

OPTIMAX TECHNOLOGY CORPORATION
2024 Annual General Shareholders' Meeting Minutes
(Translation)

Time and Date : 9:00 a.m., Thursday, June 20, 2024

Place : Southern Tao-Yuan Youth Activity Center

(Located at No. 128, Sec. 1, Yanping Rd., Pingzhen Dist., Taoyuan City)

Total outstanding shares of the company: 168,000,000 shares. (Deducted 2,000,000 shares of treasury stock)

Total shares represented by shareholder in person or by proxy: 103,388,533 shares

(including the electronic attending shares of 7,374,027 shares), accounted for 61.54% of total.

Attended by: Peter Chao (Chairman), Ted Guo (Independent Director; Convener of Audit Committee),
Li-Chen Peng (BAKER TILLY CLOCK & CO, Taiwan accountant),
Lincoln Yeh (Attorney-LCS & Partners)

Chairman: Peter Chao

Recorded by: Jill Tang

1. The Chairman Calls the Meeting to order.

2. Chairman's Address (omitted)

3. Report Items

1. 2023 Annual Business Report

Explanation:

The 2023 Business Report is attached hereto as Attachment 1.

2. Audit Committee's Review Report

Explanation:

The 2023 Audit Committee's review report is attached hereto as Attachment 2.

3. Report on the Remuneration Allocation for Employees and Directors in the Year 2023.

Explanation:

(1) According to Article 20 of our company's Articles of Incorporation, if the company generates profits in a recent year, 1% to 10% of the profits should be allocated as employee remuneration, and no more than 1% should be allocated as director remuneration.

(2) In the year 2023, the company achieved a profit of NT\$200,606,726 (which is the profit before tax deducted from the distribution of employee and director remuneration). Employee remuneration of 1%, totaling NT\$2,006,067, and director remuneration of 0.5%, totaling NT\$1,003,034, were allocated, all to be disbursed in cash.

4. Report on the Improvement Plan for the Loan Balance Exceeding the Limit of our Subsidiary Company

Explanation:

(1) Processed in accordance with the Financial Supervisory Commission's official letter No. 1130340713.

(2) The Improvement Plan for the loan balance exceeding the limit of our Subsidiary is attached hereto as Attachment 5.

4. Ratification Matters

1. 2023 Business Report and Financial Statements. (Proposed by the Board of Directors)

Explanation:

- (1) The 2022 Financial Statements were audited by the independent auditors, Hsin-Liang Wu and Ying-Lai Chou of BAKER TILLY CLOCK & CO.
- (2) For the 2023 Independent Auditors' Report, and the 2023 Financial Statements, please refer to Attachments 3~4.
- (3) For the 2023 Business Report, please refer to Attachment 1.

Voting Results:

Shares represented at the time of voting: 103,331,533 votes

Voting Results*		% of the total represented share present
Votes in favor:	97,908,628 votes (2,051,864 votes)	94.75%
Votes against:	29,082 votes (29,082 votes)	0.02%
Votes invalid:	0 votes	0.00%
Votes abstained:	5,393,823 votes (5,293,081 votes)	5.21%

*including votes casted electronically (numbers in brackets)

The proposal has resolved as proposed.

2. 2023 Profits Distribution Plan (Proposed by the Board of Directors)

Explanation:

- (1) 2023 Profits Distribution Table:

OPTIMAX TECHNOLOGY CORPORATION		Unit: NTD
2023 Profits Distribution Table		
Items		Amount
The initial undistributed surplus		494,249,971
Plus : Net profit after tax in 2023		172,532,196
Plus : Other comprehensive profit		(2,432,981)
(Actuarial gains and losses of defined benefit plan in 2023)		
Disposal of financial assets measured at fair value through other comprehensive income		35,955,348
Deduction items :		
Less : Statutory surplus reserve (10%)		20,605,456
Less : Reversal of special surplus reserve		(5,702,784)
The end undistributed surplus		85,401,862
Distributable items :		
Shareholders' dividend - cash (NT\$ 1 per share)		168,000,000
Undistributed surplus for the year		517,401,862

Chairman : Peter Chao President : Wilson Chao Accounting Officer : Michael Chen

- (2) An amount of NTD 168,000,000 will be allocated from the distributable profits in 2023 for the distribution of cash dividends, with a dividend of NTD 1 per share. The calculation will be rounded down to the nearest whole NTD dollar, and the total amount of fractional dividends will be included in the company's other income.
- (3) After the proposed profit distribution plan is approved at the shareholders' meeting, the Chairman is authorized to determine the ex-dividend date, payment date, and other related matters.
- (4) If there is a change in the company's share capital after the dividend distribution, affecting the number of outstanding shares, resulting in a change in the dividend payout ratio, the Chairman is proposed to be authorized by the shareholders' meeting to handle the matter in accordance with the Company Act or other relevant laws and regulations.

Voting Results:

Shares represented at the time of voting: 103,331,533 votes

Voting Results*		% of the total represented share present
Votes in favor:	97,905,245 votes (2,048,481 votes)	94.74%
Votes against:	30,128 votes (30,128 votes)	0.02%
Votes invalid:	0 votes	0.00%
Votes abstained:	5,396,160 votes (5,295,418 votes)	5.22%

*including votes casted electronically (numbers in brackets)

The proposal has resolved as proposed.

5. Discussion Matters

1. Proposed amendment to the "Articles of Incorporation " (Proposed by the Board of Directors)

Explanation:

- (1) For the necessity of the business operation, the company proposes to amend the Company's Articles of Incorporation.
- (2) Comparison table for Articles of Incorporation, please refer to Attachment 6.

Voting Results:

Shares represented at the time of voting: 103,331,533 votes

Voting Results*		% of the total represented share present
Votes in favor:	97,683,716 votes (2,052,952 votes)	94.53%
Votes against:	255,142 votes (29,142 votes)	0.24%
Votes invalid:	0 votes	0.00%
Votes abstained:	5,392,675 votes (5,291,933 votes)	5.21%

*including votes casted electronically (numbers in brackets)

The proposal has resolved as proposed.

6. Election Matters

1. Election for directors (Proposed by the Board of Directors)

Explanation:

- (1) The current board of directors' term expires on August 26, 2024, and a comprehensive election will take place at this shareholder meeting. The current board of directors has agreed to resign in advance following the election.
- (2) In accordance with Article 13 of the company's articles of association and the Taiwan Stock Exchange Corporation's Guidelines for the Establishment and Exercise of Powers of the Board of Directors of Listed Companies, a total of 12 directors shall be elected at this time (including 4 independent directors). The nomination system for candidates shall be adopted, with a term of three years, from June 20, 2024 to June 19, 2027, please refer to Attachment 7.

Election Result:

Type	Name	Votes
Director	Peter Chao	123,695,752
Director	Wilson Chao	104,443,344
Institutional Director	Shi-Hong Industrial Co., Ltd. Representative: Jin-De Wang	94,543,443
Institutional Director	Shi-Hong Industrial Co., Ltd. Representative: Shi-Fen Lin	97,077,754
Institutional Director	Shi-Hong Industrial Co., Ltd. Representative: Wei-Jie Wu	95,691,630
Director	Xiao-Nan Xiang	92,360,400
Director	Qi-Bang Yu	93,989,987
Director	Chang-Shu Jiang	92,007,207
Independent Director	Ted Guo	89,705,025
Independent Director	Tzeng-Guey Gu	89,702,532
Independent Director	Min Chao	89,847,895
Independent Director	Hsin Huang	89,660,239

7. Other Matters

1. Removal of the non-compete clause for directors (Proposed by the Board of Directors)

Explanation:

- (1) As provisioned in Article 209 of the Company Act, "A director who does anything for himself or on behalf of another person that is within the scope of the company's business shall explain to the meeting of shareholders the essential contents of such an act and secure its approval".

(2) The proposed cancelation of non-competing duty on the candidate of director:

Position	Name	Participation in Competitive Business
Chairman	Peter Chao	Chairman, Whirlwind Investment Co., Ltd.
Director	Wilson Chao	Chairman, Seabreeze Investment Co., Ltd.
Institutional Director	Shi-Hong Industrial Co., Ltd. Representative: Jin-De Wang	Consultant, Jiu-Ru Investment Co., Ltd.
Institutional Director	Shi-Hong Industrial Co., Ltd. Representative: Shi-Fen Lin	Executive Director, Kong Foods Co., Ltd.
Institutional Director	Shi-Hong Industrial Co., Ltd. Representative: Wei-Jie Wu	Special Assistant & Manager of Administration Department, ENNEAD INC. Special Assistant, Kong Foods Co., Ltd.
Director	Qi-Bang Yu	Chairman, Furuto International Corporation
Director	Chang-Shu Jiang	Chairman, Hong-Da Electric Industrial Technician Office
Independent Director	Min Chao	Director, Taicrystal International Technologies Co., Ltd.
Independent Director	Hsin Huang	Owner, HITOFUN LTD.

Voting Results:

Shares represented at the time of voting: 103,388,533 votes

Voting Results*	% of the total represented share present
Votes in favor: 97,225,611 votes (1,697,847 votes)	94.03%
Votes against: 260,257 votes (260,257 votes)	0.25%
Votes invalid: 0 votes	0.00%
Votes abstained: 5,902,665 votes (5,415,923 votes)	5.70%

*including votes casted electronically (numbers in brackets)

The proposal has resolved as proposed.

8. Extemporary Motions :

Shareholder Account Number 129867 Statement:

1. Current status of the Company's investment in Intelligent Information Security Technology INC.
2. Company's business outlook for the second half of the year.

The Chairman has provided comprehensive answers and explanations to the above shareholder inquiries.

9. Meeting Adjourn : 09:42 A.M. of the meeting day, all shareholders presented in the meeting has unanimously resolved to adjourn the shareholder meeting.

(For the convenience of readers and for information purpose only, the Minutes of Annual General Meeting has been translated into English from the original Chinese version. In the event of any discrepancy between the English version and the original Chinese version, the Chinese-language version shall prevail.)

【Attachment 1】

2023 Business Report

I. 2023 Business Report:

(I) The results of implementation of the business plan

In the year 2023, due to global instability, persistent inflation, and interest rate hikes, consumers reduced non-essential spending, resulting in a decline in overall panel demand. On the supply side, the expansion of capacity in China led to oversupply and continued price declines, posing significant challenges to the panel industry. In response to rapid market changes, we adjusted the product structure, strengthened focus on high-margin In-vehicle products, as well as niche products such as sunglasses, VR/AR, and endeavored to reduce operating expenses while continuously repaying bank loans to maintain a healthy financial structure.

Revenue from niche products increased from 50% in 2022 to 75% in 2023, with a gross profit margin of 27%, showing growth compared to 2022. In terms of non-operating income, rental income was NT\$58,295 thousand, a slight increase from NT\$50,056 thousand in 2022; foreign exchange gains were NT\$1,231 thousand, a significant decrease from NT\$113,161 thousand in 2022, with a decrease of NT\$111,930 thousand. As for non-operating expenses, interest expenses were NT\$42,048 thousand, a decrease of NT\$7,710 thousand from NT\$49,758 thousand in 2022; loss from disposal of property, plant, and equipment was NT\$8,700 thousand, an increase of NT\$5,035 thousand from the loss of NT\$3,665 thousand in 2022. In summary, the pre-tax net profit for the year 2023 was NT\$197,597 thousand, and the after-tax net profit was NT\$172,532 thousand.

Looking ahead to the year 2024, our management team will continue to uphold a lean operational management model and pursue profit maximization, optimizing production capacity, reducing inventory, expanding high-margin In-vehicle products, and continuously repaying bank loans to reduce interest expenses, aiming to achieve the highest profit for the company and meet the expectations of all shareholders, thus increasing shareholder equity.

(II) Analysis of the budget enforcement, receipts and expenditures, and profitability:

In Thousands of New Taiwan Dollars; %

Item	2023	%	2022	%	Amount of decrease	%
Operating revenue	2,004,664	100.00	2,947,446	100.00	(942,782)	(31.99)
Operating gross profit	533,183	26.60	744,621	25.26	(211,438)	(28.40)
Operating net profit	204,133	10.18	337,411	11.45	(133,278)	(39.50)
Annual net profit (loss)	197,597	9.86	440,457	14.94	(242,860)	(55.14)
Annual net profit (loss) of tax	172,532	8.61	443,572	15.05	(271,040)	(61.10)

In the year 2023, the operating revenue decreased by NT\$942,782 million compared to 2022, while the gross profit margin remained at 25% or above (increasing from 25.26% in 2022 to 26.60% in 2023). This was primarily due to a better product mix and an increase in the proportion of automotive products, resulting in a corresponding increase in gross profit. With the Japanese yen exchange rate remaining favorable, the purchase cost remained at a lower level, leading to an increase in the gross profit margin by 1.34% compared to 2022.

In terms of operating expenses, selling expenses decreased by NT\$42,088 thousand compared to 2022, mainly due to a decrease in commissions by NT\$23,410 thousand; total freight and export expenses decreased by NT\$19,562 thousand; labor service expenses decreased by NT\$3,571 thousand. Management expenses decreased by NT\$16,029 thousand compared to 2022, with salary expenses decreasing by NT\$1,040 thousand; year-end bonuses decreasing by NT\$1,994 thousand; travel expenses decreasing by NT\$1,175 thousand; employee welfare decreasing by NT\$1,355 thousand; repair expenses decreasing by NT\$3,378 thousand; other expenses decreasing by NT\$5,100 thousand; research and development expenses decreasing by NT\$4,484 thousand; utility expenses (water, electricity, gas) decreasing by NT\$3,827 thousand; import and export expenses decreasing by NT\$914 thousand. The benefits of expected credit impairment increased by NT\$15,538 thousand compared to 2022, mainly due to a significant reduction in overdue accounts receivable from customers in 2023.

In summary, the overall operating gross profit in 2023 amounted to NT\$533,183 thousand, operating expenses were NT\$329,050 thousand, and non-operating income and expenses resulted in a net expenditure of NT\$6,536 thousand, including foreign exchange gains of NT\$1,231 thousand. Based on the aforementioned reasons, the pre-tax net profit for 2023 amounted to NT\$197,597 thousand, and the after-tax net profit was NT\$172,532 thousand.

Item		2023	2022
Analysis of financial Structure	Debt to asset ratio (%)	40.94	44.87
	Long-term fund to real estate, factory, and Equipment ratio (%)	237.42	158.09
Analysis of debt-paying structure	Current Ratio (%)	352.29	95.10
	Quick Ratio (%)	194.19	45.27
Analysis of profitability	ROA (%)	4.81	10.47
	ROE (%)	7.06	19.84
	Net profit (loss) ratio (%)	8.60	15.04
	Basic earnings per share (NT\$)	1.03	2.62

(III) Status of production and R&D

The development direction focuses on low-cost products, such as In-vehicle products, AR, and industrial control products. As competition intensifies in the In-vehicle products sector, our main priority is to enhance product competitiveness to maintain our edge. A significant aspect of enhancing product competitiveness is to improve reliability by raising the guaranteed operating temperature from 95°C to 105°C or even 110°C. In addition to close collaboration with suppliers in developing compensating films, we are actively exploring in-house LCD coating development. This not only ensures a stable source but also prevents excessively high prices, thereby enhancing product competitiveness. In the VR/AR sector, demand is predominantly for AR products. Apart from material development, the focus is also on the development of QWP/HWP materials with special processing characteristics.

Below are the development directions for each product:

1. Automotive Applications: In addition to improving reliability and developing compensating films, there is a trend towards larger sizes. Maintaining product performance after scaling up is crucial. For example, strategies to address bending issues caused by larger sizes are being developed. In addition to polarizers used in central control panels and instrument panels, polarizers are also used in other automotive applications such as HUD and privacy protection, which are currently a focus of development.
2. Other Small and Medium Applications: This includes VR/AR, where we are actively developing products in response to various customer demands.
3. Sunglasses: Continuously developing new customers and meeting new color tone demands.

II. Future planning

(I) The principle of operation and policy of production and sale

1. Continuously repay long and short-term bank loans to reduce interest expenses.
2. Adhere to prudent management principles, stabilize quality, and increase yield to reduce costs.
3. Focus resources on developing high-margin polarizer products such as thin polarizers for sunglasses, automotive applications, and polarizers for VR/AR products.
4. Activate idle assets by disposing of related outdated equipment.
5. Actively invest in other promising industries, such as IC design for cybersecurity chips.

(II) The Company's future strategy of development

1. Continuously deepen relationships with existing key customers to expand the market share of polarizers at the customer end and increase company revenue.
2. Avoid competing in low-margin markets and focus entirely on capturing niche markets with high margins and high cash flow.
3. Fully develop high-weather-resistant iodine-based and dye-based polarizers for automotive and industrial control products, polarizers for VR/AR products, and polarizers for sunglasses, targeting markets with high added value.
4. Continuously explore customers including panel manufacturers and module factories in Taiwan, China, Japan, and South Korea.

Chairman	Peter Chao
President	Wilson Chao
Accounting Officer	Michael Chen

【Attachment 2】

Audit Committee's Review Report

The Board of Directors has made and reported the Company's 2023 financial statement, the business report, and the proposal of profits distribution. The Audit Committee found no discrepancy between the reported documents and facts after verifying. The Audit Committee hereby produced and sent forth the report according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To: Optimax Technology Corporation 2024 Annual General Meeting.

Convener of the Audit Committee

Ted Kuo

March 14, 2024

【Attachment 3】

Independent Auditors' Report

To Optimax Technology Corporation

Opinion

We have audited the Parent Company Only balance sheets of Optimax Technology Corporation as of December 31, 2023, and December 31, 2022, along with the Parent Company Only statements of comprehensive income, changes in equity, and cash flows for the periods from January 1, 2023, to December 31, 2023, and from January 1, 2022, to December 31, 2022, as well as the notes to the Parent Company Only financial statements (including a summary of significant accounting policies).

Based on the opinion of our auditor and the audit reports of other auditors (please refer to the Other Matters section), the Parent Company Only financial statements mentioned above have been prepared in all material respects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. They are sufficient to express the financial position of Optimax Technology Corporation as of December 31, 2023, and December 31, 2022, as well as the financial performance and cash flows for the periods from January 1, 2023, to December 31, 2023, and from January 1, 2022, to December 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Financial Statements Audit and Attestation Engagements of Certified Public Accountants and Auditing Standards. Our responsibility under those standards will be further described in the section titled "The Accountants' Responsibilities in Auditing the Parent Company Only Financial Statements." We have stayed independent from Optimax Technology Corporation as required by The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled other responsibilities as stipulated by the Norm. Based on the audit results of our auditor and the audit reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Key Audit Matters

The key audit matters are those matters that, in the auditor's professional judgment, were of most significance in the audit of the Parent Company Only financial statements of Optimax Technology Corporation for the year ended December 31, 2023. These matters were addressed in the overall audit of the Parent Company Only financial statements and were considered in forming the audit opinion. The auditor does not provide a separate opinion on these matters.

Key Audit Matters for the Parent Company Only financial statements of Optimax Technology Corporation. for the year ended December 31, 2023, are as follows:

1. Inventory Valuation

For the accounting policies of inventories, please refer to Note 4 (5) of the Parent Company Only Financial Statements; For the accounting estimates of the inventory evaluation and the description of the uncertainty of the assumptions, please refer to Note 5 of the Parent Company Only Financial Statements; For the description of important accounting items in inventories, please refer to Note 6 (6) of the Parent Company Only Financial Statements.

The main business item of Optimax Technology Corporation is the manufacture and sales of polarizers. Because the inventory is easily affected by the market demand of the products used and the yield rate of the production process, resulting in sluggish or falling prices, so the inventory evaluation is listed as one of the key audit matters.

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

- (1) Check the inventory age report and analyze the changes of inventory age in each period.
- (2) Evaluate the rationality of accounting policies, such as inventory depreciation or sluggish withdrawal policies.
- (3) Assess whether the valuation of inventories has been in accordance with the company's established accounting policies.
- (4) Obtain the report of the net realizable value of inventories on the end of the financial reporting period, the selling price of goods or the purchase price used to check the net realizable value, and other data sources, and recalculate the accrued inventory allowance to offset the loss in value to confirm such data. The performance of accounting estimates is consistent with its policies.
- (5) Understand the process of inventory management, review its annual inventory plan and participate in annual inventory, and check inventory details to evaluate the effectiveness of management in distinguishing and controlling obsolete inventory.

2. Impairment assessment of Property, plant and equipment

For the accounting policy of asset impairment, please refer to Note 4 (11) of the Parent Company Only Financial Statements; For the uncertainty of the accounting estimates and assumptions of the asset impairment assessment, please refer to Note 5 of the Parent Company Only Financial Statements; For the description of important accounting items in Property, plant and equipment, please refer to Note 6 (8) of the Parent Company Only Financial Statements.

Optimax Technology Corporation is a highly capitalized industry and is facing the interference of various factors such as the economic environment and industry competition; due to the assessment of impairment of Property, plant and equipment, it is necessary to estimate and discount the future cash flow to estimate the recoverable amount and other processes, which are inherently highly uncertain, so the assessment of impairment of Property, plant and equipment is one of the key audit matters.

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

- (1) Understand the relevant policies and procedures for impairment assessment, and assess the rationality of the management to identify the cash-generating units that may be impaired.
- (2) Regarding the recoverable amount of the independent assessment report issued by a third party appointed by Optimax Technology Corporation, examine the reasonableness of the relevant assumptions, and assess the qualification and independence of the appraiser.

Other Matters

Incorporated in the Parent Company Only financial statements is the investment in an associated company accounted for using the equity method. The financial statements of this associated company have not been audited by our auditor but by another auditor. Therefore, our auditor's opinion on the Parent Company Only financial statements includes the amounts pertaining to the associated company's financial statements accounted for using the equity method, as per the audit report of the other auditor.

As of December 31, 2023, the carrying amount of the investment in the associated company, accounted for using the equity method but not audited by our auditor, was NT\$107,663 thousand, representing 3% of total assets. For the year ended December 31, 2023, our share of the comprehensive loss from the associated company accounted for using the equity method was NT\$(12,337) thousand, representing (6)% of total comprehensive income.

The Management's Responsibility and Governing Body of the Parent Company Only Financial Statements

It is the management's responsibility to fairly present the Parent Company Only Financial Statements in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," and to maintain internal controls which are necessary for the preparation of the Parent Company Only Financial Statements so as to avoid material misstatements due to fraud or errors therein.

In preparing for the Parent Company Only financial statement, responsibilities of the management also included assessment of the capacity to continue operation, disclosure of related matters and the accounting approaches to be adopted when the Company continues to operate unless the management intends to liquidate or suspend the business of Optimax Technology Corporation if there was not any other option except liquidation or suspension of the Company's business.

The governing bodies of Optimax Technology Corporation (including the Audit Committee) have the responsibility to oversee the process by which the financial statements are prepared.

The Accountants' Responsibilities in Auditing the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance on whether the Parent Company Only Financial Statements as a whole are free from material misstatement arising from fraud or error, and to issue an independent auditors' report. "Reasonable assurance" refers to high level of assurance. Nevertheless, our audit, which was carried out in accordance with the generally accepted auditing standards, does not guarantee that a material misstatement(s) will be detected in the Parent Company Only Financial Statements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Parent Company Only Financial Statements.

We have utilized our professional judgment and maintained professional skepticism when exercising auditing work in accordance with the generally accepted auditing standards. We also:

1. Identified and evaluated the risk of a material misstatement(s) due to fraud or errors in the Parent Company Only Financial Statements; designed and carried out appropriate countermeasures for the assessed risks; and obtained sufficient and appropriate evidence as the basis for the audit report. The risk of not detecting a significant 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. Acquired necessary understanding of internal controls pertaining to the audit in order to develop audit procedures appropriate under the circumstances. Nevertheless, the purpose of such understanding is not to provide any opinion on the effectiveness of the internal controls of Optimax Technology Corporation.
3. Assess the appropriateness of the accounting policies adopted by the management level, as well as the reasonableness of their accounting estimates and relevant disclosures.

4. Concluded, based on the audit evidence acquired, on the appropriateness of the management's use of the going-concern basis of accounting, and determined whether a material uncertainty exists where events or conditions that might cast significant doubt on the ability of Optimax Technology Corporation to continue as going concerns. If we believe there are events or conditions indicating the existence of a material uncertainty, we are required to remind the users of the Parent Company Only Financial Statements in our audit report of the relevant disclosures therein, or to amend our audit opinion when any inappropriate disclosure was found. Our conclusion is based on the audit evidence acquired as of the date of the audit report. However, future events or conditions may cause Optimax Technology Corporation to cease to continue as a going concern. However, future events or conditions may cause Optimax Technology Corporation to cease to continue as a going concern.
5. Evaluated the overall presentation, structure, and content of the Parent Company Only Financial Statements (including the related notes), and determined whether the Parent Company Only Financial Statements present related transactions and events fairly.
6. 6. Acquire sufficient and appropriate audit evidence for the financial information of the investee company that adopts the equity method to express opinions on Parent Company Only Financial Statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion on Optimax Technology Corporation.

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 provided governing bodies with a declaration that we had complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence, and communicated with them all relationships and other matters that might possibly be deemed to impair our independence (including relevant preventive measures).

From the matters communicated with those charged with governance, we determined the key audit matters of the Parent Company Only Financial Statements of Optimax Technology Corporation of 2023. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

BAKER TILLY CLOCK & CO.

Taiwan (Republic of China)

Accountant: Hsin-Liang Wu / Ying-Lai Chou

Approved audit number: FSC (6) No. 09600000880 / (80) Taiwan Financial Certificate (6) No. 53585

March 14, 2024

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

OPTIMAX TECHNOLOGY CORPORATION

Parent Company Only Balance Sheets December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Assets	December 31, 2023		December 31, 2022	
	Amount	%	Amount	%
Current assets				
Cash and cash equivalents	\$ 144,915	4	58,843	1
Current financial assets at amortized cost	3,500	—	3,500	—
Accounts receivable, net	548,234	13	678,136	16
Accounts receivable – related parties	—	—	15,148	—
Other receivables	190,273	4	190,795	5
Current inventories	686,954	17	959,703	22
Prepayments	11,391	—	4,022	—
Other current financial assets	82,932	2	71,580	2
Other current assets	1,422	—	2,638	—
Total current assets	1,669,621	40	1,984,365	46
Noncurrent assets				
Non-current financial assets at fair value through other comprehensive income	—	—	11,282	—
Investments accounted for using equity method	149,683	4	42,413	1
Property, plant and equipment	1,556,660	38	1,571,275	36
Right-of-use assets	13,348	—	15,979	—
Investment property, net	557,804	14	571,685	13
Deferred tax assets	144,736	4	156,540	4
Net defined benefit assets - non-current	6,428	—	3,090	—
Other non-current assets	7,705	—	23,156	—
Total non-current assets	2,436,364	60	2,395,420	54
Total Assets	\$ 4,105,985	100	4,379,785	100
Liabilities and Stockholders' Equity				
Current liabilities				
Short-term loans	\$ \$98,097	3	\$31,499	1
Accounts payable	130,842	3	83,570	2
Other payables	150,810	4	151,019	4
Current income tax liability	12,735	—	16,911	—
Current provisions	15,810	—	14,434	—
Current lease liabilities	3,484	—	3,362	—
Current Portion of Long-term Debt	—	—	1,590,000	37
Current refund liabilities	2,461	—	18,175	—
Other current liabilities	15,560	—	14,214	—
Total current liabilities	429,799	10	1,923,184	44
Noncurrent liabilities				
Long-term borrowings	1,210,000	30	—	—
Deferred tax liabilities	1,367	—	238	—
Non-current lease liabilities	10,701	—	12,647	—
Deposits received	8,432	—	8,187	—
Total non-current liabilities	1,230,500	30	21,072	—
Total liabilities	1,660,299	40	1,944,256	44
Equity				
Common stock	1,700,000	42	1,700,000	39
Retained earnings :				
Statutory surplus reserve	81,278	2	35,500	1
Special surplus reserve	35,651	1	—	—
Undistributed surplus	700,304	17	777,279	18
Other components of equity	(29,948)	(1)	(35,651)	(1)
Treasury Stocks	(41,599)	(1)	(41,599)	(1)
Total equity	2,445,686	60	2,435,529	56
Total liabilities and equity	\$ 4,105,985	100	4,379,785	100

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

OPTIMAX TECHNOLOGY CORPORATION

Parent Company Only Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

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

	2023		2022	
	Amount	%	Amount	%
Total operating revenue	\$ 2,004,664	100	2,947,446	100
Total operating costs	(1,471,475)	(73)	(2,202,824)	(75)
Gross profit from operations	533,189	27	744,622	25
Operating expenses				
Selling expenses	(127,196)	(6)	(168,370)	(6)
Administrative expenses	(153,618)	(8)	(165,094)	(5)
Research and development expenses	(52,834)	(3)	(57,318)	(2)
Expected credit loss income	22,120	1	6,582	—
Total operating expenses	(311,528)	(16)	(384,200)	(13)
Net operating income	221,661	11	360,422	12
Non-operating income and loss				
Interest income	3,308	—	607	—
Other income	42,852	2	38,410	1
Other gains and losses	(8,052)	—	114,744	4
Finance costs	(42,048)	(2)	(49,758)	(1)
Expected credit loss expense	(7,179)	—	(2,703)	—
Share of profit or loss from subsidiaries and associates accounted for using the equity method	(12,945)	(1)	(21,265)	(1)
Total non-operating income and expenses	(24,064)	(1)	80,035	3
Profit from continuing operations before tax	197,597	10	440,457	15
Total tax (expense) income	(25,065)	(1)	3,115	—
Net Income	172,532	9	443,572	15
Other comprehensive income				
Components of other comprehensive income that will not be reclassified to profit or loss				
Remeasurement of defined benefit obligations	(2,433)	—	5,645	—
Unrealised gains (losses) measured at fair value through other comprehensive income	41,443	2	3,071	—
Unrealised gains (losses) from subsidiaries accounted for using equity method in equity instruments measured at fair value through other comprehensive income	985	—	(10,316)	—
Components of other comprehensive income that will be reclassified to profit or loss				
Exchange differences on translating the financial statements of foreign operations	(770)	—	1,159	—
Other comprehensive income for the period (net of tax)	39,225	2	(441)	—
Total comprehensive income	\$ 211,757	11	443,131	15
Earnings per share				
Basic earnings per share	\$ 1.03		2.62	
Diluted earnings per share	\$ 1.03		2.62	

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

OPTIMAX TECHNOLOGY CORPORATION
Parent Company Only Statements of Changes in Equity
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

Accounting Title	Common stock	Retained earnings			Other components of equity		Treasure Stocks	Total equity
		Statutory surplus reserve	Special surplus reserve	Undistributed surplus	Foreign Currency translation differences	Unrealized gains(losses) from financial assets at fair value through other comprehensive income		
Balance as of January 1, 2022	\$ 1,700,000	\$ —	\$ —	\$ 355,003	\$ (4,108)	\$ (16,898)	\$ —	\$ 2,033,997
Appropriation and distribution of retained earnings:								
Statutory surplus reserve	—	35,500	—	(35,500)	—	—	—	—
Net Income	—	—	—	443,572	—	—	—	443,572
Other comprehensive income(loss)	—	—	—	5,645	1,159	(7,245)	—	(441)
Total comprehensive income (loss)	—	—	—	449,217	1,159	(7,245)	—	443,131
Disposal of gains (losses) measured at fair value through other comprehensive income	—	—	—	8,559	—	(8,559)	—	—
Shares Buyback (Treasure Stocks)	—	—	—	—	—	—	(41,599)	(41,599)
Balance at of December 31, 2022	\$ 1,700,000	\$ 35,500	\$ —	\$ 777,279	\$ (2,949)	\$ (32,702)	\$ (41,599)	\$ 2,435,529
Balance as of January 1, 2023	\$ 1,700,000	\$ 35,500	\$ —	\$ 777,279	\$ (2,949)	\$ (32,702)	\$ (41,599)	\$ 2,435,529
Appropriation and distribution of retained earnings:								
Statutory surplus reserve	—	45,778	—	(45,778)	—	—	—	—
Special surplus reserve	—	—	35,651	(35,651)	—	—	—	—
Ordinary cash dividend	—	—	—	(201,600)	—	—	—	(201,600)
Net Income	—	—	—	172,532	—	—	—	172,532
Other comprehensive income(loss)	—	—	—	(2,433)	(770)	42,428	—	39,225
Total comprehensive income (loss)	—	—	—	170,099	(770)	42,428	—	211,757
Disposal of gains (losses) measured at fair value through other comprehensive income	—	—	—	35,955	—	(35,955)	—	—
Balance at of December 31, 2023	\$ 1,700,000	\$ 81,278	\$ 35,651	\$ 700,304	\$ (3,719)	\$ (26,229)	\$ (41,599)	\$ 2,445,686

OPTIMAX TECHNOLOGY CORPORATION
Parent Company Only Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from operating activities :		
Income before income tax	\$ 197,597	440,457
Adjustments to reconcile profit (loss) :		
Depreciation expense	64,325	66,183
Amortization expense	45	158
Expected credit loss income	(14,941)	(3,879)
Interest expense	42,048	49,758
Interest income	(3,309)	(607)
Share of profit or loss from subsidiaries and associates accounted for using the equity method	12,945	21,265
Loss on disposal of property, plant and equipment	8,865	3,665
Property, plant and equipment reclassification expense	4	—
Loss on disposal of investment properties	—	1,065
Gain on disposal of non-current assets classified as held for sale	(6,368)	(2,872)
Reversal of impairment loss on non-financial assets	(39)	(2,534)
Unrealized foreign exchange gain	(61,517)	(46,716)
Changes in operating assets and liabilities :		
Accounts receivable	153,768	69,458
Other receivable	(6,351)	2,277
Inventories	272,749	205,058
Prepayments	(7,264)	27,184
Other current assets	159	599
Accounts payable	48,436	(57,215)
Other payable	(1,296)	7,372
Provisions	1,376	(1,002)
Other current liabilities	(14,368)	6,994
Net defined benefit assets	(5,771)	(5,970)
Cash generated from operation	681,093	780,698
Interest received	3,235	611
Interest paid	(41,072)	(49,774)
Income taxes paid	(16,308)	(6)
Net cash inflows from operations	626,948	731,529
Cash flows from investing activities :		
Disposal of financial assets at fair value through other comprehensive income	\$ 52,725	11,789
Disposal of financial assets measured at amortized cost	—	50,000
Acquisition of investments accounted for using the equity method	(120,000)	—
Disposal of non-current assets as held for sale	7,425	—
Acquisition of property, plant and equipment	(25,352)	(18,149)
Disposal of property, plant and equipment	1,667	1,081
Acquisition of investment properties	(231)	(21,796)
Decrease (Increase) in other financial assets	(11,352)	13,446
Increase in other non-current assets	(462)	(15,192)
Net cash inflows (outflows) from investing activities	(95,580)	21,179
Cash flows from financing activities :		
Increase (decrease) in short-term loans	66,884	(572,675)
Payments of long-term debt	2,840,000	—
Repayments of long-term debt	(3,220,000)	(200,000)
Increase in guarantee deposits received	245	7,587
Decrease in guarantee deposits received	—	(544)
Payment of cash dividends	(201,600)	—
Payments of lease liabilities	(3,424)	(3,544)
Shares Buyback (Treasure Stocks)	—	(41,599)
Net cash outflows from financing activities	(517,895)	(810,775)
Effect of change rate changes on cash and cash equivalents	72,599	48,777
Net increase (decrease) in cash and cash equivalents	86,072	(9,290)
Cash and cash equivalents at beginning of year	58,843	68,133
Cash and cash equivalents at end of year	\$ 144,915	58,843

【Attachment 4】

Independent Auditors' Report

To Optimax Technology Corporation

Opinion

We have audited the consolidated balance sheets of Optimax Technology Corporation and its subsidiaries as of December 31, 2023, and December 31, 2022, along with the consolidated statements of comprehensive income, changes in equity, and cash flows for the periods from January 1, 2023, to December 31, 2023, and from January 1, 2022, to December 31, 2022, as well as the notes to the consolidated financial statements (including a summary of significant accounting policies).

Based on the opinion of our auditor and the audit reports of other auditors (please refer to the Other Matters section), the consolidated financial statements mentioned above have been prepared in all material respects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. They are sufficient to express the financial position of Optimax Technology Corporation and its subsidiaries as of December 31, 2023, and December 31, 2022, as well as the financial performance and cash flows for the periods from January 1, 2023, to December 31, 2023, and from January 1, 2022, to December 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Financial Statements Audit and Attestation Engagements of Certified Public Accountants and Auditing Standards. Our responsibility under those standards will be further described in the section titled "The Accountants' Responsibilities in Auditing the Consolidated Financial Statements." We have stayed independent from Optimax Technology Corporation and its subsidiaries as required by The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled other responsibilities as stipulated by the Norm. Based on the audit results of our auditor and the audit reports of other auditors, 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 2023 Consolidated Financial Statements of Optimax Technology Corporation and its subsidiaries. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on these matters individually. The accountant's judgment should communicate the key audit matters on the audit report as follows:

1. Inventory Valuation

For the accounting policies of inventories, please refer to Note 4 (6) of the Consolidated Financial Statements; For the accounting estimates of the inventory evaluation and the description of the uncertainty of the assumptions, please refer to Note 5 of the Consolidated Financial Statements; For the description of important accounting items in inventories, please refer to Note 6 (6) of the Consolidated Financial Statements.

The main business item of Optimax Technology Corporation and its subsidiaries are the manufacture and sales of polarizers. Because the inventory is easily affected by the market demand of the products used and the yield rate of the production process, resulting in sluggish or falling prices, so the inventory evaluation is listed as one of the key audit matters.

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

- (1) Check the inventory age report and analyze the changes of inventory age in each period.
- (2) Evaluate the rationality of accounting policies, such as inventory depreciation or sluggish withdrawal policies.
- (3) Assess whether the valuation of inventories has been in accordance with the company's established accounting policies.
- (4) Obtain the report of the net realizable value of inventories on the end of the financial reporting period, the selling price of goods or the purchase price used to check the net realizable value, and other data sources, and recalculate the accrued inventory allowance to offset the loss in value to confirm such data. The performance of accounting estimates is consistent with its policies.
- (5) Understand the process of inventory management, review its annual inventory plan and participate in annual inventory, and check inventory details to evaluate the effectiveness of management in distinguishing and controlling obsolete inventory.

2. Impairment assessment of Property, plant and equipment

For the accounting policy of asset impairment, please refer to Note 4 (12) of the Consolidated Financial Statements; For the uncertainty of the accounting estimates and assumptions of the asset impairment assessment, please refer to Note 5 of the Consolidated Financial Statements; For the description of important accounting items in Property, plant and equipment, please refer to Note 6 (8) of the Consolidated Financial Statements.

Optimax Technology Corporation is a highly capitalized industry and is facing the interference of various factors such as the economic environment and industry competition; due to the assessment of impairment of Property, plant and equipment, it is necessary to estimate and discount the future cash flow to estimate the recoverable amount and other processes, which are inherently highly uncertain, so the assessment of impairment of Property, plant and equipment is one of the key audit matters.

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

- (1) Understand the relevant policies and procedures for impairment assessment, and assess the rationality of the management to identify the cash-generating units that may be impaired.
- (2) Regarding the recoverable amount of the independent assessment report issued by a third party appointed by Optimax Technology Corporation and its subsidiaries, examine the reasonableness of the relevant assumptions, and assess the qualification and independence of the appraiser.

Other Matters

Incorporated in the consolidated financial statements is the investment in an associated company accounted for using the equity method. The financial statements of this associated company have not been audited by our auditor but by another auditor. Therefore, our auditor's opinion on the consolidated financial statements includes the amounts pertaining to the associated company's financial statements accounted for using the equity method, as per the audit report of the other auditor.

As of December 31, 2023, the carrying amount of the investment in the associated company, accounted for using the equity method but not audited by our auditor, was NT\$107,663 thousand, representing 3% of total assets. For the year ended December 31, 2023, our share of the comprehensive loss from the associated company accounted for using the equity method was NT\$(12,337) thousand, representing (6)% of total comprehensive income.

The Management's Responsibility and Governing Body of the Consolidated Financial Statements

It is the management's responsibility to fairly present the Consolidated Financial Statements in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," and to maintain internal controls which are necessary for the preparation of the Consolidated Financial Statements so as to avoid material misstatements due to fraud or errors therein.

In preparing for the consolidated financial statement, responsibilities of the management also included assessment of the capacity to continue operation, disclosure of related matters and the accounting approaches to be adopted when the Company continues to operate unless the management intends to liquidate or suspend the business of Optimax Technology Corporation and its subsidiaries if there was not any other option except liquidation or suspension of the Company's business.

The governing bodies of Optimax Technology Corporation and its subsidiaries (including the Audit Committee) have the responsibility to oversee the process by which the financial statements are prepared.

The Accountants' Responsibilities in Auditing the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance on whether the Consolidated Financial Statements as a whole are free from material misstatement arising from fraud or error, and to issue an independent auditors' report. "Reasonable assurance" refers to high level of assurance. Nevertheless, our audit, which was carried out in accordance with the generally accepted auditing standards, does not guarantee that a material misstatement(s) will be detected in the Consolidated Financial Statements. Misstatements can arise from fraud or error. Misstatements 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.

We have utilized our professional judgment and maintained professional skepticism when exercising auditing work in accordance with the generally accepted auditing standards. We also:

1. Identified and evaluated the risk of a material misstatement(s) due to fraud or errors in the Consolidated Financial Statements; designed and carried out appropriate countermeasures for the assessed risks; and obtained sufficient and appropriate evidence as the basis for the audit report. The risk of not detecting a significant 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. Acquired necessary understanding of internal controls pertaining to the audit in order to develop audit procedures appropriate under the circumstances. Nevertheless, the purpose of such understanding is not to provide any opinion on the effectiveness of the internal controls of Optimax Technology Corporation and its subsidiaries.
3. Assess the appropriateness of the accounting policies adopted by the management level, as well as the reasonableness of their accounting estimates and relevant disclosures.

4. Concluded, based on the audit evidence acquired, on the appropriateness of the management's use of the going-concern basis of accounting, and determined whether a material uncertainty exists where events or conditions that might cast significant doubt on the ability of Optimax Technology Corporation and its subsidiaries to continue as going concerns. If we believe there are events or conditions indicating the existence of a material uncertainty, we are required to remind the users of the Consolidated Financial Statements in our audit report of the relevant disclosures therein, or to amend our audit opinion when any inappropriate disclosure was found. Our conclusion is based on the audit evidence acquired as of the date of the audit report. However, future events or conditions may cause Optimax Technology Corporation and its subsidiaries to cease to continue as a going concern. However, future events or conditions may cause Optimax Technology Corporation and its subsidiaries to cease to continue as a going concern.
5. Evaluated the overall presentation, structure, and content of the Consolidated Financial Statements (including the related notes), and determined whether the Consolidated Financial Statements present related transactions and events fairly.
6. Acquire sufficient and appropriate audit evidence for the financial information of the investee company that adopts the equity method to express opinions on Consolidated Financial Statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion on Optimax Technology Corporation and its subsidiaries.

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 provided governing bodies with a declaration that we had complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence, and communicated with them all relationships and other matters that might possibly be deemed to impair our independence (including relevant preventive measures).

From the matters communicated with those charged with governance, we determined the key audit matters of the Consolidated Financial Statements of Optimax Technology Corporation and its subsidiaries of 2023. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

BAKER TILLY CLOCK & CO.

Taiwan (Republic of China)

Accountant: Hsin-Liang Wu / Ying-Lai Chou

Approved audit number: FSC (6) No. 09600000880 / (80) Taiwan Financial Certificate (6) No. 53585

March 14, 2024

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

OPTIMAX TECHNOLOGY CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Assets	December 31, 2023		December 31, 2022	
	Amount	%	Amount	%
Current assets				
Cash and cash equivalents	\$ 150,608	4	61,331	1
Current financial assets at amortized cost	26,171	1	15,917	—
Accounts receivable, net	548,234	13	678,136	16
Accounts receivable – related parties	—	—	15,148	—
Other receivables	24,077	—	24,512	1
Current inventories	686,954	17	959,703	22
Prepayments	11,730	—	4,375	—
Other current financial assets	82,932	2	71,580	2
Other current assets	1,422	—	2,638	—
Total current assets	1,532,128	37	1,833,340	42
Noncurrent assets				
Non-current financial assets at fair value through other comprehensive income	—	—	11,282	—
Investments accounted for using equity method	107,663	3	956	—
Property, plant and equipment	1,561,173	38	1,575,187	36
Right-of-use assets	13,348	—	15,979	—
Investment property, net	767,992	19	798,428	18
Deferred tax assets	144,736	3	156,540	4
Net defined benefit assets - non-current	6,428	—	3,090	—
Other non-current assets	8,009	—	23,171	—
Total non-current assets	2,609,349	63	2,584,633	58
Total Assets	\$ 4,141,477	100	4,417,973	100
Liabilities and Stockholders' Equity				
Current liabilities				
Short-term loans	\$ 98,097	3	31,499	1
Accounts payable	134,327	3	84,217	2
Other payables	152,426	4	154,934	4
Current income tax liability	12,735	—	16,911	—
Current provisions	15,810	—	14,434	—
Current lease liabilities	3,484	—	3,362	—
Current Portion of Long-term Debt	—	—	1,590,000	36
Current refund liabilities	2,461	—	18,175	—
Other current liabilities	15,560	—	14,214	—
Total current liabilities	434,900	10	1,927,746	43
Noncurrent liabilities				
Long-term borrowings	1,210,000	30	—	—
Deferred tax liabilities	1,367	—	238	—
Non-current lease liabilities	10,701	—	12,647	—
Other non-current liabilities	38,823	1	41,813	1
Total non-current liabilities	1,260,891	31	54,698	1
Total liabilities	1,695,791	41	1,982,444	44
Equity				
Common stock	1,700,000	41	1,700,000	39
Retained earnings :				
Statutory surplus reserve	81,278	2	35,500	1
Special surplus reserve	35,651	1	—	—
Undistributed surplus	700,304	17	777,279	18
Other components of equity	(29,948)	(1)	(35,651)	(1)
Treasury Stocks	(41,599)	(1)	(41,599)	(1)
Equity attributable to owners of parent	2,445,686	59	2,435,529	56
Total equity	2,445,686	59	2,435,529	56
Total liabilities and equity	\$ 4,141,477	100	4,417,973	100

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

OPTIMAX TECHNOLOGY CORPORATION AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

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

	2023		2022	
	Amount	%	Amount	%
Total operating revenue	\$ 2,004,664	100	\$ 2,947,446	100
Total operating costs	(1,471,481)	(73)	(2,202,825)	(75)
Gross profit from operations	533,183	27	744,621	25
Operating expenses				
Selling expenses	(140,858)	(7)	(182,946)	(6)
Administrative expenses	(157,478)	(8)	(173,506)	(6)
Research and development expenses	(52,834)	(3)	(57,340)	(2)
Expected credit loss income	22,120	1	6,582	—
Total operating expenses	(329,050)	(17)	(407,210)	(14)
Net operating income	204,133	10	337,411	11
Non-operating income and loss				
Interest income	3,576	—	689	—
Other income	68,875	4	64,580	2
Other gains and losses	(11,266)	(1)	109,183	4
Finance costs	(42,048)	(2)	(49,758)	(2)
Expected credit loss expense	(2,903)	—	(13,197)	—
Share of profit or loss from associates accounted for using the equity method	(22,770)	(1)	(8,451)	—
Total non-operating income and expenses	(6,536)	—	103,046	4
Profit from continuing operations before tax	197,597	10	440,457	15
Total tax (expense) income	(25,065)	(1)	3,115	—
Net Income	172,532	9	443,572	15
Other comprehensive income				
Components of other comprehensive income that will not be reclassified to profit or loss				
Remeasurement of defined benefit obligations	(2,433)	—	5,645	—
Unrealised gains (losses) measured at fair value through other comprehensive income	41,443	2	(6,952)	—
Unrealised gains (losses) from subsidiaries accounted for using equity method in equity instruments measured at fair value through other comprehensive income	985	—	(293)	—
Components of other comprehensive income that will be reclassified to profit or loss				
Exchange differences on translating the financial statements of foreign operations	(770)	—	1,159	—
Other comprehensive income for the period (net of tax)	39,225	2	(441)	—
Total comprehensive income	\$ 211,757	11	\$ 443,131	15
Profit attributable to:				
Profit attributable to owners of parent	\$ 172,532	9	\$ 443,572	15
Total comprehensive income attributable to :				
Profit attributable to owners of parent	\$ 211,757	11	\$ 443,131	15
Earnings per share				
Basic earnings per share	\$ 1.03		\$ 2.62	
Diluted earnings per share	\$ 1.03		\$ 2.62	

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

OPTIMAX TECHNOLOGY CORPORATION AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Accounting Title	Common stock	Retained earnings			Other components of equity		Treasure Stocks	Total equity
		Statutory surplus reserve	Special surplus reserve	Undistributed surplus	Foreign Currency translation differences	Unrealized gains(losses) from financial assets at fair value through other comprehensive income		
Balance as of January 1, 2022	\$ 1,700,000	\$ —	\$ —	\$ 355,003	\$ (4,108)	\$ (16,898)	\$ —	\$ 2,033,997
Appropriation and distribution of retained earnings:								
Statutory surplus reserve	—	35,500	—	(35,500)	—	—	—	—
Net Income	—	—	—	443,572	—	—	—	443,572
Other comprehensive income(loss)	—	—	—	5,645	1,159	(7,245)	—	(441)
Total comprehensive income (loss)	—	—	—	449,217	1,159	(7,245)	—	443,131
Disposal of gains (losses) measured at fair value through other comprehensive income	—	—	—	8,559	—	(8,559)	—	—
Shares Buyback (Treasure Stocks)	—	—	—	—	—	—	(41,599)	(41,599)
Balance at of December 31, 2022	\$ 1,700,000	\$ 35,500	\$ —	\$ 777,279	\$ (2,949)	\$ (32,702)	\$ (41,599)	\$ 2,435,529
Balance as of January 1, 2023	\$ 1,700,000	\$ 35,500	\$ —	\$ 777,279	\$ (2,949)	\$ (32,702)	\$ (41,599)	\$ 2,435,529
Appropriation and distribution of retained earnings:								
Statutory surplus reserve	—	45,778	—	(45,778)	—	—	—	—
Special surplus reserve	—	—	35,651	(35,651)	—	—	—	—
Ordinary cash dividend	—	—	—	(201,600)	—	—	—	(201,600)
Net Income	—	—	—	172,532	—	—	—	172,532
Other comprehensive income(loss)	—	—	—	(2,433)	(770)	42,428	—	39,225
Total comprehensive income (loss)	—	—	—	170,099	(770)	42,428	—	211,757
Disposal of gains (losses) measured at fair value through other comprehensive income	—	—	—	35,955	—	(35,955)	—	—
Balance at of December 31, 2023	\$ 1,700,000	\$ 81,278	\$ 35,651	\$ 700,304	\$ (3,719)	\$ (26,229)	\$ (41,599)	\$ 2,445,686

OPTIMAX TECHNOLOGY CORPORATION AND SUBSIDIARIES**Consolidated Statements of Cash Flows****For the years ended December 31, 2023 and 2022**

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from operating activities :		
Income before income tax	\$ 197,597	440,457
Adjustments to reconcile profit (loss) :		
Depreciation expense	76,930	78,916
Amortization expense	45	158
Expected credit impairment (profit) loss	(19,217)	6,615
Interest expense	42,048	49,758
Interest income	(3,576)	(689)
Share of profit or loss from associates accounted for using the equity method	22,770	8,451
Loss on disposal of property, plant and equipment	8,700	3,665
Loss on disposal of investment properties	—	1,065
Gain on disposal of non-current assets classified as held for sale	(6,368)	(6,032)
Reversal of impairment loss on non-financial assets	(39)	(9,103)
Unrealized foreign exchange gain	(61,518)	(42,879)
Deferred income transferred to income	(2,658)	(2,674)
Others	109	—
Changes in operating assets and liabilities :		
Accounts receivable	153,768	69,458
Other receivable	(5,462)	13,353
Inventories	272,749	205,058
Prepayments	(7,361)	27,360
Other current assets	159	599
Accounts payable	51,274	(56,643)
Other payable	(3,595)	7,631
Provisions	1,376	(1,002)
Other current liabilities	(14,368)	6,995
Net defined benefit assets	(5,771)	(5,970)
Cash generated from operation	697,592	794,547
Interest received	3,502	693
Interest paid	(41,072)	(49,774)
Income taxes paid	(16,308)	(6)
Net cash inflows from operations	643,714	745,460
Cash flows from investing activities :		
Disposal of financial assets at fair value through other comprehensive income	\$ 52,725	11,789
Acquisition of financial assets measured at amortized cost	(22,319)	(11,977)
Disposal of financial assets measured at amortized cost	11,837	50,882
Acquisition of investments accounted for using the equity method	(120,000)	—
Disposal of non-current assets as held for sale	10,454	—
Acquisition of property, plant and equipment	(26,105)	(18,149)
Disposal of property, plant and equipment	1,889	1,081
Acquisition of investment properties	(231)	(21,796)
Increase in other receivable - related parties	(8,654)	—
Decrease (increase) in other financial assets	(11,352)	13,446
Increase in other non-current assets	(461)	(15,189)
Net cash inflows (outflows) from investing activities	(112,217)	10,087
Cash flows from financing activities :		
Increase (decrease) in short-term loans	66,884	(572,675)
Payments of long-term debt	2,840,000	—
Repayments of long-term debt	(3,220,000)	(200,000)
Increase in guarantee deposits received	245	7,587
Decrease in guarantee deposits received	—	(544)
Payment of cash dividends	(201,600)	—
Payments of lease liabilities	(3,424)	(3,544)
Shares Buyback (Treasure Stocks)	—	(41,599)
Net cash outflows from financing activities	(517,895)	(810,775)
Effect of change rate changes on cash and cash equivalents	75,675	46,389
Net increase (decrease) in cash and cash equivalents	89,277	(8,839)
Cash and cash equivalents at beginning of year	61,331	70,170
Cash and cash equivalents at end of year	\$ \$150,608	\$61,331

【Attachment 5】

OPTIMAX TECHNOLOGY CORPORATION

Report on the Improvement Plan for the Loan Balance Exceeding the Limit of our Subsidiary Company

1. Cause of Occurrence:

On September 21, 2023, the board of directors of our company approved to provide a total loan of RMB 4.5 million to Shenzhen Lihuasheng Technology Co., Ltd. through Optimax Technology (Suzhou) Co, Ltd, a subsidiary in which we indirectly hold 100% of the shares. As of the end of March 2024, the loan balance amounted to NT\$19,836 thousand. Due to the decrease in net worth of Optimax Technology (Suzhou) Co, Ltd, the loan exceeds the limit of NT\$16,474 thousand.

2. Improvement Plan and Implementation Status:

Actually, Optimax Technology (Suzhou) Co, Ltd. provided a total loan of RMB 2 million to Shenzhen Lihuasheng Technology Co., Ltd. The board of directors of our company resolved to amend the loan agreement between Optimax Technology (Suzhou) Co, Ltd. and Shenzhen Lihuasheng Technology Co., Ltd. on May 9, 2024, reducing the total loan amount to RMB 2 million to rectify the situation of exceeding the loan limit.

【Attachment 6】

OPTIMAX TECHNOLOGY CORPORATION

Comparison table for Articles of Incorporation before and after the amendment

After amendment	Before amendment	Reason of amendment
Article20-1 The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' accumulated losses and then set aside 10% as legal reserve. When such legal reserve amounts to the total paid-in capital, the Company shall not be subject to this requirement. The Company may then appropriate or reverse a certain amount as special reserve according to the relevant regulations. The remaining earnings, plus the accumulated undistributed earnings, may be appropriated to shareholders as dividends or bonuses according to the distribution plan proposed by the Board of Directors and approved by the shareholders' meeting. The distribution of profits by the Company shall be subject to consideration of the current and future development plans, investment environment, funding requirements, domestic and international competitive conditions, and other factors that impact shareholder interests. <u>At least 30% of the current fiscal year's profits are allocated for distribution to shareholders as dividends.</u> However, in case the accumulated distributable earnings is less than 30% of paid-in capital, the Company may choose not to distribute dividends. Dividends to common shareholder may be distributed by way of combination of cash dividend and stock dividend provided that the cash dividends shall not be less than 10% of the total dividends.	Article20-1 The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' accumulated losses and then set aside 10% as legal reserve. When such legal reserve amounts to the total paid-in capital, the Company shall not be subject to this requirement. The Company may then appropriate or reverse a certain amount as special reserve according to the relevant regulations. The remaining earnings, plus the accumulated undistributed earnings, may be appropriated to shareholders as dividends or bonuses according to the distribution plan proposed by the Board of Directors and approved by the shareholders' meeting. The distribution of profits by the Company shall be subject to consideration of the current and future development plans, investment environment, funding requirements, domestic and international competitive conditions, and other factors that impact shareholder interests. Each year, at least 30% of the distributable profits shall be allocated for the distribution of dividends to shareholders. However, in case the accumulated distributable earnings is less than 30% of paid-in capital, the Company may choose not to distribute dividends. Dividends to common shareholder may be distributed by way of combination of cash dividend and stock dividend provided that the cash dividends shall not be less than 10% of the total dividends.	Amended in accordance with actual operation
Article23 The 16th amendment was made on June 9, 2020. The 17th amendment was made on June 23, 2022. The 18th amendment was made on June 20, 2023. <u>The 19th amendment was made on June 20, 2024.</u>	Article23 The 16th amendment was made on June 9, 2020. The 17th amendment was made on June 23, 2022. The 18th amendment was made on June 20, 2023.	Date of the 19th Amendment is added

【Attachment 7】

OPTIMAX TECHNOLOGY CORPORATION

List of Director Candidates

Title/Name	Education	Experience	Present position	Shareholdings
Director Peter Chao	Ph.D. in Dartmouth College	● Chairman, Taiwan Regional Association of Adhesive Tape Manufacturers ● Vice-President, Achem Opto-Electronic Corporation	Chairman, Optimax Technology Corporation	16,450,416
Director Wilson Chao	Master Degree in Chemistry. University of San Francisco	● Engineer, Foxconn Technology Group	President, Optimax Technology Corporation	1,630,837
Director Jin-De Wang (Representative of Shi-Hong Industrial Co., Ltd.)	Bachelor Degree, National Taipei Institute of Technology	● Chairman, Jiu-Ru Investment Co., Ltd.	Consultant, Jiu-Ru Investment Co., Ltd.	400,753
Director Shi-Fen Lin (Representative of Shi-Hong Industrial Co., Ltd.)	LL.M. Degree Master in Law Northwestern University	● Compliance office, JPMorgan Chase Bank	Executive Director, Kong Foods Co., Ltd.	400,753
Director Wei-Jie Wu (Representative of Shi-Hong Industrial Co., Ltd.)	Master Degree in Tourism. Ming Chuan University	● Special Assistant & Manager of Administration Department, ENNEAD INC ● Special Assistant, Kong Foods Co., Ltd.	Special Assistant & Manager of Administration Department, ENNEAD INC. Special Assistant, Kong Foods Co., Ltd.	400,753
Director Xiao-Nan Xiang	Bachelor Degree, National Taipei Institute of Technology	● Executive Secretary, TSRAIA	None	4,402
Director Qi-Bang Yu	Bachelor Degree, Air Force Institute of Technology	● Technical adviser, Taiwan Regional Association of Adhesive Tape Manufacturers ● Executive Assistant to President, Achem Opto-Electronic Corporation	Chairman, Furuto International Corporation	0
Director Chang-Shu Jiang	Bachelor Degree in Electrical Engineering. Tatung University	● Chairman, 9th Board of Directors, Taiwan Professional Electrical Engineers Association R.O.C	Chairman, Hong-Da Electric Industrial Technician Office	0
Independent Director Ted Guo	Master Degree in Law, Chinese Culture University	● Land Administrator, Pvolbyen Attorneys-At-Law	Land Administrator, Pvolbyen Attorneys-At-Law	0
Independent Director Tzeng-Guey Gu	Shu-Jen High School	● Senior manager , Achem Opto-Electronic Corporation	None	0
Independent Director Min Chao	Zhong-Li Senior High School	● Engineer, Sinkong Textile Co., Ltd. ● Engineer, Prosperity Dielectrics Co., Ltd.	Director, Taicrystal International Technologies Co., Ltd.	0
Independent Director Hsin Huang	Bachelor, Electronic Engineering, University of Houston	● Chief Information Officer, Formosa International Hotels Group ● Chief Information Officer, Hilton Hotels & Resorts	Owner, HITOFUN LTD.	0

Note: The qualification criteria for the nominated directors (including independent directors) mentioned above have been approved by the 18th meeting of the 9th board of directors on May 9, 2024,.