

VisEra Technologies Company Ltd.

2023 Annual General Shareholders' Meeting Procedure

One. Chairman Address

Two. Report Items

Three. Matters for Ratification Proposals

Four. Elections

Five. Other Motions

Six. Extemporaneous Motions

Seven. Adjournment

VisEra Technologies Company Ltd.

Agenda of the 2023 Regular Shareholders' meeting

Time: 09:00 a.m., May 24, 2023

Location: 2F, No. 1, Gongye E. 2nd Rd., Hsinchu City, Hsinchu Science
Park

(Einstein Hall, Science Park Life Hub)

Attendance: All shareholders and equity representatives

Chairman: Chairman Robert Kuan

One. Chairman Address

Two. Report Items

1. 2022 Business Report
2. Audit Committee's Review Report
3. 2022 Allocation of remuneration to directors and employees

Three. Matters for Ratification Proposals

1. Adoption of the 2022 Business Report and Financial Statements
2. Adoption of 2022 Earnings Distribution

Four. Elections: Election of one additional independent director

Five. Other Motions: Termination of the non-competition restriction imposed on the current and new directors (including independent directors)

Six. Extemporaneous Motions

Seven. Adjournment

Report Items

1. 2022 Business Report, for approval.

Explanation: Please refer to Attachment 1 on page 9~11 of the Handbook for the 2022 Business Report.

2. Audit Report of the audit committee, for approval.

Explanation: Please refer to Attachment 2 on page 12 of the Handbook for the Audit Report of the audit committee.

3. 2022 Allocation of remuneration to directors and employees

Explanation, for approval.

(1) The proposal for 2022 allocation of the remuneration to employees and directors has been approved per the resolution of the Board of Directors on February 22, 2023. Said remuneration will be allocated in cash in whole.

(2) The remuneration to employees and directors was NT\$353,159,109 and NT\$3,240,000 to be allocated in cash in whole, which is not different from those stated in 2022.

Matters for Ratification Proposals

1. Adoption of the 2022 Business Report and Financial Statements. (Proposed by the board of directors)

Explanation:

(1) The 2022 Financial Statements of the company include the balance sheet, statement of comprehensive income, statement of changes in equity, and cash flow statement, which were audited by Shang-Chih Lin and Ming-Yuan Chong, CPA of Deloitte Taiwan.

- (2) Please refer to Attachment 1 on page 9~11 and Attachment 3 on page 13 of the Handbook for the 2022 Business Report, CPA audit report and the aforementioned financial statements.

Resolution:

2. Adoption of 2022 Earnings Distribution. (Proposed by the board of directors)

Explanation:

- (1) According to the Company Act, after the end of each fiscal year, the Board of Directors shall prepare the proposal of the profit distribution, or loss appropriation and submit the same to the regular shareholders' meeting for acceptance.
- (2) The company's distributable earnings in 2022 were NT\$1,589,215,991. NT\$631,092,238 of the retained earnings are to be distributed as common share cash dividend. The Company has issued 315,546,119 common shares on January 31, 2023, so the cash dividend for each share is NT\$2.
- (3) Please refer to Attachment 4 on page 20 of the Handbook for the 2022 Earnings Distribution Table.
- (4) The current cash dividends are calculated and truncated to the nearest NT\$ at the distribution ratio. The fractional amount less than NT\$1 is summed up and recognized by the Company as other revenue.
- (5) Upon approval of the cash dividends to be distributed by the shareholders' meeting, the Chairman will be authorized to set the record date for the distribution of dividends, and distribute the cash dividends separately. If the Company buys back the Company's shares, transfers or cancels treasury stocks, makes

new issues of its shares due to employees' exercise of stock warrants, issues or recalls restricted share awards (RSAs) and issues new shares upon capital increase in cash, and engages in any other activities, in any other way, causes changes to the number of the Company's outstanding shares on a later date, the Chairman of Board is also authorized to adjust the distribution ratio per share and other relevant matters.

Resolution:

Elections

1. Election of one additional independent director (Proposed by the Board of Directors)

Explanation:

- (1) According to Paragraph 2, Article 4 of the "Taiwan Stock Exchange Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers", where the Chairman of Directors and the President or person of an equivalent post of a TWSE listed company are the same person, not less than four independent directors shall be established before December 31, 2023.
- (2) The Company has 3 independent directors currently, and wishes to elect one additional independent director to satisfy said requirement.
- (3) The motion was approved per resolution of the Board of Directors on February 22, 2023. The name list of candidates for independent director approved at the meeting includes Han-Fei

Lin, whose academic background, work experience, and related information are shown in the following table.

(4) The independent director shall take office immediately upon election, whose term of office commences from May 24, 2023 to March 3, 2024.

Nominee types	Name	Education	Work experience and current post	Whether having held the position as independent director for three terms of office consecutively/reasons	No. of shares held
Independent Director	Han-Fei Lin	Wharton School of the University of Pennsylvania MBA	Current Post: The CID Group Ltd. - Partner Easywell Biomedicals Inc. - Chairman and CEO Lotus Pharmaceutical Co., Ltd. - Independent Director P-Two Industries Inc. - Independent Director Tai-Ling Biotech., Inc. - Director Synmax Biochemical Co., Ltd. - Supervisor Magnifica Inc. - Representative of Corporate Director Easywell Biomedicals (HK), Inc. - Representative of Corporate Director Yu Wei Asset Management Co., Ltd. - Supervisor Miho International Cosmetic Co., Ltd. - Supervisor eCloudvalley Digital Technology Co., Ltd. - Independent Director Saviah Technologies, Inc. - Director Tulex Pharmaceuticals Inc. - Representative of Corporate Director Jiangsu Huahan Pharmatech Co., Ltd. - Representative of Corporate Director Pou Chen Group Affinity Impact Charity Fund - Supervisor Work Experience: Salomon Smith Barney Merger & Acquisition Dept., Citibank - Vice President MStar Semiconductor, Inc. - CFO Investment Dept., Foxconn (US) - Director	Not applicable.	0 shares

Resolution:

Other Motions

1. Termination of the non-competition restriction imposed on the current and new directors (including independent directors) (Proposed by the Board of Directors)

Explanation:

- (1) According to Article 209 of the Company Act, a director who does anything for himself/herself or on behalf of another person that is within the scope of the Company's business, shall explain to a shareholders' meeting the essential content of such an act and secure its approval.
- (2) Accordingly, the Company shall secure approval at a shareholders' meeting pursuant to laws. Where any of the Company's current and new directors as elected satisfies said requirements, the director and its representative may be approved to be relieved from the non-competition restriction.
- (3) The Company's election of independent directors adopt the candidate nomination system. Those holding other positions concurrently are stated as following:

Name of Independent Director	Concurrent Position
Peng-Heng Chang	Chi-Kuang Solar Energy - Chairman Ruiri Optoelectronics - Representative of Corporate Director Ruiyang Optoelectronics - Representative of Corporate Director MediaTek Inc. - Independent Director Big Sun Energy Technology Inc. - Representative of Corporate Director LOVE AND JOY CO., LTD. - Representative of Corporate Director Ruihui Optoelectronics - Representative of Corporate Director
Laura Huang	Sino Horizon Holdings Limited - Independent Director Parade Technologies, Ltd. Taiwan Branch (Cayman Islands) - Independent Director

Han-Fei Lin	The CID Group Ltd. - Partner Easywell Biomedicals Inc. - Chairman and CEO Lotus Pharmaceutical Co., Ltd. - Independent Director P-Two Industries Inc. - Independent Director Tai-Ling Biotech., Inc. - Director Synmax Biochemical Co., Ltd. - Supervisor Magnifica Inc. - Representative of Corporate Director Easywell Biomedicals (HK), Inc. - Representative of Corporate Director Yu Wei Asset Management Co., Ltd. - Supervisor Miho International Cosmetic Co., Ltd. - Supervisor eCloudvalley Digital Technology Co., Ltd. - Independent Director Saviah Technologies, Inc. - Director Tulex Pharmaceuticals Inc. - Representative of Corporate Director Jiangsu Huahan Pharmatech Co., Ltd. - Representative of Corporate Director Pou Chen Group Affinity Impact Charity Fund - Supervisor
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Resolution:

Extemporary Motions

Adjournment

2022 Business Report

Ladies and gentlemen:

In 2022, the global political and economic environment was unstable. After experiencing wars and geopolitical shocks, inflationary challenges and the impact of China's supply chain restrictions, the industry faced the threats of de-globalization and high interest rates. According to IMF data, global economic growth slowed to 3.4% in 2022. Although the semiconductor industry worldwide is still growing positively, and Taiwan's semiconductor production value even exceeds NT\$4 trillion, the Company's operation is facing more severe challenges than ever under the influence of destocking and the continuing wafer wars.

Looking back to 2022, VisEra has achieved operational milestones through the efforts of all our employees, including continuous investment in research and development to expand the technology and applications of optical sensors; developing different end-use markets and increasing sales of automotive sensors by more than 50% annually; cooperation with diversified customers to expand the scope of operations and reduce the impact of market fluctuations; and the completion of the new factory in Longtan will increase the future growth momentum of operations. With the success in becoming a listed company and the increase of the company's working capital, VisEra has been able to develop and expand its business with a more stable operating structure, and looks forward to the next stage of growth with the gradual recovery of the semiconductor industry and the introduction of new applications and functions in optical semiconductors.

Financial Performance

VisEra's revenue for 2022 was NT\$9.077 billion, which was stable as compared to the previous year's revenues. Gross profit margin was 37%, a 3% decrease from the previous year. This was mainly due to the increase in depreciation expenses resulting from the expansion of production capacity at the Hsinchu plant. Operating expenses were NT\$1.313 billion, a 47.5% increase from the previous year. The increase was mainly due to the initial start-up costs for the establishment of the Longtan plant, as well as increased R&D expenses to develop key technologies and consolidate our leading position. Net income after tax was NT\$1.766 billion, an 18% decrease from the previous year's net income after tax, and earnings per share was NT\$5.80.

Technology Development

In terms of the progress of optical semiconductor technology, VisEra has successfully developed image sensors with 0.56um pixel size and they're ready for mass production; now VisEra is developing image sensors with 0.4um pixel size. The Company is also developing corresponding sensor technologies such as low-light environment and HDR performance to provide products with both stability and image quality for automotive applications and other high-potential markets. We are actively developing Metasurface processes for applications such

as ToF/3D sensors, cell phone image sensors, AR eye tracking sensors, and AR micro display systems, so that we can enhance the optical performance and reduce the weight and thickness of our products to assist our customers in developing cost-effective products. In addition, we focus on the development of NIR and SWIR band sensing technologies, which have the advantages of better optical penetration and telemetry, as well as higher safety for the human eye, and are suitable for cell phone off-screen sensing solutions, wearable devices such as AR, and automotive time-of-flight distance measurement (ToF)/LiDAR. VisEra's related research and development capabilities have been recognized with the "Best Conference Paper Award" at the 2022 IEEE-NEMS Symposium.

Environmental, Social, and Corporate Governance (ESG)

Our commitment to the pursuit of sustainable development and active implementation of sustainability has never changed. Through activities such as talent development and retention, green production, AI safety, a sustainable supply chain, and social participation, we have implemented sustainable management in various aspects including organization, product, manufacturing, and the supply chain. As a semi-conductor manufacturer, VisEra's "Green Production" focuses on low carbon, energy saving, waste reduction, water conservation, air pollution prevention, and environmental accounting measures. It plans to increase the use of green electricity to 20% of total electricity consumption as a short-term goal. The AI Smart Manufacturing combines big data to enhance the automated production process and develops more than 20 AI manufacturing applications annually, which effectively improves the process efficiency and increases production capacity. The Company was awarded the Silver Award of the 4th National Enterprise Environmental Protection Award by the Environmental Protection Administration of the Executive Yuan in 2022. The Company will continue to promote ESG in the future.

Future Outlook

The global economic and political uncertainties will remain in 2023 and semiconductor manufacturing will evolve through global supply chain restructuring, but it is expected that inventory adjustment in the semiconductor industry will be gradually stabilized quarter by quarter. VisEra's focus is to build on its strengths in optical semiconductor technology, to expand and strengthen more customer partnerships, and to remain agile for more opportunities to overcome global changes. As we look ahead, micro optical sensors and micro optical displays will be driven by 5G, AIoT, and efficient computing, and the development and capacity for innovative applications such as cell phones, automobiles, and AR devices will continue to increase in the coming years. VisEra expects to bring more abundant, more realistic, and safer technology through technology to the world, achieve the medium and long-term operational growth target, and to create and share the Company's value with its shareholders.

We wish you

Good health and good luck.

Chairman: Robert Kuan

Managers: Robert Kuan

Accounting Supervisor:
Kevin Tsai

Audit Committee's Review Report

The Board of Directors prepared the 2022 Business Report, Financial Statements, and earning distribution proposal of the Company. The Financial Statements have been audited by the CPA of Deloitte & Touche, who presented the independent auditors' report. After audit, the Audit Committee believes the aforementioned Business Report, Financial Statements and earnings distribution proposal are prepared in good faith. Therefore, the Audit Committee's Review Report is so generated pursuant to the Securities and Exchange Act and the Company Act.

VisEra Technologies Company Ltd.

Convener of the Meeting of the Audit Committee: Laura Huang

February 22, 2023

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
VisEra Technologies Company Ltd.

Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and 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 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 financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter of the Company's financial statements for the year ended December 31, 2022 is stated as follows:

Contract Assets and Revenue Recognition

The majority of the Company's revenue is generated from color filter and optical coating, which are manufactured according to the customized specifications agreed in the contractual agreement. The customers have obtained control over the products during manufacturing process. As such, revenue and contract assets are recognized over time in accordance with the requirements under paragraph 35(b) of IFRS 15. Refer to Notes 4, 5 and 17 to the accompanying financial statements for the details of the accounting policies related to the

contract assets and revenue recognition. The Company recognizes contract assets and revenue at the end of each month based on progress towards completion. Since the abovementioned process involves estimates and manual controls, there is a risk that contract assets and revenue may not be recognized correctly. Thus, the Company's contract assets and revenue recognition was identified as a key audit matter.

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

1. We obtained an understanding and tested the effectiveness of the design and implementation of key internal controls over contract assets and revenue recognition.
2. We obtained an understanding and evaluated the reasonableness of management's assumption and policy over contract assets and revenue recognition.
3. We evaluated the reasonableness of the underlying data used in calculations for the percentage of completion.
4. We performed a retrospective review of management's standard cost estimates.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements 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.

The engagement partners on the audits resulting in this independent auditors' report are Shang-Chih Lin and Ming-Yuan Chung.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 22, 2023

Notice to Readers

The accompanying financial statements are intended only to present the financial position, financial performance 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 financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying 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 independent auditors' report and financial statements shall prevail.

VISERA TECHNOLOGIES COMPANY LTD.

BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

ASSETS	2022		2021		LIABILITIES AND EQUITY	2022		2021	
	Amount	%	Amount	%		Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES				
Cash and cash equivalents (Note 6)	\$ 11,949,452	47	\$ 3,232,624	21	Financial liabilities at fair value through profit or loss				
Financial assets at fair value through profit or loss -					- current (Note 7)	\$ 2,079	-	\$ 86	-
current (Note 7)	13,257	-	6,003	-	Contract liabilities - current (Note 17)	9,085	-	9,994	-
Contract assets - current (Notes 5, 17 and 25)	314,099	1	248,248	2	Accounts payable	302,237	1	335,527	2
Accounts receivable, net (Notes 5 and 8)	651,302	3	1,196,432	8	Lease liabilities - current (Notes 11 and 22)	82,141	-	71,982	1
Accounts receivable from related parties (Notes 5, 8 and 25)	112,820	1	117,823	1	Accrued profit sharing bonus to employees and remuneration				
Other receivables	76,884	-	35,639	-	of directors (Note 18)	356,399	1	435,756	3
Other receivables from related parties (Note 25)	4,257	-	-	-	Payables to equipment suppliers	871,967	3	621,268	4
Inventories (Note 9)	85,228	-	96,207	1	Current tax liabilities (Note 19)	149,755	1	365,775	2
Prepayments and other current assets	70,465	-	67,957	-	Long-term liabilities-current portion (Notes 13 and 22)	1,213,889	5	166,666	1
					Accrued expenses and other current liabilities (Notes 14,				
Total current assets	13,277,764	52	5,000,933	33	17 and 25)	648,952	3	618,042	4
NON-CURRENT ASSETS					Total current liabilities	3,636,504	14	2,625,096	17
Property, plant and equipment (Notes 5 and 10)	11,919,577	47	9,773,826	65					
Right-of-use assets (Note 11)	312,406	1	244,038	2	NON-CURRENT LIABILITIES				
Intangible assets (Note 12)	49,922	-	24,874	-	Long-term borrowings (Notes 13 and 22)	4,760,047	19	3,309,131	22
Deferred tax assets (Note 19)	17,956	-	21,014	-	Deferred tax liabilities (Note 19)	32,253	-	21,560	-
Other non-current assets (Note 26)	22,496	-	24,490	-	Lease liabilities - non-current (Notes 11 and 22)	236,499	1	177,417	1
					Deferred revenue - non-current (Note 13)	39,397	-	34,203	1
Total non-current assets	12,322,357	48	10,088,242	67	Guarantee deposits (Note 25)	5,259	-	5,193	-
					Total non-current liabilities	5,073,455	20	3,547,504	24
					Total liabilities	8,709,959	34	6,172,600	41
					EQUITY (Note 16)				
					Capital stock	3,155,341	12	2,932,991	19
					Capital surplus	7,304,953	29	732,799	5
					Retained earnings				
					Appropriated as legal reserve	1,211,163	5	994,635	7
					Unappropriated earnings	5,218,705	20	4,256,150	28
						6,429,868	25	5,250,785	35
					Total equity	16,890,162	66	8,916,575	59
TOTAL	\$ 25,600,121	100	\$ 15,089,175	100	TOTAL	\$ 25,600,121	100	\$ 15,089,175	100

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

VISERA TECHNOLOGIES COMPANY LTD.

STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 5, 17 and 25)	\$ 9,077,148	100	\$ 9,029,178	100
OPERATING COSTS (Notes 9, 18 and 25)	<u>5,749,908</u>	<u>63</u>	<u>5,460,206</u>	<u>60</u>
GROSS PROFIT	<u>3,327,240</u>	<u>37</u>	<u>3,568,972</u>	<u>40</u>
OPERATING EXPENSES (Notes 18 and 25)				
Sales and marketing	70,400	1	69,189	1
General and administrative	570,551	6	279,052	3
Research and development	<u>671,886</u>	<u>8</u>	<u>542,020</u>	<u>6</u>
Total operating expenses	<u>1,312,837</u>	<u>15</u>	<u>890,261</u>	<u>10</u>
OTHER OPERATING INCOME AND EXPENSES, NET (Notes 10, 18 and 25)	<u>54,256</u>	<u>1</u>	<u>28,551</u>	<u>-</u>
PROFIT FROM OPERATIONS	<u>2,068,659</u>	<u>23</u>	<u>2,707,262</u>	<u>30</u>
NON-OPERATING INCOME AND EXPENSES (Notes 18 and 25)				
Interest income	54,919	-	7,232	-
Other income	238	-	1,723	-
Other gains and losses	(171,671)	(2)	12,224	-
Foreign exchange gain and loss, net	160,659	2	(11,981)	-
Finance costs	<u>(12,355)</u>	<u>-</u>	<u>(12,514)</u>	<u>-</u>
Total non-operating income and expenses	<u>31,790</u>	<u>-</u>	<u>(3,316)</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	2,100,449	23	2,703,946	30
INCOME TAX EXPENSE (Note 19)	<u>334,654</u>	<u>4</u>	<u>538,666</u>	<u>6</u>
NET INCOME	<u>1,765,795</u>	<u>19</u>	<u>2,165,280</u>	<u>24</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 1,765,795</u>	<u>19</u>	<u>\$ 2,165,280</u>	<u>24</u>
EARNINGS PER SHARE (Note 20)				
Basic earnings per share	<u>\$ 5.80</u>		<u>\$ 7.41</u>	
Diluted earnings per share	<u>\$ 5.71</u>		<u>\$ 7.24</u>	

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

VISERA TECHNOLOGIES COMPANY LTD.

STATEMENTS OF CHANGES IN EQUITY **(In Thousands of New Taiwan Dollars)**

	Capital Stock - Common Stock			Retained Earnings			
	Stock	Amount	Capital Surplus	Legal Reserve	Unappropriated Earnings	Total	Total Equity
	(In Thousands)						
BALANCE, JANUARY 1, 2021	291,153	\$ 2,911,531	\$ 703,493	\$ 785,581	\$ 2,882,230	\$ 3,667,811	\$ 7,282,835
Appropriation of earnings							
Legal reserve	-	-	-	209,054	(209,054)	-	-
Cash dividends	-	-	-	-	(582,306)	(582,306)	(582,306)
Employee share options exercised	2,146	21,460	21,112	-	-	-	42,572
Donation from shareholders	-	-	406	-	-	-	406
Compensation cost of employee share options	-	-	7,788	-	-	-	7,788
Net profit and total comprehensive income for the year ended December 31, 2021	-	-	-	-	2,165,280	2,165,280	2,165,280
BALANCE, DECEMBER 31, 2021	293,299	2,932,991	732,799	994,635	4,256,150	5,250,785	8,916,575
Appropriation of earnings							
Legal reserve	-	-	-	216,528	(216,528)	-	-
Cash dividends	-	-	-	-	(586,712)	(586,712)	(586,712)
Employee share options exercised	1,215	12,150	8,056	-	-	-	20,206
Issuance of ordinary shares for cash	21,020	210,200	6,528,434	-	-	-	6,738,634
Donation from shareholders	-	-	62	-	-	-	62
Compensation cost of employee share options	-	-	35,602	-	-	-	35,602
Net profit and total comprehensive income for the year ended December 31, 2022	-	-	-	-	1,765,795	1,765,795	1,765,795
BALANCE, DECEMBER 31, 2022	315,534	\$ 3,155,341	\$ 7,304,953	\$ 1,211,163	\$ 5,218,705	\$ 6,429,868	\$ 16,890,162

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

VISERA TECHNOLOGIES COMPANY LTD.

STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 2,100,449	\$ 2,703,946
Adjustments for:		
Depreciation expense	2,324,002	1,949,486
Amortization expense	10,061	8,971
Finance costs	12,355	12,514
Interest income	(54,919)	(7,232)
Compensation cost of employee share options	35,602	7,788
Gain on disposal of property, plant and equipment, net	-	(1,003)
Foreign exchange loss (gain), net	9,472	(3,796)
Changes in operating assets and liabilities:		
Financial instruments at fair value through profit or loss	(5,261)	3,182
Contract assets	(65,851)	(110,872)
Accounts receivable, net	545,130	(465,958)
Receivables from related parties, net	5,003	70,693
Other receivables	(10,049)	(5,931)
Other receivables from related parties	(4,257)	1,643
Inventories	10,979	(10,757)
Prepayments and other current assets	(2,508)	(19,641)
Contract liabilities	(909)	4,171
Accounts payable	(33,290)	135,788
Accrued profit sharing bonus to employees	(79,357)	17,647
Accrued expenses and other current liabilities	<u>29,135</u>	<u>89,743</u>
Cash generated from operations	4,825,787	4,380,382
Income taxes paid	<u>(536,923)</u>	<u>(585,655)</u>
Net cash generated from operating activities	<u>4,288,864</u>	<u>3,794,727</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(4,126,223)	(3,957,499)
Proceeds from disposal of property, plant and equipment	-	1,003
Increase in refundable deposits	-	(2,000)
Decrease in refundable deposits	1,994	-
Payments for intangible assets	(35,109)	(24,749)
Interest received	<u>23,723</u>	<u>6,284</u>
Net cash used in investing activities	<u>(4,135,615)</u>	<u>(3,976,961)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	2,670,000	1,510,000
Repayments of long-term borrowings	(166,667)	-
Guarantee deposits received	-	176
Guarantee deposits refunded	-	(52)
Repayment of the principal portion of lease liabilities	(78,030)	(75,876)
Cash dividends	(586,712)	(582,306)
Proceeds from issuing shares	6,738,634	-

(Continued)

VISERA TECHNOLOGIES COMPANY LTD.

STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	2022	2021
Employee share options exercised	\$ 20,206	\$ 42,572
Interest paid	(33,914)	(17,406)
Donation from shareholders	<u>62</u>	<u>406</u>
Net cash generated from financing activities	<u>8,563,579</u>	<u>877,514</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	8,716,828	695,280
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>3,232,624</u>	<u>2,537,344</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 11,949,452</u>	<u>\$ 3,232,624</u>

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

(Concluded)

VisEra Technologies Company Ltd.

2022 Earnings Distribution Table

	Unit: NT\$
Beginning Undistributed Earnings	3,452,908,150
2021 net profit	1,765,795,546
Less:	
- Distribution of 10% as legal reserve	(176,579,555)
2021 Distributable Earnings	1,589,215,991
Distributable Earnings as of December 31, 2021	5,042,124,141
Distribution Items:	
- Common share cash dividend (NT\$2 per share)	(631,092,238)
Ending Undistributed Retained Earnings	4,411,031,903

Chairman: Robert Kuan

President: Robert Kuan

Accounting Supervisor: Kevin Tsai

VisEra Technologies Company Ltd.

Rules of Procedure for Shareholder Meetings

Rules of Procedure for Shareholder Meetings

- Article 1 Shareholder meetings of the company shall be conducted in accordance with these Rules of Procedure. Matters not specified in the Rules shall be conducted in accordance with related laws and regulations.
- Article 2 Attended shareholders shall turn in attendance cards to replace sign-in. The number of attended shares shall be calculated based on the attendance cards turned in.
- Article 3 The venue for a shareholder meeting shall be the premises of the company, or a place easily accessible to shareholders and suitable for a shareholder meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
- Article 4 If a shareholder meeting is convened by the board of directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the company shall designate another director as the meeting chairperson in accordance with Article 208 of the Company Act. If a shareholder meeting is convened by a party with power to convene other than the board of directors, the convening party shall chair the meeting.
- Article 5 The Company may appoint its attorneys, certified public accountants, or related persons to attend the meeting in a non-voting capacity. Staff handling administrative affairs of a shareholder meeting shall wear identification cards or armbands.
- Article 6 The shareholder meeting shall have uninterrupted recording of audio and video, and such recording shall be retained for at least one year.
- Article 7 The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, are made.

If the quorum is not met after two postponement, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to the provision of the Company Act. The execution of the tentative resolution shall be conducted in accordance with the Company Act. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative 28 resolution for a vote by the shareholders meeting pursuant to the provision of the Company Act.

Article 8 If a shareholder meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in accordance with the agenda, which may not be changed without a resolution of the meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholder meeting convened by a party with the power to convene that is not the board of directors. The chair may not declare the meeting adjourned prior to completion of deliberations on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. After the meeting is adjourned, shareholders shall not elect another chair and resume the meeting at the same venue or a different venue. If the chair declares the adjournment of the meeting in a manner in violation of such rules governing the proceedings of meetings, a new chair of the meeting may be elected by a resolution to be adopted by a majority of the voting rights represented by the shareholders attending the meeting to continue the proceedings of the meeting.

Article 9 Attending shareholders are obliged to abide by the meeting rules and resolutions, and maintain the order of the venue.

Article 10 When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 11 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, their shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed five minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation. 29 When a juristic person shareholder appoints two or more representatives to attend the meeting, only one of the representatives appointed may speak on the same proposal. After an attending shareholder has spoken, the chair may respond or direct relevant personnel to respond.

Article 12 When the chair deems that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

Article 13 Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the company. The result of a vote shall be reported on the spot and be recorded accordingly.

Article 14 Unless otherwise provided in the Company Act and the company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. If the chair solicits and receives no dissent, the motion is deemed passed, with the same effect

as a resolution by vote. According to the regulations of the competent authorities, after company's shares have been listed on the Taiwan Stock Exchange (TWSE), the company's shareholders may exercise the voting power at a shareholder meeting by way of electronic transmission. A shareholder who exercises their voting power at a shareholder meeting by way of electronic transmission shall be deemed to have attended the shareholder meeting in person, and the relevant matters shall be conducted in accordance with applicable laws and regulations.

Article 15 When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed or to defer or resume the meeting within five days in accordance with the resolution adopted by the shareholder meeting without notice and announcement.

Article 16 When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 17 The chair may direct disciplinary officers or security guards to help maintain order at the meeting place. Such disciplinary officers or security guards shall wear armbands marked with "Disciplinary Officers" for identification purposes.

Article 18 These Rules of Procedure, and any amendments hereto, shall be implemented from the date they are adopted by the shareholder meeting.

Article 19 These Rules of Procedure were stipulated on June 5, 2009. The first amendment was made on June 19, 2020, and the second amendment was made on March 4, 2021.

Articles of Incorporation of VisEra Technologies Company Ltd.

Articles of Incorporation of VisEra Technologies Company Ltd.

Chapter I General Provisions

- Article 1 The Company is incorporated in accordance with the Company Act and is named 采鈺科技股份有限公司; the English name of the Company is VisEra Technologies Company Ltd.
- Article 2 The scope of business of the Company is as follows:
- i. CC01080 Electronic parts and components manufacture.
 - ii. I501010 Product design.
 - iii. F401010 International trade. Research, design, development, manufacture, and sale of:
 - (1)Color Filter
 - (2)Image sensing components and modules
 - (3)LED components and modules
 - (4)Packaging and testing of the above productsImport and export trade business related to the Company's business.
- Article 3 The Company is headquartered in the Hsinchu Science Park, and may establish branches abroad if necessary, subject to the resolution of the Board of Directors and approval of the competent authority.
- Article 4 The total amount of investments in other companies by the Company may exceed 40% of its own paid-in capital. The Board of Directors is authorized to make operational decisions for such investments.
- Article 4-1 The Company may provide guarantee to other companies. °

Chapter 2 Shares

- Article 5 The total capital amount of the Company is four billion New Taiwan Dollars, divided into four hundred million shares, at ten New Taiwan Dollars each and may be issued in installments. The Company may issue employee stock options. Among the aforementioned total capital stock, 20,000,000 shares should be reserved for issuing employee stock options.
- Article 6 The Company are exempted from issuing any share certificate. In the event the Company issues share certificates, such certificates shall be registered and issued in accordance with the Company Act of the Republic of China and other relevant laws and regulations.

Chapter 3 Shareholders' Meetings

- Article 7 Share assignment/transfer shall be recorded in accordance with Article 165 of the Company Act and other relevant laws and regulations.
- Article 8 Shareholders' meetings of the Company are of two types, regular meetings and special meetings. Regular meetings shall be convened at least once every year within six months after the end of each fiscal year, while special meetings shall be convened whenever necessary. Shareholders' meetings of the Company can be held by means of a video conferencing or other methods promulgated by the central competent authority.
- Article 9 Unless otherwise provided in the Company Act, each share of stock shall be entitled to one vote.
- Article 10 If a shareholder is unable to attend a shareholders' meeting, he/she may appoint a proxy to attend it and exercise his/her rights in accordance with Article 177 of the Company Act.
- Article 10-1 After listing of stocks on TWSE, shareholders of the Company may also exercise voting rights via an electronic voting system pursuant to regulations by the competent authority. A shareholder who exercises his/her/its voting rights via an electronic voting system shall be deemed as attending the shareholders' meeting in person, while related matters shall be conducted in accordance with the laws and regulations.

Chapter 4 Directors

- Article 11 The Company shall have five to seven directors who shall be elected from among the persons with disposing capacity by the shareholders' meeting. The term of office of a director shall be three years and shall be eligible for re-election. The aforesaid Board of Directors must have at least three Independent Directors. Election of directors shall be conducted in accordance with Article 192-1 of the Company Act where the system of candidate nomination shall be adopted. The relevant implementations shall be governed by the Company Act, Securities and Exchange Act, and other relevant laws and regulations.
- Article 12 In case no election of new directors is effected after the expiry of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office. However, the competent authority may, ex officio, order the Company to elect new directors within a given time limit. If no re-election is effected after expiry of the given time limit, the directors shall be discharged ipso facto from such expiration date.
- Article 13 The Board of Directors shall be formed by elected directors. The directors shall

elect a Chairman of the Board from among themselves by a majority vote at a meeting attended by over two-thirds of the directors.

Article13-1 The Company shall establish an audit committee. The Company may also establish other functional committees in accordance with the laws and regulations.

Article 14 Unless otherwise provided in the Company Act, the Chairman of the Board shall be the chairman of shareholders' meetings and meetings of the Board of Directors, and shall represent the Company. In case the Chairman is absent or otherwise cannot perform his/her duty for any reason, his/her proxy shall be appointed in accordance with Article 208 of the Company Act.

Article 15 Save for the first meeting of each term of the Board of Directors which shall be convened by the director who received the ballots representing the largest number of votes at the election of directors, meetings of the Board of Directors shall be convened by the Chairman of the Board pursuant to the Company Act. Unless otherwise provided in the Company Act, each director shall attend the meeting of the Board of Directors in person. A Director may appoint other directors as proxy to attend the meetings of the Board of Directors on his/her behalf with a written proxy, stating therein the scope of authority with reference to the subjects to be discussed at the meeting. A director may only be 34 appointed to act as a proxy by one other director. Resolutions at meetings of the Board of Directors shall be made in accordance with the Company Act.

Article15-1 The Board of Directors is authorized to determine the remuneration for the Chairman and directors based on the extent of their participation in the business operations and the level of contribution to the Company and with reference to the international or domestic industrial standards.

Chapter 5 Managers

Article 16 The Company may have managers whose appointment, discharge and remuneration shall be decided in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

Article 17 After the end of each fiscal year, the Board of Directors shall prepare the business report, financial statements, and proposal concerning the distribution of earnings or covering of losses and submit the same to the regular shareholders' meeting for acceptance.

Article 18 The Company shall not pay dividends or bonuses to shareholders when there are no earnings. For distribution of earnings, the Company shall first estimate and reserve the taxes to be paid, the losses to be covered, and the legal reserve to be set

aside which will be 10% of such earnings after including items other than the net profit after tax in the undistributed surplus earnings for the year; however, this restriction does not apply if the accumulated legal reserve has reached the amount of the Company's paid-in capital. Then the Company set aside a special reserve in accordance with the laws and regulations or as requested by the authorities in charge. Before paying dividends or bonuses to shareholders, the Company shall set aside not more than 2% of its profits of the period for which the Company distributes the earnings as remuneration to its directors and not less than 1% as profit sharing bonuses to its employees; provided, however, that the Company shall have reserved a sufficient amount to offset its accumulated losses.

Employees' profit sharing bonuses are resolved by a majority vote at a meeting of Board of Directors attended by at least two-thirds of the total number of directors and shall be reported to the shareholders' meeting. After the Company set aside the reserve pursuant to paragraphs 1 and 2 of this Article, in case of any balance left over, together with the retained earnings from previous years, the Board of Directors shall prepare a surplus earnings distribution proposal and submit the same to the shareholders' meeting for review and approval by a resolution for distributing the dividends and bonuses. Earnings may be distributed in total after taking into consideration the financial, business and operational factors. Earnings of the Company may be distributed by way of cash dividend and/or stock dividend and preferably by way of cash dividend. Distribution of earnings may also be made by way of stock dividend, provided however, the ratio for stock dividend shall not exceed 50% of total dividend distributed. In case there are no earnings for distribution, or the earnings are far less than the actual earnings previously distributed by the Company, or considering the financial, business or operational factors of the Company, the Company may allocate a portion or all of its reserves for distribution in accordance with relevant laws or regulations or the orders of the competent authorities. When the reserves are to be distributed in cash, the distribution may be approved by the Board of Directors in accordance with Article 241 of the Company Act and reported to the shareholders' meeting, instead of being submitted to the shareholders' meeting for acceptance.

Chapter 7 Supplementary Provisions

Article 19 These Articles of Incorporation is effective upon the approval for registration. Any matters not provided in these Articles of Incorporation shall be conducted in accordance with the Company Act and other relevant laws and regulations.

Article 20 These Articles of Incorporation were resolved on November 19, 2003. The first amendment was made on June 10, 2005, the second amendment was made on May 26, 2006, the third amendment was made on October 13, 2006, the fourth

amendment was made on June 11, 2008, the fifth amendment was made on June 5, 2009, the sixth amendment was made on June 29, 2016, the seventh amendment was made on June 19, 2020, and the eighth amendment was made on March 4, 2021. The ninth amendment was made on May 24, 2022.

**VisEra Technologies Company
Ltd.
Regulation Governing the Election
of Directors**

VisEra Technologies Company Ltd.
Regulation Governing the Election of Directors

- Article 1 Except as otherwise provided by the Company Act or by the Company's Articles of Incorporation, elections of directors shall be conducted in accordance with the Regulations.
- Article 2 The election of the Company's directors shall be carried out at a shareholders' meeting. The ballots shall be prepared by the Company, in which the number of voting rights shall be identified.
- Article 3 The names of candidates in the election of the Company's directors may be replaced by the shareholder attendance card number.
Election of directors shall be conducted in accordance with Article 192-1 of the Company Act where the system of candidate nomination shall be adopted. The relevant implementations shall be governed by the Company Act, Securities and Exchange Act, and other relevant laws and regulations.
- Article 4 In the election of the Company's directors, each share will have voting rights in a number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates. The election of independent directors and the non-independent directors shall be consolidated, provided that the quota of the elected shall be counted separately.
- Article 5 In the election of the Company's directors, those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective number of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the Chairman drawing lots on behalf of any person not in attendance.
- Article 6 Before the election process commences, the Chairman shall assign a certain number of ballot scrutinizer(s) and vote counters to implement related job duties. The ballot scrutinizer(s) may be appointed from the attended shareholders.
- Article 7 A ballot box shall be prepared by the Company for the election of directors and shall be opened and checked in public by the ballot scrutinizer(s) before the ballot casting.
- Article 8 Voters shall select one from the director candidates identified by the Company on each ballot.

- Article 9 A ballot is invalid under any of the following circumstances:
- (1) The ballot is not put inside the ballot box.
 - (2) The ballot is not one prepared by the Company.
 - (3) The voter fails to complete the ballot and thereby the ballot remains blank.
 - (4) The writing is unclear and indecipherable on the ballot, or altered by the voter.
 - (5) The aggregate number of votes to be allocated to each candidate shall not exceed the total number of voting rights of such voter.
 - (6) Two or more candidates are checked on a ballot.
- Article 10 Upon completion of the ballot casting process, the ballots shall be opened onsite and the Chairman shall announce the outcome of the election onsite.
- Article 11 The Company shall issue the notification to the persons elected as directors.
- Article 12 These Rules of Procedure, and any amendments hereto, shall be implemented from the date they are adopted by the shareholder meeting.
- Article 13 These Rules of Procedure were stipulated on June 5, 2009. The first amendment was made on June 19, 2020, and the second amendment was made on March 4, 2021.

**VisEra Technologies Company
Ltd.
Shareholding of All Directors**

Shareholding of All Directors

Position	Name	No. of shares held
Director/Chairman	Taiwan Semiconductor Manufacturing Co., Ltd. Representative: Robert Kuan	213,619,000 shares
Directors	Taiwan Semiconductor Manufacturing Co., Ltd. Representative: George Liu	
Directors	Taiwan Semiconductor Manufacturing Co., Ltd. Representative: Diane Kao	
Independent Director	Laura Huang	0 shares
Independent Director	Emma Chang	0 shares
Independent Director	Peng-Heng Chang	0 shares
Total		213,619,000 shares

- Note: 1. The number of issued shares of the company between the book closure date of the shareholder meeting and March 26, 2023, is 315,777,119.
2. The minimum required combined shareholding of all directors: 12,631,084 shares. (5%)
3. The Company has an Audit Committee. As such, the application of the number of shares held by the Supervisor provided by law does not apply.