date of the meeting should be postponed or renewed within five days. The first company law does not apply The provisions of Article 182.

In the event of the occurrence of the preceding paragraph, the meeting shall be postponed or continued. Shareholders who have not registered to participate in the original shareholders meeting by video conference shall not participate in the postponed or continued meeting.

In accordance with the provisions of Paragraph 2, the meeting should be postponed or continued. Shareholders who have registered to participate in the original shareholders meeting by video and have completed the registration, but who do not participate in the postponed or continued meeting, the number of shares attended at the original shareholders meeting, the voting rights exercised and Voting rights shall be included in the total number of shares, voting rights and voting rights of shareholders present at the adjourned or continued meeting.

When the shareholders' meeting is postponed or reconvened in accordance with the provisions of Paragraph 2, the voting and counting of votes have been completed, and the voting results or the list of elected directors and supervisors are not required to be re-discussed or resolved.

The company convened a video-assisted shareholders meeting, and when the second paragraph cannot be continued, if the total number of shares attended by video conference still reaches the statutory quota for the shareholders' meeting after deducting the number of shares attended by video-conferencing, the shareholders' meeting shall continue. There is no need to postpone or renew the assembly in accordance with the second paragraph.

In the event that the meeting should be continued in the preceding paragraph, the shareholders who participate in the shareholders' meeting by video conferencing shall count the number of shares present in the total number of shares of the shareholders present, but all the resolutions of the shareholders' meeting shall be deemed as abstentions.

The company shall postpone or renew the meeting in accordance with the provisions of Paragraph 2, and shall handle relevant matters in accordance with the provisions set forth in Article 44-27 of the Standards for Handling Share Transactions of Companies Offering Shares, the date of the original shareholders' meeting and the provisions of each of these articles. Pre-work.

The last paragraph of Article 12 and Paragraph 3 of Article 13 of the Rules for the Use of Power of Attorney for Public Offering Companies to Attend Shareholders' Meetings, Paragraph 2 of Article 44-5 and Paragraph 2 of Article 44-10 of the Guidelines for the Handling of Share Transactions of Public Offering Companies 5. During the period specified in Paragraph 1 of Article 44-17, the Company shall postpone or renew the date of the shareholders' meeting in accordance with the provisions of Paragraph 2.

Article 29: When the company convenes a video conference of shareholders, it shall provide appropriate alternatives for shareholders who have difficulty in attending the shareholders meeting by video.

Article 30: These rules shall come into force after being approved by the board of directors and recognized by the shareholders' meeting, and the same shall apply to amendments.

Article 31: These rules were drawn up on June 24, 1989 and underwent the

First amendment on July 4, 2001.

Second amendment on May 17, 2002

Third amendment on June 12, 2006 and

Fourth amendment on June 18, 2012

Fifth amendment dated June 16, 2022.

## Rules for the Conduct of Board of Directors' Meeting (Before Amendment) Princeton Technology Corp.

- 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: The regular board of directors' meeting shall be held at least once every quarter. In calling a regular board of directors' meeting, a notice setting forth therein the time, place and purpose of the meeting shall be given to each director and attendee no later than 7 days prior to the scheduled meeting date. However, in the case of emergency, a special board of directors' meeting may be convened at any time and notified by phone, fax or e-mail in lieu of written notice.
- The notice set forth in the preceding paragraph may be effected by means of electronic or fax transmission, after obtaining prior consent from the recipients thereof.
- All matters set out in the subparagraphs of Article 4, paragraph 1, shall be specified in the notice of the reasons for calling a board of directors meeting; none of them may be raised by an extraordinary motion except in the case of an emergency or legitimate reason.
- Article 3: The Chairman's Office shall handle the affairs of the board of directors' meeting, in charge of preparing the agenda items and providing sufficient agenda information for the attendee's reference.
- If a director reckons that the agenda information is inadequate, he/she may ask the in-charge unit to provide more information to which the in-charge unit may not refuse. If a director holds that the agenda information is still inadequate, he/she may request a postponement of the meeting subject to the consent of the board of directors.
- Article 3-1: Agenda items for regular board of directors meetings shall include at least the following:
1. Status Reports:
    - (1) Minutes of the last meeting and actions arising.
    - (2) Report on important financial and business items.
    - (3) Report on internal audit activities.
    - (4) Other important items to be reported.
  2. Items of Discussions:
    - (1) Items discussed and continued from the last meeting.
    - (2) Items for discussion at this meeting.
  3. Extraordinary motions.
- Article 4: 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 Exchange Act.
4. Adoption or amendment, pursuant to Article 36-1 of the Securities Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of any 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 for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.
8. Any matter required by Article 14-3 of the Securities Exchange Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders' meeting or to be submitted to a meeting of the board of directors, or any such significant 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 any 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.

For foreign companies whose stock has no par value or a par value other than NTD10, the "5 percent of paid-in capital" in paragraph 2 above shall be calculated instead as 2.5 percent of shareholder equity.

The company should have at least one independent director personally attending the board meeting. All independent directors should attend the board meeting for the first item that should be mentioned by the board of directors. If independent directors cannot attend in person, they should be represented by other independent directors. If a company has an independent director or directors, each independent director shall attend in person any meeting concerning a matter that requires a resolution by the board of directors under Article 14-3 of the Act, or shall appoint another independent director to attend as his or her proxy. If an independent director objects to or expresses reservations about the matter, it shall be recorded in the board meeting minutes; an independent director intending to express objection or reservations but unable to attend the meeting in person shall, unless there is some legitimate reason to do otherwise, issue a written opinion in advance, which shall be recorded in the meeting minutes

Article 5: The board of directors of the company is convened and chaired by the chairman of the board of directors; however, the chairman of the meeting convened by the director with the most voting rights at the first board of directors of each session of the board of directors shall be the chairman of the meeting. Push one person to do it. According to Article 203, Paragraph 4 or Article 203-1, Paragraph 3 of the Company Law, if half of the directors convene on their own, the directors shall recommend one person to be the chairman.

When the chairman requests leave or is unable to exercise his powers for some reason, the chairman shall designate a director to act as his agent. If the chairman does not designate an agent, the directors shall recommend one person to act as his agent.

Article 6: The meeting place and time of the board of directors of the company shall be at the place and office hours of the company or at a place and time that is convenient for directors to attend and suitable for the meeting of the board of directors.

When the board meeting is held, a signature book shall be prepared for the attendance of directors to sign.

When meeting of the board of directors, directors should attend in person, but if they are unable to attend in person due to business reasons, they must issue a power of attorney listing the scope of authorization and entrust other directors to attend the meeting on their behalf.

The agent referred to in the preceding paragraph is limited to the entrustment of one person.

Article 7: In case a meeting of the board of directors proceeds via video conference, directors taking part in such a video conferencing shall be deemed to have attended the meeting in person. The audio or video tape recorded the contents of the meeting shall be a part of the meeting minutes and preserved on a permanent basis.

Article 8: When the board of directors of the company is convened, the management department (or the discussion unit designated by the board of directors) shall prepare relevant materials for the directors attending the meeting to check at any time.

Depending on the content of the meeting, the chairman of the board may designate personnel from relevant departments or subsidiaries to attend the meeting to report and answer the inquiries raised by the directors. When necessary, accountants, lawyers or other professionals may also be invited to attend the meeting and make explanations, but they should leave the meeting during discussion and voting. To facilitate the board of directors to make appropriate resolutions.

Article 9: The chairman of the board of directors shall call the meeting open when more than half of the directors are present.

If half of all directors are not present at the meeting time, the chairman may announce that the meeting will be postponed. The number of postponements is limited to two times. If the number of postponements is still insufficient, the chairman may follow the provisions of Paragraph 2 of Article 2. The procedure was reconvened.

The board of directors shall proceed in accordance with the procedures set out in the

notice of the meeting. However, it may be changed with the consent of more than half of the directors present.

The chairman shall not declare the meeting adjourned without the consent of more than half of the directors present.

During the proceedings of the board of directors, if the directors present do not reach more than half of the directors present, upon the proposal of the directors present, the chairman shall announce the suspension of the meeting, and the provisions of Paragraph 2 of this article shall apply *mutatis mutandis*.

Article 10: When the chairman considers that the discussion of the board of directors has reached the level that can be voted, he may announce that the discussion will be stopped and put forward for voting.

When voting on the resolutions of the Board of Directors of the Company, if all the directors present have no objection after consultation by the chairman, it will be deemed as passed. If there is any objection after consultation by the chairman, it shall be put to a vote.

The method of voting shall be chosen by the chairman in accordance with the provisions of the following subparagraphs, but if there is any objection from the attendees, it shall be decided by a majority of opinions:

1. Voting by show of hands or voting by means of a voting machine.
2. Roll-call voting.
3. Voting.
4. Voting at the discretion of the company.

All directors present in the preceding two paragraphs do not include directors who are not allowed to exercise voting rights in accordance with Paragraph 1 of Article 12.

Article 11: Unless otherwise stipulated by the Company Law, the Securities and Exchange Law and the Articles of Association of the company, the resolution of the board of directors shall be passed by more than half of the directors present and approved by more than half of the directors present.

When there are amendments or alternatives to the same motion, the chairman shall determine the order of voting on the same motion as the original motion. However, if one of the motions has been passed, the other motions are deemed to be rejected and no further voting is required.

If it is necessary to set up scrutineers and vote-counters for voting on a resolution, the chairman shall appoint them, but the scrutineers should be directors.

The results of the voting shall be reported on the spot and recorded.

Article 12: Directors should uphold a high degree of self-discipline, and when the resolutions listed by the board of directors involve the directors themselves or the legal person represented by them have an interest in the company's interests, they should explain the important content of their interest at the current board of directors, if they are harmful to the company's interests. When the interests of the company are at risk,

they shall not participate in the discussion and voting, and shall abstain from the discussion and voting, and shall not exercise their voting rights on behalf of other directors.

The director's spouse, second-degree relative by blood, or a company that has a controlling affiliation with the director, shall be subject to the meeting.

If there is an interest in the matter, the director shall be deemed to have his own interest in the matter.

The resolution of the board of directors shall be handled in accordance with the provisions of Paragraph 4 of Article 206 of the Company Act for directors who are not allowed to exercise the right to vote in accordance with the provisions of the preceding paragraph.

Article 13: The whole process of the meeting of the board of directors shall be recorded by audio or video recording, and shall be kept for at least five years.

Before the expiration of the retention period mentioned in the preceding paragraph, in the event of a lawsuit concerning matters related to the resolutions of the board of directors, the relevant audio or video recording materials shall continue to be kept until the end of the lawsuit.

The board of directors of the company shall be made into minutes, and the minutes shall record the following matters in detail:

1. The session (or year), time and place of the meeting.
2. The name of the chairman.
3. The attendance status of directors, including the names and numbers of those present, requesting leave and absent.
4. Names and titles of attendees.
5. The name of the record.
6. Report matters.
7. Matters to be discussed: resolution methods and results of each proposal, summaries of speeches made by directors, supervisors, experts and other personnel, names of directors who have interests in accordance with Paragraph 1 of the preceding article, explanations of important content of interests, who should be recused or There are no reasons for recusal, reasons for recusal, objections or reservations, and there are records or written statements and written opinions issued by independent directors in accordance with Article 4, Paragraph 5.
8. Temporary motion: name of the proposer, resolution method and result of the motion, summary of speeches made by directors, supervisors, experts and other personnel, names of directors with interests in accordance with Paragraph 1 of the

preceding article, explanations of important content of interests, other Reasons for recusal or non-rejection, circumstance of recusal and objection or reservation, and there is a record or written statement.

9. Other matters to be recorded.

In the case of any of the following matters, in addition to being stated in the minutes of the board of directors, the resolutions of the board of directors shall be announced and reported at the public information observatory designated by the Financial Supervisory Commission within two days from the date of the board of directors:

1. Independent directors have objections or reservations and have records or written statements.

2. Matters that have not been approved by the audit committee of the company have been approved by more than two-thirds of all directors.

The sign-in book of the board of directors is part of the minutes and should be properly kept during the existence of the company.

The minutes must be signed or sealed by the chairman of the meeting and the recorder, and distributed to all directors within 20 days after the meeting. It should be included in the company's important files and properly preserved during the company's existence.

The production and distribution of minutes can be done electronically.

Article 14: These Rules shall apply mutatis mutandis to rules for the conduct of managing directors' meeting.

Article 15: For items not provided in the Rules, the Company Act, Securities Exchange Act, the Company's Articles of Incorporation, and other relevant laws and regulations shall govern.

Article 16: These Rules shall come into effect after being approved by the board of directors' meeting, as shall any revisions hereto.

Article 17: The Rules were drawn up on June 6, 2003 in compliance with the ordinance promulgated by the Securities and Futures Commission on December 10, 2002 and underwent the

First amended on June 1, 2004,

Second amended on April 27, 2006,

Third amended on March 22, 2007,

Forth amended on February 25, 2008,

Fifth amended on February 24, 2012, and

Sixth amendment on February 25, 2013

Seventh amendment on November 09, 2017

Eighth revision was made on May 6, 2022.

## Regulations for Election of the Directors Princeton Technology Corp.

Article 1: The directors of this Company shall be elected in accordance with the rules specified herein, except as otherwise provided by laws or regulations.

Article 2: The qualifications of the independent directors of the company shall comply with the provisions of Articles 2, 3 and 4 of the "Regulations on the Establishment and Compliance of Independent Directors of Public Companies".

The selection and appointment of independent directors of the company shall comply with the provisions of Articles 5, 6, 7, 8 and 9 of the "Regulations on the Establishment of Independent Directors of Publicly Issued Companies and Matters to be Followed", and shall be based on the Article 24 of the "Code of Practice for Corporate Governance"..

Article 3: The Company's independent directors shall be elected by adopting the candidate nomination system and shareholders elect independent directors from the list of candidates.

The Company, complied with the provision of Article 192-1 of the Act of Incorporation, shall make a prior announcement of receiving nominations of independent director candidates, proceed with a formal review of the candidates, announce the qualified candidates' information and response the review results.

The Company is subject to the provisions of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies to follow the independent directors' evaluation of the professional qualification requirements, prohibited items and side job conditions and the limitation of their status change.

Article 4: The selection and appointment of directors of the Company shall take into account the overall configuration of the board of directors. The composition of the board of directors should consider diversity, and formulate an appropriate diversity policy based on its own operation, operation type and development needs. It should include but not limited to the following two standards:

1. Basic conditions and values: gender, age, nationality and culture, etc.
2. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.

The members of the board of directors shall generally possess the necessary knowledge, skills and qualities to perform their duties, and their overall abilities shall be as follows:

1. Operational judgment ability.
2. Accounting and financial analysis ability.
3. Operation and management ability.
4. Crisis handling capability.
5. Industrial knowledge.

6. The international market view.

7. Leadership.

8. Decision-making ability.

Directors shall have more than half of the seats, and shall not have spouses or relatives within the second degree of kinship.

The board of directors of the company shall consider and adjust the composition of the board of directors based on the results of the performance evaluation.

Article 5: The election of directors of the company shall adopt the cumulative voting method. Each share has the same voting rights as the number of directors to be elected, and one person may be elected in a centralized manner or by distribution.

Article 6: The number of directors of the company shall be calculated according to the number of independent directors and non-independent directors according to the number of the company's articles of association. If there are two or more people with the same number of weights and more than the specified number of places, the winners with the same number of weights will draw lots. Those who do not attend will be drawn by the chairperson.

Article 7: At the beginning of the election, the Chairman shall appoint several persons with shareholder identity to check and record the ballots.

Article 8: The board of directors shall prepare the same number of ballots as the number of directors to be elected, mark their weights, and distribute them to shareholders attending the shareholders meeting. The names of the electors may be replaced by the attendance certificate numbers printed on the ballots.

Before the election begins, the chairman shall designate a number of scrutineers and tellers with shareholder status to perform various relevant duties. The election of ballot box directors shall be prepared by the board of directors, and shall be open for inspection by scrutineers before voting.

Article 9: The election of directors of the company shall be conducted in accordance with the procedures of the candidate nomination system stipulated in Article 192-1 of the Company Act.

If a director is dismissed for any reason and there are fewer than five members, the company shall elect them by-election at the latest shareholders' meeting. However, if the vacancy of directors reaches one-third of the seats specified in the articles of association, the company shall convene an extraordinary general meeting of shareholders for by-election within 60 days from the date of the occurrence of the fact.

If the number of independent directors is insufficient as specified in the proviso of Paragraph 1 of Article 14-2 of the Securities and Exchange Act, a by-election shall be held at the latest shareholders' meeting; when all independent directors are dismissed, a shareholder meeting shall be held within 60 days from the date of the occurrence of the fact. Provisional by-election will be held.

Article 10: Ballots in any of the following circumstances are invalid:

1. Those who do not need the ballots prepared by the board of directors or the person with the right to convene.

2. Those who put blank ballots into the ballot box.
3. The handwriting is blurred, unrecognizable or altered.
4. If there is any discrepancy between the filled in the list of candidates for election and the list of director candidates.
5. In addition to filling in the number of voting rights, other words are included.

Article 11: After the voting is completed, the votes will be counted on the spot, and the results of the voting will be announced by the chairman on the spot, including the list of directors elected and their right to be elected.

The ballots for the election matters mentioned in the preceding paragraph shall be sealed and signed by the scrutineers, and shall be properly kept for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Law, it shall be kept until the lawsuit is concluded.

Article 12: The board of directors shall issue notifications to the director elected.

Article 13: For items not provided in the Rules, the Company Act, Articles of Incorporation and other relevant laws and regulations shall govern.

Article 14: These Rules and any revision thereof shall become effective after approval at the shareholders' meeting.

Article 15: This Regulation was passed by general shareholders' meeting on November 27, 1987 and underwent the

First amendment on July 4, 2001,

Second amendment on May 17, 2002,

Third amendment on June 12, 2006

Forth amendment on June 13, 2008.

Fifth amendment on June 14, 2017

Sixth amendment on June 16, 2022

## Shareholdings of All Directors Princeton Technology Corp.

Title	Name	Shares held when elected		Shares held currently	
		No. of shares	Percentage	No. of shares	Percentage
Chairman	Chiang Chang-An	11,557,256	6.39%	11,557,256	6.39%
Director	Hsin Hsin Co., Ltd. Representative: Chen Sheng-Chieh	6,895,197	3.81%	3,495,197	3.81%
Director	Hsin Hsin Co., Ltd. Representative: Hsiao Wu-Hsing				
Director	National Chiao Tung University Representative: Chen Wei-Kuo	1,225	0.00%	1,225	0.00%
Independent Director	Ma Yu-Feng	0	0.00%	0	0.00%
Independent Director	Wu Hsueh-Min	0	0.00%	0	0.00%
Independent Director	Tsai Yi-Chen	0	0.00%	0	0.00%
Total shares and percentage held by all directors				15,053,678	10.20%

### Explanation:

1. The Company's paid-in capital is NT\$1,809,436,750 with 180,943,675 issued and outstanding.
2. Pursuant to Article 26 of the Securities Exchange Act and relevant regulations, the collective minimum number of shares required of directors is 10,856,620 shares.
3. The shares held by individual and all directors of the Company as of the record date for suspension of title transfer registration for the purpose of 2023 general shareholders' meeting are presented in the table above and have met the requirements set forth in Article 26 of the Securities Exchange Act.
4. The shares held by independent directors are excluded from the count of shares held by all directors.
5. There is no supervisors' share record available because of the Auditing Committee set on June 13, 2008.

## Actions Taken in Response to Proposals Made by Shareholders

### Explanation:

1. Pursuant to Article 172-1 of the Company Act, shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company one single proposal for discussion at a general shareholders' meeting, provided that only one item shall be allowed in each proposal, and the number of words of a proposal shall be limited to not more than three hundred (300) words.
2. According to Article 192-1 of the Company Law, shareholders holding more than 1% of the total number of issued shares can submit a list of director candidates to the company. Shareholders nominate 8 director candidates (including 4 independent directors). If the number of nominees exceeds the number of directors to be elected, all nominations are invalid. The professional qualifications, shareholding and part-time restrictions of independent director candidates shall comply with the "Regulations on the Appointment of Independent Directors of Public Offering Companies and Matters to Be Followed".
3. The company's director election adopts a candidate nomination system in accordance with the Company Law, the Securities Exchange Law and the company's articles of association. The general meeting of shareholders of the company accepts shareholder proposals and applications for nominating director candidates. The period is from April 10, 2023 to April 19, 2023 and has been announced in the public information observation website in line with law.
4. The Company accepted proposals from shareholders for this year's general shareholders' meeting between April 10 and April 19, 2023, and has posted this information on Market Post Observation System as required by law.
5. The Company so far has not received any proposal from any shareholder.