

Stock Code : 2241



**AMULAIRE THERMAL TECHNOLOGY, INC.**

**2023 Annual Shareholders' Meeting**

**Meeting Handbook**

Time : 9:00 a.m., Thursday, May 25, 2023

Place : 1F, NO. 17-6, Houhu, Linkou Dist., New Taipei City, Taiwan  
( Linkou Hubei Civil Activity Center )

## Table of Contents

	<u>Page</u>
<b>I 、 Meeting Procedure.....</b>	<b>1</b>
<b>II 、 Meeting Agenda .....</b>	<b>2</b>
<b>III 、 Report Items.....</b>	<b>3</b>
<b>IV 、 Ratification Items.....</b>	<b>4</b>
<b>V 、 Election .....</b>	<b>5</b>
<b>VI 、 Discussion.....</b>	<b>6</b>
<b>VII 、 Extemporany motions.....</b>	<b>8</b>
<b>VIII 、 Attachment</b>	
<b>i.2022 Bussiness Report.....</b>	<b>9</b>
<b>ii.The Audit Committee’ s Review Report.....</b>	<b>12</b>
<b>iii. 2022 Independent Auditors’ Report and Financial         Statement.....</b>	<b>13</b>
<b>iv. 2022 Remuneration to Directors.....</b>	<b>33</b>
<b>v. The Comparison Table of Corporate Governance Best         Practice Principles.....</b>	<b>35</b>
<b>vi.The Comparison Table of Corporate Social Responsibility         Best Practice Principles.....</b>	<b>38</b>
<b>vii. List of Nominated Independent Director Candidates.....</b>	<b>39</b>
<b>viii. The methods and content of issuance of common shares in private         placement or domestic convertible bond in private         placement.....</b>	<b>39</b>
<b>IX 、 Appendix</b>	
<b>i. Articles of Incorporation .....</b>	<b>46</b>
<b>ii. Rules of Procedure for Shareholders Meetings .....</b>	<b>54</b>
<b>iii.Procedures for Election of Directors.....</b>	<b>67</b>
<b>iv. Amulaire Directors’ Shareholdings .....</b>	<b>69</b>

## **I 、 Meeting Procedure**

AMULAIRE THERMAL TECHNOLOGY, INC.

2023 Annual Shareholders' Meeting Procedure

1. Call the Meeting to Order
2. Chairperson Remarks
3. Report Items
4. Ratification Items
5. Election
6. Discussion
7. Extemporaneous Motions
8. Adjournment

## II 、 Meeting Agenda

### AMULAIRE THERMAL TECHNOLOGY, INC.

#### Agenda of 2023 Annual Meeting of Shareholders

Convening method: Physical meeting

Time : 9:00 a.m., Thursday, May 25, 2022

Place : 1F, NO. 17-6, Houhu, Linkou Dist., New Taipei City, Taiwan

( Linkou Hubei Civil Activity Center )

1. Call the Meeting to Order
2. Chairperson Remarks
3. Report Items
  - (1) 2022 Business Report
  - (2) 2022 The Audit Committee's Review Report
  - (3) 2022 Distribution of Employees and Directors Remuneration
  - (4) 2022 Remuneration to Directors Report
  - (5) Amendments to “Corporate Governance Best Practice Principles” and “Corporate Social Responsibility Best Practice Principles”
  - (6) 2022 Private Placement Progress Report
4. Ratification Items
  - (1) Ratification of 2022 Business Report and Financial Statements
  - (2) Ratification of the Deficits Compensation of 2022
5. Election
  - (1) Independent director by-election
6. Discussion
  - (1) Proposal to release the directors and its representative from non-compete restrictions
  - (2) Proposal to approve issuance of common shares in private placement or domestic

convertible bond in private placement.

7. Extemporaneous motions

8. Adjournment

### **III 、 Report Items**

Item 1. 2022 Business Report

Explanation: Please refer to Attachment 1 (Page 9~11) for the 2022 Business Report.

Item 2. 2021 The Audit Committee's Review Report

Explanation: Please refer to attachment 2 (Page 12) for The Audit Committee's Review Report in 2022.

Item 3. 2022 Distribution of Employees and Directors Remuneration

Explanation: The Company's annual deficits in 2022 are \$ 225,635,965 (pre-tax deficits prior to employees and directors remuneration deductions). According to Article 24 of the Corporation by-laws, the Company proposed not to distribute employees and directors remuneration.

Item 4. 2022 Remuneration to Directors Report

Explanation: (1) Director remuneration policy, system, standards and structures , in accordance with the responsibilities, risk, investment time and other factors, the relationship with the amount of remuneration

A. The remuneration of the directors is paid in accordance with the "Regulations on the Remuneration of Directors and Functional Committees" approved by the Board of Directors. The content includes traveling expenses, business execution fees, and annual remuneration calculated based on the profit ratio. The profit ratio is a range determined by referring to general industry standards and is listed in the "Articles of Incorporation" of the association after being approved by the shareholders' meeting.

B. Articles of Incorporation express that no more than 3% of the annual profit will be used as the director's remuneration. The remuneration of the directors is in accordance with the "Regulations on the Remuneration of Directors and Functional Committees" approved by the Board of Directors, principles are as follows :

I. Endorsement for the company, adjunct functional committee member, need to participate in the discussion of the meeting and responsibilities for resolution, whose remuneration is higher than that of ordinary directors.

II. The annual remuneration distribution is based on the attendance of the Board of Directors.

(2) Individual remuneration paid to directors (including independent directors) please refer to attachment 4 (Page33~34)

Item 5. Amendments to “Corporate Governance Best Practice Principles” and “Corporate Social Responsibility Best Practice Principles”.

Explanation: In cooperation with 23 December 2022 Letter No.

Taiwan-Stock-Governance-1110024366 of the Taiwan Stock Exchange Corporation, the company hereby proposed to amend “Corporate Governance Best Practice” and “Corporate Social Responsibility Best Practice Principles”. Please refer to attachment 5 (Page 35~37) and attachment 6 (Page 38) for details.

Item 6. 2022 Private Placement Progress Report

Explanation : Shareholders’ Meeting resolution passed for private placement of common share at May 26, 2022, within the limit of 30 million common shares, pursuant to Article 43-6 of the Securities and Exchange Act, Carry out in installments within one year from the date of the resolution of this private placement of the Shareholders' Meeting, due to no suitable applicants were found, decided not to proceed.

#### **IV 、 Ratification Items**

##### **Item 1.**

**( Proposed by Board of Directors )**

Ratification of 2022 Business Report and Financial Statements

Explanation: (1) The Company’s 2022 financial statements, which have been audited by

PricewaterhouseCoopers Taiwan Ching-Chang Chen and Fu-Ming Liao, and Business Report submit to the Audit Committee reviewed and issued the audit committee’s review report.

- (2) Business report、the audit committee’s review report、Independent audit report and financial statements. Please refer to attachment 1 (Page 9~11)、attachment 2 (Page 12)、and attachment 3 (Page 13~32).

Resolution :

**Item 2.** **( Proposed by Board of Directors )**

Ratification of the Deficits Compensation Statement of 2022

Explanation: (1) Please refer to the 2022 Deficit Compensation Statement as follows:

**Amulaire Thermal Technology, Inc.  
Deficits Compensation Statement  
2022**

Unit : NTD

Deficit yet to be compensated of prior years		\$(109,767,629)
Add : 2022 Remeasurement of defined benefit plan		530,472
Adjusted Deficit yet to be compensated in the beginning of the year		(109,237,157)
Add : 2022 net loss		(220,125,527)
Deficit yet to be compensated -at the end of 2022		\$(329,362,684)
Lin, Chi-Sheng Chairman of the Board	Lin, Chi-Sheng Executive Officer	Chen, Ding-Yu Chief Accounting Officer

- (2) Since the company still has accumulated losses in 2022, it plans not to issue dividends.

Resolution :

**V、Election**

**Item 1.** **( Proposed by Board of Directors )**

Independent director by-election

Explanation: (1) The sixth independent director of the company, Ying-Jet, Wang, resigned on December 15, 2022, due to personal factors. As a result, Amulaire were fewer than three independent directors and should be by-election of independent directors. According to Article 14-2 of the “Securities and Exchange Act” and Article 14 of the “Articles of Company” the election of independent directors of the company adopts a candidate nomination system. The term of office of the new independent

directors will start from May 25, 2023, after the election of the shareholders' general meeting to July 14, 2024, making up for the original term and the same as the sixth directors.

- (2) The list of candidates for independent directors has been reviewed and approved by the board of directors. For the candidate's educational background, experience, and other relevant information, please refer to attachment 7(page 39).

## **VI · Discussion**

### **Item 1.**

**( Proposed by Board of Directors )**

Proposal to release the directors and its representative from non-compete restrictions

Explanation: (1) According to Article 209 of the Company Act, directors should explain the important content of their actions to the shareholders' meeting and obtain permission for actions that fall within the scope of the company's business for themselves or others.

- (2) In order to enable the directors of the company to promote the company's business smoothly, without compromising the interests of the company, it is proposed to submit to the shareholders' meeting for permission to lift the restrictions on the non-compete of the current directors and their representatives. The list of directors and content of non-competition submitted for lifting the non-competition is detailed in the table below:

Director Candidates	Name	Current Positions at Other Companies
Director	Chao-Li, Huang	Chairman of MUTEK Electronics Co.,Ltd.
		Chairman of Merry Capital Inc.
		Director and Legal representative of MERRY ELECTRONICS (SINGAPORE) PTE LTD. (MESG)
Director	Ta-Lun, Huang	Independent director of Systex Corporation
Director	Chih Jen, Hu	Director and Manager of KNST CO., LTD.
		Director of KING NET INFORMATION TECHNOLOGY CO., LTD
		Director of BUWON PRECISION SCIENCES CO., LTD.
Director	Hsin-Yi, Chan	Director of ENNOCONN CORPORATION
Director	Shih Han, Huang	Director of WHP Strategic Public Relations Co., Ltd.
		Independent director of 1 PRODUCTION FILM CO.

- (3) This time, the restrictions on the non-competition of the candidates for the new independent director are lifted. The contents of the competition are as follows.

Name	Current Positions at Other Companies
Jin-hua ,Chen	Independent director of TAN DE TECH CO., LTD.
	Independent director of Neith Corporation

- (4) In order to enable the directors of the company to promote the company's business smoothly, without compromising the interests of the company, it is proposed to submit to the shareholders' meeting for permission to lift the restrictions on the non-competition of the directors and their representatives.

Resolution :

**Item 2.**

**( Proposed by Board of Directors )**

Proposal to approve issuance of common shares in private placement or domestic convertible bond in

private placement.

Explanation: (1) The company introduces strategic investors and funds of the company's future development, pursuant to Article 43-6 of the Securities and Exchange Act, the Board of Directors ("Board") is authorized, within the limit of 30 million common shares, to issue new common shares in private placement and/or domestic convertible bond in private placement.

- (2) The content of Issuance of new common shares in private placement or domestic convertible bond in private placement, please refer to Attachment 8(40~45)
- (3) If amendments are necessary, due to the change of the relevant regulations or requested by the regulator's order or changes in the objective environment, the Board of Directors is authorized to make such required amendments at its sole discretion.
- (4) At the time of execution of this case, the actual issue price will comply with the pricing specifications of the resolution of the Shareholders' Meeting and shall take into account the closing price of the Company's common stock at that time to determine its reasonableness and no material impact on shareholders' equity.
- (5) The important contents of this case, including the total amount of issuance, the conditions of issuance, the conversion method, the planned project, the scheduled progress of the use of funds, the expected potential benefits and other outstanding matters, if amendments are necessary, due to the change of the future regulations or modify instruction by the regulator or operational evaluation or changes in the objective environment, the Board of Directors is authorized to make such required amendments at its sole discretion.

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Resolution :

## **VII 、 Extemporary motions**

## **VIII 、 Adjournment**

## **【Attachment 1】**

# **AMULAIRE THERMAL TECHNOLOGY, INC.**

## **2022 Business Report**



Dear Shareholders

First of all, we appreciate for your continuous support to the Company. We apologize for the unexpected business stagnated and financial underperformance in 2022, which mostly due to the economic downturn caused by repeatedly Covid pandemic and anti-inflation effect globally. Management team and all our staff will work harder to improve operational result. Global Electric Vehicle market has growth rapidly in existing trend. The worldwide car makers, Tier1 car parts suppliers, and major IC makers all are dedicated in developing EV. Followin the market trend, new projects of the Company has been increasing continuously. To keep competitive and enlarge the market share in this industry, sustaining investment is comparative strategy. We believe this investment is the key factor for the operation performance improving in the future.

The vision of Amularie is to be top supplier for total termal solution in global green-energy industry. Therefore, the Company invest in developing new manufacturing skill, such as forge, brazing, applicaton of diversified cooling materials. We also implement backward-integration strategy to provide clients multiple and complete solutions. In 2022, the alumin and ADAS products of the Company had got the mass production approval from clients. Furthermore, the Company has successfully established good cooperation relationship with new important clents. These all were new milestones for Amulaire. To enlarge business scale and reduce the risk, the Company' strategy is to increase clients and products in mass production every year in the future.

The company has regarded providing value-added and high quality products and services to clients as the most important competitiveness. Based on the belief, the Company has invested in R&D and creation and get the patents globally. The company provides better cooling solutions to clients by R&D new skill. The company make itself not just the supplier but the partners with clients.

The company's revenue declined 36% because the demand of major clients decreased in 2022 since they faced the problems of production interruption and slow-moving inventory, which were caused by the repeatedly pendemic and anti-inflation globally. Although the Company took several cost-saving measures (e.g., reducing production capacity, enhancing manufacturing method, improving production efficiency), the low utilization rate of capacity decreased the company's gross margin from 13% in 2011 to -1% in 2022. Since the projects of new products development and product in mass production has been increased due to the EV market booming, the company's operating expense was continuously increased in the first half of 2022. However, the company

reduced the expenditure that didn't hinder the new product development in the second half of 2022 because of economic downturn. To improve operation performance, the company will sustain to develop new products and enhance operation efficiency from 2023.

### The comparison of operation performance between 2022 and 2021

Unit : NTD Thousands

Item	2022	2021	Difference	Difference%
Operation Revenue	\$ 731,236	\$ 1,138,098	\$ (406,862)	<b>-36</b>
Operation Cost	(739,889)	(991,705)	(251,816)	<b>-26</b>
Gross Margin	(8,653)	146,393	(155,046)	<b>-106</b>
Operation Expense	(268,289)	(218,097)	50,192	<b>23</b>
Operation Loss	(276,942)	(71,704)	(205,238)	<b>-286</b>
Other Gain(Loss)	51,306	(42,588)	93,894	<b>220</b>
Net Loss before Tax	(225,636)	(114,292)	(111,344)	<b>-97</b>
Income Tax Benefit	795	4,532	(3,737)	<b>-82</b>
Net Loss	<b>(224,841)</b>	<b>(109,760)</b>	<b>(115,081)</b>	<b>-105</b>

In 2023, Amulair face “Opportunity” and “Threat”. The opportunity will be the long-term growth trend of Electric Vehicles market. The severe damages caused by climate change had made “Sustainable Development” to be the consensus of all the governments and enterprises worldwide. All major countries’ policy are promoting Electric Vehicles to achieve their commitment to reduce emission of carbon dioxide in The United Nations Framework Convention on Climate Change (UNFCCC). Major of the global market reserch organizations are optisimic about the compound average growth rate of EV selling. On the other hand, the repeadly Covid pendemic, Quantitative Tightening, and stagnation of economic growth cause uncertainty in major economies worldwide. The potential risk of economic downturn is still possible. Management team will follow the long-term growth trend in green energy industry, and not be affected by these short-term threats. The company will vigorously invest to diversify product portfolio, enlarge client base, improving capabilityof production, automation and human resources. We believe the company’s operation result will back to the growth trend after disadvantage economic effect.

The company’s management team and all the employees acknowledged the shareholders’ expectation. We will be actively improving operational result, strengthen “Coporate Governance”, developing new products, building core competency, following market trend to broaden application of products. We will improve management efficiency to be global supplier of

cooling solutions.

It is the crunch time to growth for Amulair now. We will work strenuously to make better operation performance to feedback your support.

At last, we thank to all your support and encouragement again. Hope you be healthy and well

Chairman: Lin-Chisheng



Executive : Lin-Chisheng



Accounting supervisor : Chen  
Tingyu



## **【Attachment 2】**

### **Audit Committee Report**

The Board of Directors has prepared and submitted to the Audit Committee the Business Report, the Company's 2022 Financial Statements (including the Consolidated Financial Statements), and deficits compensation statement. The 2022 Financial Statements (including the Consolidated Financial Statements) were audited by CPAs Ching-Chang Chen and Fu-Ming Liao from PricewaterhouseCoopers Taiwan, who then issued an audit report based on their review.

We have reviewed the Company's 2022 Financial Statements (including Consolidated Financial Statements), Business Report, and deficits compensation statement and found the contents to be consistent with the information shared with us. We hereby issue this report pursuant to Article 14 of the "Securities and Exchange Act" and Article 219 of "the Company Act" of the Republic of China.

Amulair Thermal Technology, Inc.

The Audit Committee Independent Director:  
Hsin-Yi, Chan

March 1, 2023

## **【Attachment 3】**

### INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of AMULAIRE THERMAL TECHNOLOGY, INC.

#### ***Opinion***

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

In our opinion, based on our audits and the report(s) of other auditors (please refer to the *Other matter* section), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2022 and 2021, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

#### ***Basis for opinion***

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the parent company only 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 judgement, were of most significance in our audit of the Company's 2022 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2022 parent company only financial statements are stated as follows:

### **Valuation of inventories**

#### Description

Refer to Notes 4(10), 5(2) and 6(4) to the financial statements for the details of the Company's accounting policy on inventory valuation, estimates and assumptions and allowance for inventory valuation losses. The Company's inventories constituted a significant portion of total assets, and the industry involves a rapidly changing technology. Since the Company assesses obsolete or slow-moving inventories based on the market demand in future periods, and the determination of net realisable value for obsolete or slow-moving inventories involves subjective judgement resulting in a high degree of estimation uncertainty, we determined the evaluation of inventories as a key audit matter.

#### How our audit addressed the matter

Our audit procedures performed in the Amulaire Thermal Technology, Inc. and its subsidiaries (recognized as investments accounted for under equity method) for the above matter are as follows:

1. Obtained an understanding of the policy on allowance for inventory valuation loss to assess the reasonableness of application.
2. Validated the accuracy of the system logic in calculating the ageing of inventories.
3. Tested the basis of market value used in calculating the net realizable value of inventory and validated the accuracy of net realizable value calculation of selected samples.

#### ***Other matter – Reference to the audits of other auditors***

We did not audit the financial statements of certain investments accounted for under equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these associates, is based solely on the reports of the other auditors.

The balance of these investments accounted for under the equity method amounted to NT\$33,846 thousand and NT\$50,074 thousand, both constituting 1% of the total assets as at December 31, 2022 and 2021, respectively, and the comprehensive loss recognized from associates accounted for under the equity method amounted to NT\$(16,228) thousand and NT\$(3,926) thousand, constituting 7% and 4% of the parent company only total comprehensive income for the years then ended, respectively.

***Responsibilities of management and those charged with governance for the parent company only financial statements***

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

In preparing the parent company only financial statements, management is responsible for assessing the 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 audit committee, are responsible for overseeing the Company's financial reporting process.

***Auditors' responsibilities for the audit of the parent company only financial statements***

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 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 parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the 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.

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

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

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

Chen, Ching Chang

Liao, Fu-Ming

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 16, 2023

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

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

AMULAIRE THERMAL TECHNOLOGY, INC.  
BALANCE SHEETS  
DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Assets	Notes	December 31, 2022 AMOUNT	December 31, 2021 AMOUNT
<b>Current assets</b>			
1100	Cash and cash equivalents	6(1) \$ 127,827	\$ 106,750
1136	Current financial assets at amortised cost	6(2) and 8 141,394	175,782
1170	Accounts receivable, net	6(3) 321,334	424,954
1180	Accounts receivable due from related parties, net	7 7,284	4,175
1220	Current tax assets	127	3,586
130X	Inventory	6(4) 351,130	324,200
1410	Prepayments	31,043	57,267
1479	Other current assets, others	9,355	15,593
11XX	<b>Current Assets</b>	<u>989,494</u>	<u>1,112,307</u>
<b>Non-current assets</b>			
1550	Investments accounted for using equity method	6(5) 103,562	50,738
1600	Property, plant and equipment	6(6) and 8 1,690,990	1,688,512
1755	Right-of-use assets	6(7) 67,438	73,000
1780	Intangible assets	34,567	9,143
1840	Deferred income tax assets	6(21) 14,831	9,162
1900	Other non-current assets	6(12) 25,648	36,655
15XX	<b>Non-current assets</b>	<u>1,937,036</u>	<u>1,867,210</u>
1XXX	<b>Total assets</b>	<u>\$ 2,926,530</u>	<u>\$ 2,979,517</u>

(Continued)

**AMULAIRE THERMAL TECHNOLOGY, INC.**  
**BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Liabilities and Equity	Notes	December 31, 2022 AMOUNT	December 31, 2021 AMOUNT
<b>Liabilities</b>			
<b>Current liabilities</b>			
2100	Short-term borrowings	6(8) \$ 267,750	\$ 269,000
2120	Current financial liabilities at fair value through profit or loss	6(9) 422	1,186
2170	Accounts payable	36,142	35,237
2200	Other payables	6(10) 138,126	185,993
2280	Current lease liabilities	6(7) 11,194	9,470
2320	Long-term liabilities, current portion	6(11) 38,457	37,392
2399	Other current liabilities, others	4,047	3,317
21XX	<b>Current Liabilities</b>	<u>496,138</u>	<u>541,595</u>
<b>Non-current liabilities</b>			
2540	Long-term borrowings	6(11) 947,657	736,143
2570	Deferred income tax liabilities	6(21) 4,745	-
2580	Non-current lease liabilities	6(7) 61,313	68,279
2600	Other non-current liabilities	6(12) 6,100	4,151
25XX	<b>Non-current liabilities</b>	<u>1,019,815</u>	<u>808,573</u>
2XXX	<b>Total Liabilities</b>	<u>1,515,953</u>	<u>1,350,168</u>
<b>Equity</b>			
<b>Share capital</b>			
3110	Common shares	6(14) 896,023	896,023
<b>Capital surplus</b>			
3200	Capital surplus	6(15) 815,514	815,760
<b>Retained earnings</b>			
3310	Legal reserve	6(16) 27,581	27,581
3350	Accumulated deficit	( 329,363)	( 109,768)
<b>Other equity interest</b>			
3400	Other equity interest	822	( 247)
3XXX	<b>Total equity</b>	<u>1,410,577</u>	<u>1,629,349</u>
<b>Commitments and contingent liabilities</b> 9			
3X2X	<b>Total liabilities and equity</b>	<u>\$ 2,926,530</u>	<u>\$ 2,979,517</u>

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

**AMULAIRE THERMAL TECHNOLOGY, INC.**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Items	Notes	Year ended December 31	
		2022	2021
		AMOUNT	AMOUNT
4000 Operating revenue	6(17) and 7	\$ 718,734	\$ 1,140,616
5000 Operating costs		( 733,348)	( 993,530)
5900 Gross (loss) profit from operating		( 14,614)	147,086
5910 Unrealized (loss) profit from sales		( 24)	590
5920 Realized loss on from sales		( 590)	-
5950 Net Gross (loss) profit from operating		( 15,228)	147,676
Operating expenses	6(20)		
6100 Selling expenses		( 18,756)	( 17,566)
6200 General & administrative expenses		( 80,588)	( 68,738)
6300 Research and development expenses		( 150,486)	( 126,634)
6450 Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	6(3)	( 2,884)	( 4,422)
6000 Total operating expenses		( 252,714)	( 217,360)
6900 Operating loss		( 267,942)	( 69,684)
Non-operating income and expenses			
7100 Interest income		1,909	626
7010 Other income		13,223	366
7020 Other gains and losses	6(18)	68,995	( 31,470)
7050 Finance costs	6(19)	( 17,823)	( 8,184)
7070 Share of loss of associates and joint ventures accounted for using equity method	6(5)	( 19,283)	( 5,962)
7000 Total non-operating revenue and expenses		47,021	44,624
7900 Profit (loss) before income tax		( 220,921)	( 114,308)
7950 Income tax (expense) benefit	6(21)	795	4,548
8200 Profit (loss) for the year		(\$ 220,126)	(\$ 109,760)
Components of other comprehensive income that will not be reclassified to profit or loss			
8311 Gains (losses) on remeasurements of defined benefit plans	6(12)	\$ 664	(\$ 16)
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(21)	( 133)	3
Components of other comprehensive income that will be reclassified to profit or loss			
8361 Exchange differences on translation	6(5)	1,069	( 269)
8300 Other comprehensive income for the year		\$ 1,600	(\$ 282)
8500 Total comprehensive income for the year		(\$ 218,526)	(\$ 110,042)
Basic earnings per share	6(22)		
9750 Total basic earnings per share		(\$ 2.46)	(\$ 1.23)
Diluted earnings per share	6(22)		
9850 Total diluted earnings per share		(\$ 2.46)	(\$ 1.23)

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

AMULAIRE THERMAL TECHNOLOGY, INC.  
STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Capital		Capital Reserves		Retained Earnings		Exchange differences on translation of foreign financial statements	Total equity
		Share capital - common stock	Advance receipts for share capital	Total capital surplus, additional paid-in capital	Employee stock warrants	Legal reserve	Total unappropriated retained earnings (accumulated deficit)		
<u>Year ended December 31, 2021</u>									
Balance at January 1, 2021		\$ 847,873	\$ 24,880	\$ 769,431	\$ 2,470	\$ 26,953	\$ 6,373	\$ 22	\$ 1,678,002
Loss for the year		-	-	-	-	-	( 109,760 )	-	( 109,760 )
Other comprehensive loss for the year		-	-	-	-	-	( 13 )	( 269 )	( 282 )
Total comprehensive income		-	-	-	-	-	( 109,773 )	( 269 )	( 110,042 )
Appropriation and distribution of 2020 earnings	6(16)								
Legal reserve		-	-	-	-	628	( 628 )	-	-
Cash dividends		-	-	-	-	-	( 5,740 )	-	( 5,740 )
Dividends from capital surplus	6(15)	-	-	( 48,000 )	-	-	-	-	( 48,000 )
Compensation cost incurred on employee stock options	6(13)	-	-	-	14,836	-	-	-	14,836
Exercise of employee share options	6(13)	48,150	( 24,880 )	77,023	-	-	-	-	100,293
Balance at December 31, 2021		\$ 896,023	\$ -	\$ 798,454	\$ 17,306	\$ 27,581	( \$ 109,768 )	( \$ 247 )	\$ 1,629,349
<u>Year ended December 31, 2022</u>									
Balance at January 1, 2022		\$ 896,023	\$ -	\$ 798,454	\$ 17,306	\$ 27,581	( \$ 109,768 )	( \$ 247 )	\$ 1,629,349
Loss for the year		-	-	-	-	-	( 220,126 )	-	( 220,126 )
Other comprehensive income for the year		-	-	-	-	-	531	1,069	1,600
Total comprehensive income		-	-	-	-	-	( 219,595 )	1,069	( 218,526 )
Compensation cost incurred on employee stock options	6(13)	-	-	-	( 246 )	-	-	-	( 246 )
Balance at December 31, 2022		\$ 896,023	\$ -	\$ 798,454	\$ 17,060	\$ 27,581	( \$ 329,363 )	\$ 822	\$ 1,410,577

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

AMULAIRE THERMAL TECHNOLOGY, INC.  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31	
		2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before tax		(\$ 220,921 )	(\$ 114,308 )
Adjustments			
Adjustments to reconcile profit (loss)			
Realized loss from sales		590	-
Unrealized loss from sales		24	( 590 )
Depreciation expense	6(20)	86,461	68,429
Amortization expense	6(20)	6,234	3,367
Expected credit loss (gain)	6(3)	2,884	4,422
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	6(9)	( 12,496 )	2,613
Interest expense	6(19)	17,823	8,184
Interest income		( 1,909 )	( 626 )
Share-based payments	6(13)	( 246 )	14,836
Share of loss (profit) of associates and joint ventures accounted for using equity method	6(5)	19,283	5,962
Loss (gain) on disposal of property, plant and equipment	6(18)	56	( 13 )
Impairment loss on non-financial assets	6(18)	18,542	-
Changes in operating assets and liabilities			
Changes in operating assets			
Decrease (increase) in accounts receivable		100,736	( 123,985 )
Accounts receivable due from related parties, net		( 3,109 )	( 4,175 )
Inventory		( 26,930 )	( 170,402 )
Decrease (increase) in prepayments		26,224	( 5,849 )
Adjustments for decrease (increase) in other current assets		6,238	1,335
Changes in operating liabilities			
Decrease (increase) in financial liabilities at fair value through profit or loss		11,732	( 2,811 )
Accounts payable		905	8,069
Increase (decrease) in other payable		( 20,774 )	54,406
Other current liabilities, others		730	652
Decrease in other non-current liabilities	6(12)	( 846 )	( 178 )
Cash inflow (outflow) generated from operations		11,231	( 250,662 )
Interest received		1,909	626
Interest paid		( 16,769 )	( 7,423 )
Income taxes paid		3,197	-
Net cash flows used in operating activities		( 432 )	( 257,459 )
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of financial assets at amortised cost		34,388	( 170,656 )
Acquisition of investments accounted for using equity method	6(5)	( 71,652 )	( 54,000 )
Acquisition of property, plant and equipment	6(23)	( 122,910 )	( 571,820 )
Proceeds from disposal of property, plant and equipment		56	521
Acquisition of intangible assets	6(23)	( 17,753 )	( 20,532 )
Increase in prepayments for business facilities		-	( 7,927 )
(Increase) decrease in other non-current assets		( 788 )	5,672
Net cash flows used in investing activities		( 178,771 )	( 818,742 )
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase (decrease) in short-term loans	6(24)	( 1,250 )	269,000
Proceeds from long-term debt	6(24)	250,000	330,000
Repayments of long-term debt	6(24)	( 37,421 )	( 42,821 )
Payments of lease liabilities	6(24)	( 11,049 )	( 6,187 )
Cash dividends paid	6(16)	-	( 5,740 )
Cash paid from capital surplus	6(15)	-	( 48,000 )
Exercise of employee share options	6(13)	-	100,293
Net cash flows from financing activities		200,280	596,545
Net increase (decrease) in cash and cash equivalents		21,077	( 479,656 )
Cash and cash equivalents at beginning of year		106,750	586,406
Cash and cash equivalents at end of year		<u>\$ 127,827</u>	<u>\$ 106,750</u>

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

## INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of AMULAIRE THERMAL TECHNOLOGY, INC.

### ***Opinion***

We have audited the accompanying consolidated balance sheets of Amulaire Thermal Technology, Inc. and subsidiaries (the "Group") as at December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

### ***Basis for opinion***

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, 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 judgement, were of most significance in our audit of the Group's 2022 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2022 consolidated financial statements are stated as follows:

### **Valuation of inventories**

#### Description

Refer to Notes 4(11), 5(2) and 6(5) to the financial statements for the details of the Group's accounting policy on inventory valuation, estimates and assumptions and allowance for inventory valuation losses. The Group's inventories constituted a significant portion of total assets, and the industry involves a rapidly changing technology. Since the Group assesses obsolete or slow-moving inventories based on the market demand in future periods, and the determination of net realisable value for obsolete or slow-moving inventories involves subjective judgement resulting in a high degree of estimation uncertainty, we determined the evaluation of inventories as a key audit matter.

#### How our audit addressed the matter

We performed the following audit procedures on the key audit matter mentioned above:

1. Obtained an understanding of the policy on allowance for inventory valuation loss to assess the reasonableness of application.
2. Validated the accuracy of the system logic in calculating the ageing of inventories.
3. Tested the basis of market value used in calculating the net realizable value of inventory and validated the accuracy of net realizable value calculation of selected samples.

#### ***Other matter – Reference to the audits of other auditors***

We did not audit the financial statements of certain investments accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these associates, is based solely on the reports of the other auditors. The balance of these investments accounted for under the equity method amounted to NT\$33,846 thousand and NT\$50,074 thousand, constituting 1% and 2% of the consolidated total assets as at December 31, 2022 and 2021, respectively, and the comprehensive loss recognized from associates accounted for under the equity method amounted to (NT\$16,228) thousand and (NT\$3,926) thousand, constituting 7% and 4% of the consolidated total comprehensive loss for the years then ended, respectively.

### ***Other matter – Parent company only financial reports***

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

### ***Responsibilities of management and those charged with governance for the financial statements***

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

### ***Auditors' responsibilities for the audit of the financial statements***

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Chen, Ching Chang

Liao, Fu-Ming

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 16, 2023

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

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

AMULAIRE THERMAL TECHNOLOGY, INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2022 AMOUNT	December 31, 2021 AMOUNT
<b>Current assets</b>			
1100	Cash and cash equivalents	6(1) \$ 198,867	\$ 108,043
1136	Current financial assets at amortised cost	6(3) and 8 141,394	175,782
1170	Accounts receivable, net	6(4) 322,263	426,515
1180	Accounts receivable due from related parties, net	-	16
1220	Current tax assets	127	3,586
130X	Inventory	6(5) 351,197	326,203
1410	Prepayments	38,497	57,300
1479	Other current assets, others	14,948	15,593
11XX	<b>Current Assets</b>	<u>1,067,293</u>	<u>1,113,038</u>
<b>Non-current assets</b>			
1550	Investments accounted for using equity method	6(6) 33,846	50,074
1600	Property, plant and equipment	6(7) and 8 1,736,129	1,688,512
1755	Right-of-use assets	6(8) 67,438	73,000
1780	Intangible assets	34,567	9,143
1840	Deferred income tax assets	6(21) 14,831	9,162
1900	Other non-current assets	6(12) 30,524	36,667
15XX	<b>Non-current assets</b>	<u>1,917,335</u>	<u>1,866,558</u>
1XXX	<b>Total assets</b>	<u>\$ 2,984,628</u>	<u>\$ 2,979,596</u>

(Continued)

AMULAIRE THERMAL TECHNOLOGY, INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2022 AMOUNT	December 31, 2021 AMOUNT
<b>Liabilities</b>			
<b>Current liabilities</b>			
2100	Short-term borrowings	6(9) \$ 267,750	\$ 269,000
2120	Current financial liabilities at fair value through profit or loss	6(2) 422	1,186
2170	Accounts payable	36,142	35,237
2200	Other payables	6(10) 140,968	186,045
2280	Current lease liabilities	6(8) 11,194	9,470
2320	Long-term liabilities, current portion	6(11) 38,457	37,392
2399	Other current liabilities, others	4,495	3,344
21XX	<b>Current Liabilities</b>	<u>499,428</u>	<u>541,674</u>
<b>Non-current liabilities</b>			
2540	Long-term borrowings	6(11) 947,657	736,143
2570	Deferred income tax liabilities	6(21) 4,745	-
2580	Non-current lease liabilities	6(8) 61,313	68,279
2600	Other non-current liabilities	6(12) 6,100	4,151
25XX	<b>Non-current liabilities</b>	<u>1,019,815</u>	<u>808,573</u>
2XXX	<b>Total Liabilities</b>	<u>1,519,243</u>	<u>1,350,247</u>
<b>Equity</b>			
<b>Share capital</b>			
3110	Common shares	6(14) 896,023	896,023
<b>Capital surplus</b>			
3200	Capital surplus	6(15) 815,514	815,760
<b>Retained earnings</b>			
3310	Legal reserve	6(16) 27,581	27,581
3350	Accumulated deficit	( 329,363) (	109,768)
<b>Other equity interest</b>			
3400	Other equity interest	822 (	247)
36XX	<b>Non-controlling interests</b>	6(23) 54,808	-
3XXX	<b>Total equity</b>	<u>1,465,385</u>	<u>1,629,349</u>
<b>Commitments and contingent liabilities</b> 9			
3X2X	<b>Total liabilities and equity</b>	<u>\$ 2,984,628</u>	<u>\$ 2,979,596</u>

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

**AMULAIRE THERMAL TECHNOLOGY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**

(Expressed in thousands of New Taiwan dollars, except for (loss) earnings per share)

Items	Notes	Year ended December 31	
		2022	2021
		AMOUNT	AMOUNT
4000 Operating revenue	6(17)	\$ 731,236	\$ 1,138,098
5000 Operating costs	6(5)(20)	( 739,889)	( 991,705)
5900 Gross profit(loss) from operating		( 8,653)	146,393
Operating expenses	6(20)		
6100 Selling expenses		( 22,559)	( 18,302)
6200 General & administrative expenses		( 92,361)	( 68,739)
6300 Research and development expenses		( 150,485)	( 126,634)
6450 Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	6(4)	( 2,884)	( 4,422)
6000 Total operating expenses		( 268,289)	( 218,097)
6900 Operating loss		( 276,942)	( 71,704)
Non-operating income and expenses			
7100 Interest income		3,207	626
7010 Other income		13,223	366
7020 Other gains and losses	6(18)	68,927	( 31,470)
7050 Finance costs	6(19)	( 17,823)	( 8,184)
7060 Share of loss of associates and joint ventures accounted for using equity method	6(6)	( 16,228)	( 3,926)
7000 Total non-operating revenue and expenses		51,306	( 42,588)
7900 Loss before income tax		( 225,636)	( 114,292)
7950 Income tax benefit	6(21)	795	4,532
8200 Loss for the year		<u>(\$ 224,841)</u>	<u>(\$ 109,760)</u>
8311 Gains (losses) on remeasurements of defined benefit plans	6(12)	\$ 664	(\$ 16)
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(21)	( 133)	3
Components of other comprehensive income that will be reclassified to profit or loss			
8361 Exchange differences on translation		1,968	( 269)
8300 Other comprehensive income for the year		<u>\$ 2,499</u>	<u>(\$ 282)</u>
8500 Total comprehensive income for the year		<u>(\$ 222,342)</u>	<u>(\$ 110,042)</u>
Loss, attributable to:			
8610 Loss, attributable to owners of parent		(\$ 220,126)	(\$ 109,760)
8620 Loss, attributable to non-controlling interests		<u>(\$ 4,715)</u>	<u>\$ -</u>
8710 Comprehensive income attributable to owners of parent		<u>(\$ 222,342)</u>	<u>(\$ 110,042)</u>
Basic loss per share	6(22)		
9750 Total basic loss per share		<u>(\$ 2.46)</u>	<u>(\$ 1.23)</u>
Diluted loss per share	6(22)		
9850 Total diluted loss per share		<u>(\$ 2.46)</u>	<u>(\$ 1.23)</u>

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

AMULAIRE THERMAL TECHNOLOGY, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Equity attributable to owners of the parent								
		Capital	Capital Reserves			Retained Earnings		Exchange differences on translation of foreign financial statements	Non-controlling interests	Total equity
		Share capital - common stock	Advance receipts for share capital	Total capital surplus, additional paid-in capital	Employee stock warrants	Legal reserve	Total unappropriated retained earnings (accumulated deficit)			
<u>Year ended December 31, 2021</u>										
Balance at January 1, 2021		\$ 847,873	\$ 24,880	\$ 769,431	\$ 2,470	\$ 26,953	\$ 6,373	\$ 22	\$ -	\$ 1,678,002
Loss for the year		-	-	-	-	-	( 109,760 )	-	-	( 109,760 )
Other comprehensive loss for the year		-	-	-	-	-	( 13 )	( 269 )	-	( 282 )
Total comprehensive income		-	-	-	-	-	( 109,773 )	( 269 )	-	( 110,042 )
Appropriation and distribution of 2020 earnings	6(16)									
Legal reserve		-	-	-	-	628	( 628 )	-	-	-
Cash dividends		-	-	-	-	-	( 5,740 )	-	-	( 5,740 )
Dividends from capital surplus	6(15)	-	-	( 48,000 )	-	-	-	-	-	( 48,000 )
Compensation cost incurred on employee stock options	6(13)	-	-	-	14,836	-	-	-	-	14,836
Exercise of employee share options	6(13)	48,150	( 24,880 )	77,023	-	-	-	-	-	100,293
Balance at December 31, 2021		\$ 896,023	\$ -	\$ 798,454	\$ 17,306	\$ 27,581	( \$ 109,768 )	( \$ 247 )	\$ -	\$ 1,629,349
<u>Year ended December 31, 2022</u>										
Balance at January 1, 2022		\$ 896,023	\$ -	\$ 798,454	\$ 17,306	\$ 27,581	( \$ 109,768 )	( \$ 247 )	\$ -	\$ 1,629,349
Loss for the year		-	-	-	-	-	( 220,126 )	-	( 4,715 )	( 224,841 )
Other comprehensive loss for the year		-	-	-	-	-	531	1,069	899	2,499
Total comprehensive income		-	-	-	-	-	( 219,595 )	1,069	( 3,816 )	( 222,342 )
Compensation cost incurred on employee stock options	6(13)	-	-	-	( 246 )	-	-	-	-	( 246 )
Changes in non-controlling interests	6(23)	-	-	-	-	-	-	-	58,624	58,624
Balance at December 31, 2022		\$ 896,023	\$ -	\$ 798,454	\$ 17,060	\$ 27,581	( \$ 329,363 )	\$ 822	\$ 54,808	\$ 1,465,385

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

**AMULAIRE THERMAL TECHNOLOGY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before tax		( \$ 225,636 )	( \$ 114,292 )
Adjustments			
Adjustments to reconcile profit (loss)			
Amortization expense	6(20)	6,234	3,367
Depreciation expense	6(20)	87,244	68,429
Expected credit loss	6(4)	2,884	4,422
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	6(2)	( 12,496 )	2,613
Interest expense	6(19)	17,823	8,184
Interest income		( 3,207 )	( 626 )
Share-based payments	6(13)	( 246 )	14,836
Share of loss (profit) of associates and joint ventures accounted for using equity method	6(6)	16,228	3,926
Loss (gain) on disposal of property, plant and equipment		( 56 )	( 13 )
Impairment loss on non-financial assets	6(18)	18,542	-
Changes in operating assets and liabilities			
Changes in operating assets			
Decrease (increase) in accounts receivable		101,368	( 125,546 )
Accounts receivable due from related parties, net		16	( 16 )
Inventory		( 24,994 )	( 172,405 )
Decrease (increase) in prepayments		18,803	( 5,820 )
Adjustments for decrease (increase) in other current assets		645	1,335
Changes in operating liabilities			
Decrease (increase) in financial assets at fair value through profit or loss		11,732	( 2,811 )
Accounts payable		905	8,069
Increase (decrease) in other payable		( 17,983 )	54,458
Other current liabilities, others		1,151	679
Decrease in other non-current liabilities		( 846 )	( 178 )
Cash outflow generated from operations		( 1,889 )	( 251,389 )
Interest received		3,207	626
Interest paid		( 16,769 )	( 7,423 )
Income taxes refund (paid)		3,197	( 16 )
Net cash flows used in operating activities		( 12,254 )	( 258,202 )
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of financial assets at amortised cost		34,388	-
Acquisition of financial assets at amortised cost		-	( 170,656 )
Acquisition of investments accounted for using equity method	6(6)	-	( 54,000 )
Acquisition of property, plant and equipment	6(24)	( 171,347 )	( 571,820 )
Proceeds from disposal of property, plant and equipment		56	521
Acquisition of intangible assets	6(24)	( 17,753 )	( 20,532 )
Increase in prepayments for business facilities		-	( 7,927 )
(Increase) decrease in other non-current assets		( 3,138 )	5,660
Net cash flows used in investing activities		( 157,794 )	( 818,754 )
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase (decrease) in short-term loans	6(25)	( 1,250 )	269,000
Proceeds from long-term debt	6(25)	250,000	330,000
Repayments of long-term debt	6(25)	( 37,421 )	( 42,821 )
Payments of lease liabilities	6(25)	( 11,049 )	( 6,187 )
Cash dividends paid	6(16)	-	( 5,740 )
Cash paid from capital surplus	6(15)	-	( 48,000 )
Exercise of employee share options	6(13)	-	100,293
Change in non-controlling interests	6(23)	58,624	-
Net cash flows from financing activities		258,904	596,545
Effects of exchange rate changes on cash		1,968	( 269 )
Net increase (decrease) in cash and cash equivalents		90,834	( 480,680 )
Cash and cash equivalents at beginning of year		108,043	588,723
Cash and cash equivalents at end of year		\$ 198,867	\$ 108,043

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

## 【Attachment 4】

### 2022 Remuneration to Directors

Title	Name	Director's remuneration								Ratio of total remuneration (A+B+C+D) to net income after tax		Compensation Received by a Director Who is an Employee of the Company and/or any Consolidated Entities								Ratio of total compensation (A+B+ C+ D+ E+F+G) to net income after tax		Compensation Paid to Directors from Nonconsolidated Affiliates or parent company (Note 5)		
		Remuneration(A) (Note 1)		Pension (B)		Remuneration to directors (C) (Note 2)		Business expense (D) (Note 3)				Salary, bonus and special allowance (E) (Note 4)		Pension (F)		Employee compensation (G)								
		The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	本公司	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	Cash	Stock	Cash	Stock	The Company	All Consolidated Entities			
Chairperson	Chi-Sheng, Lin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Director	Ta-Lun, Huang	-	-	-	-	-	-	80	80	80 (0.04%)	80 (0.04%)	-	-	-	-	-	-	-	-	80 (0.04%)	80 (0.04%)	-	-	N/A
Director	Pao Yu (II) Investments Co., Ltd. Represented by Chi-Joan Yu	-	-	-	-	-	-	-	-	-	-	2,062	2,062	66	66	-	-	-	-	2,128 (0.95%)	2,128 (0.95%)	-	-	N/A
Director	Sunder Investment. Co., Ltd. Represented by Chao-Li, Huang	-	-	-	-	-	-	90	90	90 (0.04%)	90 (0.04%)	-	-	-	-	-	-	-	-	90 (0.04%)	90 (0.04%)	-	-	N/A
Director (Note 6)	Pao Yu (II) Investments Co., Ltd. Represented by Chih Jen, Hu	-	-	-	-	-	-	-	-	-	-	1,049	1,049	43	43	-	-	-	-	1,092 (0.49%)	1,092 (0.49%)	-	-	N/A
Independent Director	Hsin-Yi, Chan	-	-	-	-	-	-	170	170	170 (0.08%)	170 (0.08%)	-	-	-	-	-	-	-	-	170 (0.08%)	170 (0.08%)	-	-	N/A
Independent Director	Shih Han, Huang	-	-	-	-	-	-	190	190	190 (0.08%)	190 (0.08%)	-	-	-	-	-	-	-	-	190 (0.08%)	190 (0.08%)	-	-	N/A
Independent Director (Note 7)	Ying-Jet, Wang	-	-	-	-	-	-	30	30	30 (0.01%)	30 (0.01%)	-	-	-	-	-	-	-	-	30 (0.01%)	30 (0.01%)	-	-	N/A

Note 1 : Remuneration paid to directors in 2022, including salary, allowance, severance, all types of bonuses, and performance bonus.

Note 2 : Compensation paid to directors in 2022 approved by the Board of Directors. In 2021, Amulaire still accumulated deficit, so without the distribution of remuneration.

Note 3 : Business expenses incurred by directors in carrying out their duties in 2022, including travel allowance, special allowance, other allowance, accommodation, and fringe benefits such as company cars.

Note 4 : Compensation received by a director who is an employee (whether serving concurrently in the position of president, vice president, executive officer, or employee) of Hotai and/or any consolidated entities in 2022, which includes salary, allowance, severance, all types of bonuses, performance bonus, travel allowance, special allowance, other allowance, accommodation, and fringe benefits such as company cars

Note 5 : a. This column should clearly fill in the amount of remuneration received by the directors from the reinvestment business outside the subsidiary or the parent company (if there is no one, please fill in "None")

b. If the directors have received relevant remuneration from the investment business outside the subsidiary or the parent company, the remuneration received by director from the investment business outside the subsidiary or the parent company shall be included in column "I" of the remuneration scale table, and change the name of the field to "Parent Company and All Invested Enterprises".

c. Remuneration refers to the remuneration (including remuneration of employees, directors and supervisors) and business execution expenses received by the directors of the company as directors, supervisors or managers of subsidiaries or parent companies. remuneration.

Note 6 : Pao Yu (II) Investments Co., Ltd. changed the representative from Chi-Joan Yu to Chih Jen, Hu at August 15, 2022.

Note 7 : Ying-Jet, Wang resigned from independent director due to personal reasons at December 15, 2022.

**【Attachment 5】**

**Amulair Thermal Technology, Inc.**

**Comparison of the Current and Amended Provisions of the Corporate Governance Best Practice Principles**

Amended Provisions	Current Provisions	Commentary
<p>Article 3-1 (omitted)</p> <p>6. Report to the board of directors the results of its review of whether the qualifications of independent directors comply with relevant laws and regulations at the time of nomination and election, that is, during the term of office.</p> <p>8. Other matters set out in the articles or corporation or contracts</p>	<p>Article 3-1 (omitted)</p> <p><del>6.</del> Other matters set out in the articles or corporation or contracts</p>	<p>According to the corporate governance 3.0-sustainable development blueprint planning and the result of consulting external opinions, the independent directors (including independent director candidates and current independent directors) qualification legal compliance matters are included in the corporate governance supervisory function; in addition, in order to strengthen the corporate governance supervisory function, Incorporate the handling of changes of directors (including but not limited to the matters that should be handled in accordance with the regulations when the director of corporate governance receives the notice of resignation of a director or the reassignment of item 3 of Article 27 of the Company Act) into the function of the director of corporate governance, respectively. Paragraphs 6 and 7 are added.</p>
<p>Section 3 Corporate Governance Relationships Between the Company and Its Related Party</p>	<p>Section 3 Corporate Governance Relationships Between the Company and Its Affiliated Enterprises</p>	<p>Considering that the normative content of this section includes not only the governance relationship between listed OTC companies and affiliated companies, but also the management of dealings with related parties, etc., the name of this section is revised.</p>
<p>Article 17 When the Company and its related party enter into inter-company business dealings or transactions, a written agreement governing the</p>	<p>Article 17 When the Company and its <del>affiliated enterprises</del> enter into inter-company <del>business transactions</del>, a written agreement</p>	<p>1. Amend the first item. The current provisions only regulate the written norms for the transactions between the company and its</p>

Amended Provisions	Current Provisions	Commentary
<p>relevant financial and business operations between them shall be made in accordance with the principle of fair dealing and reasonableness. Price and payment terms shall be definitively stipulated when contracts are signed, and non-arms-length transactions <b>and improper benefit transfers</b> shall be prohibited.</p> <p><b>The content of the written specification in the preceding paragraph shall include the management procedures for transactions such as purchase and sale transactions, acquisition or disposal of assets, capital lending, and endorsement guarantees, and relevant major transactions shall be submitted to the board of directors for approval or to the shareholders' meeting for approval or report</b></p>	<p>governing the relevant financial and business operations between them shall be made in accordance with the principle of fair dealing and reasonableness. Price and payment terms shall be definitively stipulated when contracts are signed, and non-arm's length transactions shall be prohibited.</p> <p><del>All transactions or contracts made by and between the company and its affiliated persons and shareholders shall follow the principles set forth in the preceding paragraph, and improper channeling of profits is strictly prohibited.</del></p>	<p>affiliated enterprises. In order to strengthen the company's management of related party transactions, written norms should also be formulated for the transactions between the company, related parties and shareholders, and the scope of related parties includes relationships. For enterprises, the current second item shall be merged and moved to the first item, and the text shall be amended as appropriate.</p> <p>2. Paragraph 2 is added, specifying that the written specification in the preceding paragraph shall include management procedures for relevant transactions, and that major transactions shall be submitted to the board of directors for resolution and approval, or to the shareholders' meeting for approval or reporting.</p>
<p>Article 31(omitted)</p> <p>The Company shall evaluate the independence and suitability of the CPA engaged <b>to refer to AQIs</b> by the company regularly, and no less frequently than once annually. In the event that the company engages the same CPA without replacement for 7 years consecutively, or if the CPA is subject to disciplinary action or other circumstances prejudicial to the CPA's independence, the company shall evaluate the necessity of replacing the CPA and submit its conclusion to the board of directors.</p>	<p>Article 31(omitted)</p> <p>The Company shall evaluate the independence and suitability of the CPA engaged by the company regularly, and no less frequently than once annually. In the event that the company engages the same CPA without replacement for 7 years consecutively, or if the CPA is subject to disciplinary action or other circumstances prejudicial to the CPA's independence, the company shall evaluate the necessity of replacing the CPA and submit its conclusion to the board of directors</p>	<p>In order to improve the transparency of audit quality, the "Corporate Governance 3.0-Sustainable Development Blueprint" promotes audit quality indicators (AQIs) and encourages the audit committees of listed companies to refer to the AQI information provided by the accounting firm when evaluating the replacement of accounting firms.</p>
<p>Article 55 (omitted)</p> <p>This Code was adopted on May 12, 2016.</p> <p>This Code was first revised on March 14, 2017.</p>	<p>Article 55 (omitted)</p> <p>This Code was adopted on May 12, 2016.</p> <p>This Code was first revised on March 14, 2017.</p>	<p>Add revision history</p>

<b>Amended Provisions</b>	<b>Current Provisions</b>	<b>Commentary</b>
<p>This code was revised for the second time on January 23, 2019.</p> <p>This code was revised for the third time on March 5, 2018.</p> <p>This code was revised for the fourth time on February 23, 2022.</p> <p><b>This Code was revised for the fifth time on March 1, 2023.</b></p>	<p>This code was revised for the second time on January 23, 2019.</p> <p>This code was revised for the third time on March 5, 2018.</p> <p>This code was revised for the fourth time on February 23, 2022.</p>	

**【Attachment 6】**

**Amulair Thermal Technology, Inc.**

**Comparison of the Current and Amended Provisions of the Corporate Social Responsibility Best Practice Principles**

Amended Provisions	Current Provisions	Commentary
Sustainable Development Best Practice Principles	Corporate Social Responsibility Best Practice Principles	Amend the name in accordance with the law
<p>Article 27-1</p> <p>The company should continue to pour resources into cultural and artistic activities or cultural and creative industries through donation, sponsorship, investment, procurement, strategic cooperation, corporate voluntary technical services or other support modes to promote cultural development.</p>	New	In order to encourage enterprises to support cultural and artistic activities and promote sustainable cultural development, it has been updated.
<p>Article 55 (omitted)</p> <p>This Code was adopted on May 12, 2016.</p> <p>This Code was first revised on March 14, 2017.</p> <p>This code was revised for the third time on March 5, 2018.</p> <p>This code was revised for the fourth time on February 23, 2022.</p> <p>This Code was revised for the fifth time on March 1, 2023.</p>	<p>Article 55 (omitted)</p> <p>This Code was adopted on May 12, 2016.</p> <p>This Code was first revised on March 14, 2017.</p> <p>This code was revised for the third time on March 5, 2018.</p> <p>This code was revised for the fourth time on February 23, 2022.</p>	Add revision history

**【Attachment 7】****List of Nominated Independent Director Candidates**

Name	Jin-hua ,Chen
Education	<ul style="list-style-type: none"><li>● Feng Chia University -EMBA</li><li>● Feng Chia University -Department of Statistics</li></ul>
Experience	<ul style="list-style-type: none"><li>● Chief, Jhunan Office, National Taxation Bureau of the Central Area. Ministry of Finance</li><li>● Chief, Datun Office National Taxation Bureau of the Central Area. Ministry of Finance</li><li>● Acting Chief of First Examination Division, Senior Auditor and Chief National Taxation Bureau of the Central Area. Ministry of Finance</li><li>● Senior Auditor, Chief Secretary, National Taxation Bureau of the Central Area. Ministry of Finance</li><li>● Senior Auditor and Acting Chief, National Taxation Bureau of the Central Area. Ministry of Finance Mincyuan Office</li><li>● Director of National Taxation Bureau of the Central Area. Ministry of Finance Yunlin Branch</li><li>● Director of National Taxation Bureau of the Central Area. Ministry of Finance Fengyuan Branch</li></ul>
Current Position	<ul style="list-style-type: none"><li>● Independent director of TAN DE TECH CO., LTD.</li><li>● Independent director of Neith Corporation</li></ul>
Shares Held by Corporation	0

## 【Attachment 8】

### AMULAIRE THERMAL TECHNOLOGY, INC.

The methods and content of issuance of common shares in private placement or domestic convertible bond in private placement.

(1) When filling the case of " To issue new common shares for cash in private placement (“Private Placement Shares”)”, it is proposed to request the approval of the shareholders' meeting and authorize the board of directors to carry out in installments once or twice within one year from the date of the resolution of the Shareholders' Meeting and proceed as following:

#### 1. The basis and reasonableness of the pricing

(a) The price of Private Placement Shares , which shall be either of the following prices (whichever is higher): a. The simple arithmetic mean of the closing prices of the Company's common stock on the date falling on either one, three or five business day(s) prior to such filing, after adjustment for net of the ex-rights by share distribution, cash dividends or capital reduction. b. The simple arithmetic mean of the closing prices of the Company's common stock on the date falling on either one, three or five business day(s) prior to such filing, after adjustment for net of the ex-rights by share distribution, cash dividends or capital reduction.

(b) The price of Private Placement Shares shall not be less than 80% of the reference price and not less than the denomination of \$10 is the principle, proposed that the shareholders' meeting authorize the Board of Directors to determine the actual issuance price by taking into account market conditions and contact with specific persons, within a range not less than the ratio determined by the resolutions of the shareholders' meeting.

(c) The private placement price is determined according to the laws and regulations set by the competent authority and operating status, future, reference price on pricing day; as such, the price set shall be reasonable.

#### 2. Choice of specific persons

Pursuant to Article 43-6 of the Securities and Exchange Act and administration Regulation.

#### 3. The objectives of selecting the specific persons, the necessity for that selection, and the

anticipated benefits

(a) If the applicant is a strategic investor :

A. Objectives : The company is for the purpose of future development and long-term operation planning, intend to introduce strategic investors who can benefit the company's future operations through private placement, To strengthen the competitiveness of the company's technology, product types, customer structure and marketing.

B. The necessity for that selection, and the anticipated benefits : In view of future changes in market demand for products, in order to enhance the company's competitive advantage, introduce strategic investors who will be helpful to the company's future product and market development. In addition, the joining of applicants can accelerate the company's opportunities for product and market development, through the integration of various industries or joint research and development of the market, to assist the company to improve technology, Improve efficiency, expand market scale, contribute to the stable growth of the company, which should help increase shareholder equity.

(b) The specific persons have not been arranged

4. Why no public offering : In light of time-efficiency, convenience, issue costs and the private placement of stock is subject to a three-year limitation on transfers, which may ensure and strengthen a long-term relationship between the Company and its strategic investors; as such, issued not through public offering but through private placement.
5. Purpose of private placement funds and expected benefits to be fulfilled: Carry out in installments once or twice within one year from the date of the resolution of this private placement of the Shareholders' Meeting. All the funds raised through private placements are used to enrich the operating funds, strengthen the Company's financial structure , increase its effect of operations and company's competitiveness, which should help increase shareholder equity.
6. Rights and obligations of this private placement shares : The rights and obligations of the Private Placement Shares shall be the same as those of the original shares. Under

the Article 43-8 of the Securities and Exchange, this private placement shares, Unless certain conditions are met, it can be freely transferred after three years from the date of delivery, And three years after the delivery date of the Private Placement shares, apply for supplementary office development, issuance and listing transactions in accordance with relevant Act.

7. The Private Placement new common shares plan in addition to the price ratio of private placement plan includes primarily actual issued price, total number of shares, conditions of issuance, amount of issuance, record date of cash capital increase ,planned project, the scheduled progress of the use of funds, the expected potential benefits and All other matters related to the issuance plan, proposed to request the approval of the shareholders' meeting and authorize the board of directors adjustment, determination and handling according to market conditions, if amendments are necessary, due to the change of the future regulations or modify instruction by the regulator or operational evaluation or changes in the objective environment, the Board of Directors is authorized to make such required amendments at its sole discretion.
8. It is proposed to request the approval of the shareholders' meeting , and authorize the Chairman or his designated agent to sign all relevant contracts and documents relating to “The Private Placement common shares” and to handle all relevant matters, and all matters related to the issuance of private placement common shares.

(2)When filling the case of " Private Placement Domestic Convertible Bond”, it is proposed to request the approval of the shareholders' meeting and authorize the board of directors to carry out in installments once or twice within one year from the date of the resolution of the Shareholders' Meeting and proceed as following:

1. The basis and reasonableness of the pricing :
  - (I) Term: The term of the Private Placement Domestic Convertible Bond shall not exceed seven years from the issuance date.
  - (II) Denomination per sheet: NT\$100,000
  - (III) Coupon Rate : To be determined by the Board.
  - (IV) The price of Private Placement Domestic Convertible Bond , which shall be either of the following prices (whichever is higher): a. The simple arithmetic mean of the closing prices of the Company's common stock on the date falling on either one, three or five business day(s) prior to such filing, after adjustment for net of the

ex-rights by share distribution, cash dividends or capital reduction. b. The simple arithmetic mean of the closing prices of the Company's common stock on the date falling on either one, three or five business day(s) prior to such filing, after adjustment for net of the ex-rights by share distribution, cash dividends or capital reduction. The conversion price of Private Placement Domestic Convertible Bond shall not be less than 80% of the reference price. Proposed that the shareholders' meeting authorize the Board of Directors to determine the actual issuance price in accordance with relevant Act.

(V)The issue price of private placement domestic convertible bond may not be below 80% of the theoretical price. The theoretical price will be determined with the valuation model selected that covers and takes into consideration at the same time various rights included in the issuance criteria. Consider factors such as listing restrictions and trading restrictions on common shares converted from Private Placement Domestic Convertible Bond; as such, the price set shall be reasonable.

2. The objectives of selecting the specific persons, the necessity for that selection, and the anticipated benefits

(a) If the applicant is a strategic investor :

A. objectives : The company is for the purpose of future development and long-term operation planning, intend to introduce strategic investors who can benefit the company's future operations through private placement, To strengthen the competitiveness of the company's technology, product types, customer structure and marketing.

B. the necessity for that selection, and the anticipated benefits : In view of future changes in market demand for products, in order to enhance the company's competitive advantage, introduce strategic investors who will be helpful to the company's future product and market development. In addition, the joining of applicants can accelerate the company's opportunities for product and market development, through the integration of various industries or joint research and development of the market, to assist the company to improve technology, Improve efficiency, expand market scale, contribute to the stable growth of the company, which should help increase shareholder equity.

(b) The specific persons have not been arranged

3. The reasons for the necessity of conducting the private placement

(A) The Company intends to conduct the private placement in consideration the situation of the capital market, time sensitiveness, feasibility, issue costs and actual demand in introduction of strategic investors. And the private placement of securities is subject to a three-year limitation on transfers, which may ensure a long-term relationship between the Company and its strategic investors.

(B) Purpose of private placement funds and expected benefits to be fulfilled: Carry out in installments once or twice within one year from the date of the resolution of this private placement of the Shareholders' Meeting. All the funds raised through private placements are used to enrich the operating funds, repay bank loan and funds for future development, strengthen the Company's financial structure, increase its effect of operations, which should help increase shareholder equity.

4. The restrictions on transfers of the Private Placement Domestic Convertible Bond are handled under Article 43-8 of the Securities and Exchange Act. This Private Placement Domestic Convertible Bond and common shares subsequently converted, unless certain conditions are met, it can be freely transferred after three years from the date of delivery. Common shares converted after the Private Placement Domestic Convertible Bond, and three years after the delivery date of the Private Placement Domestic Convertible Bond, apply for supplementary office.

5. The Private Placement Domestic Convertible Bond plan includes primarily actual issued price, conditions of issuance, conversion method, amount of issuance, planned project, the scheduled progress of the use of funds, the expected potential benefits and other outstanding matters. If amendments are necessary, due to the change of the relevant regulations or requested by the regulator's order or changes in the objective environment, the Board of Directors is authorized to do all required acts.

6. It is proposed to request the approval of the shareholders' meeting, and authorize the Chairman or his designated agent to sign all relevant contracts and documents relating to "The Private Placement Domestic Convertible Bond" and to handle all relevant matters, and all matters related to the issuance of private placement domestic convertible bond.

7. Proposal on Private Placement of Securities by the Company, Pursuant to Article 43-6 of the Securities and Exchange Act, description please visit the Market Observation Post

System (Websites : <http://mops.twse.com.tw/>) and company website(Websites : <https://www.amulaire.com/>)

## **【Appendix 1】**

### **AMULAIRE THERMAL TECHNOLOGY, INC.**

#### **Articles of Incorporation**

##### **CHAPTER I GENERAL PROVISIONS**

Article 1: This Company is duly organized under the Company Act, bearing the name of Amulaire Thermal Technology, Inc. The company's English name is Amulaire Thermal Technology, Inc.

Article 2: The business scopes of the Company are as follows:

- A. C805050 Industrial Plastic Products Manufacturing
- B. CA05010 Powder Metallurgy
- C. CC01080 Electronics Components Manufacturing
- D. F113990 Wholesale of Other Machinery and Tools
- E. F119010 Wholesale of Electronic Materials
- F. F213990 Retail Sale of Other Machinery and Equipment
- G. F219010 Retail Sale of Electronic Materials
- H. F401010 International Trade
- I. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Headquarter of the Company is located in the New Taipei City. If necessary, with the resolution of the Board of Directors, the Company may establish branch offices or representative offices onshore or offshore in accordance with laws.

Article 4: Notices and Announcements from the Company, according to regulations of the Company Law and the competent securities authority.

##### **CHAPTER II SHARES**

Article 5: The total amount of capital of the Company is NTD 1,500,000,000, divided into 150,000,000 shares, all of which are common shares, with a par value of NTD 10 per share. For unissued shares, the board of directors is authorized to issue shares in installments.

The Company may issue employee stock options, preferred shares with warrants, or bonds with attached warrants for the exercise of stock options, the board of directors is authorized to issue shares in installments.

The issuance price of the company's employee stock option certificates may not be restricted by Article 53 of the issuer's guidelines for handling

securities offerings and issuances. Issuance shall be made only after the shareholders' meeting representing more than half of the total number of issued shares attends the shareholders' meeting, and agreed by two-thirds or more of the voting rights of the shareholders.

The share subscription warrant, including employees of controlling or subordinate companies who meet certain conditions.

Qualification requirements of employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, entitled to receive share subscription warrant in accordance with the provision of Paragraph One, may be specified in the Articles of Incorporation.

In issuing new shares, qualification requirements of employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements.

Qualification requirements of employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, entitled to receive restricted stock for employees.

Article 6: Total amount of the Company's re-investment shall not be subject to the restrictions of not more than forty percent of the Company's paid-up capital as provided in Article 13 of the Company Act.

Article 7: The company may issue shares without printing stock certificates, but the Company shall register in the organization governing centralized securities depository enterprises, according to the regulations of the institution

Article 8: Unless otherwise stipulated by the Act on the Handling of Stock Affairs of the Company, be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" .

Article 8-1: Changes to the records in the shareholder register shall be handled in accordance with Article 165 of the Company Law.

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

Article 9: Shareholders' meetings of the Company are of two types, namely regular meetings and special meetings:

I. Regular meetings shall be convened, by the Board of Directors, within six (6) months after the close of each fiscal year.

II. Special meetings shall be convened in accordance with relevant laws.

III. The Shareholders Meeting may convene through videoconferencing or any other means as announced by competent authority.

Article 10: The shareholders' meeting shall be presided over by the Chairman of the Board of Directors of the Company. In his absence, either the Vice Chairman of the Board of Directors, the Chairperson shall designate one of the directors to act on his/her behalf. If there is no such designation, the directors shall elect a chairperson to act on his/her behalf from among themselves. For the shareholders' meeting convened by any other person having the convening right, he/she shall act as the chairperson of that meeting, provided, however, that if there are two or more conveners, the chairperson of the meeting shall be elected from among themselves.

Article 11: For each shareholders meeting, a shareholder that will be absent of the meeting for a particular reason may appoint a proxy to attend the meeting by providing the proxy form issued by this Company and stating the scope of the proxy's authorization. Procedures for Shareholders to Attend by Proxy and Use of Power of Attorney, unless the Company Act provides otherwise, handle this in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies".

Article 12: If the Shareholders Meeting of the Company is convened, The company shall provide shareholders with correspondence or electronic means of exercising voting rights ,shareholders may cast their votes by correspondence or through electronic mean, Shareholders whose voting rights are exercised electronically are deemed to be present in person, relevant matters are handled in accordance with laws and regulations.

Article 13: Unless otherwise prescribed by laws or regulations, the proposal will only be approved by the shareholders meeting when the attending shareholders represent a majority of the total number of issued shares and majority of the shareholders attending the meeting vote for the proposal.

Matters resolved at the shareholders' meeting shall be recorded in minutes and handled in accordance with Article 183 of the Company Law.

Article 13-1: The company's stock application for issue and cancellation shall be handled in accordance with the relevant provisions of Article 156 of the Company Law.

#### **Chapter 4 Directors, Audit Committee Members and Managers**

Article 14: The Company shall establish 5–9 seats of Directors with tenure of 3 years each. The candidates for the seats shall be people of legal competence elected by the Shareholders Meeting, and may assume a successive term of office if reelected. When the shareholders' meeting elects directors, the holder of each share is entitled to the number of votes equivalent to the number of Directors to be elected. Shareholders may concentrate the votes on a particular candidate or distribute the votes to different candidates. Candidates who earned the majority of the votes will be elected to the seats of Directors.

Amongst the directors of the Company, at least three independent directors shall be elected (At least one of the independent directors should have accounting or financial expertise), and the number of seats for the Independent Directors shall not fall below 1/5 of the total seats of Directors. The professional requirement, shareholding, restriction of holding concurrent positions, nomination and election of Independent Directors, and other matters for compliance shall be governed by the requirement of the competent authority.

Pursuant to Article 192-1 of the Company Act. Candidates on the list of nomination will be elected

The Company may purchase liability insurance policies for directors during the term of their offices and within the scope of damages results from m the performances of their official duties, the amount of insurance and insurance matters shall be authorized to be decided by the board of directors.

Article 14-1: The company may set up functional committees under the board of directors, and the setting up and powers of relevant committees shall be carried out in accordance with the regulations stipulated by the competent authority.

Article 14-2: The Company shall establish an Audit Committee in , accordance with the relevant provisions of the Securities and Exchange Law, and the Audit Committee shall consist of all independent directors. Regarding matters such as the number, term, powers and rules of procedure of the Audit Committee, in accordance with the relevant provisions of the Audit Committee's methods for exercising authority, the Audit Committee's organizational rules shall be separately formulated.

Article 14-3: Deleted

Article 15: The board of directors is a body of elected members with power of authority specified as following:

- I. Making business reports and financial reports.
- II. Proposal for Profit distribution or loss recovery.
- III. Proposal the amendment to the Articles of Incorporation, change capital, company dissolution or merger
- IV. Formulate the company's internal control system and company organization regulations
- V. To approve the appointment, dismissal and remuneration of the company's managers.
- VI. Establish or dissolve a branch.
- VII. The annual budget and review annual financial reports.
- VIII. Appointment, dismissal and remuneration of accountants °
- IX. Appointment and removal of the chiefs of finance, accounting and internal audit.
- X. Approved to reinvest in other businesses.
- XI. Acquisition and disposal of approved company assets shall be handled in accordance with Article 185 of the Company Law for the sale of all or a major part of the property of the company.
- XII. Lending funds to others or endorsement for others in accordance with internal control regulations
- XIII. Apply for financing, guarantee, acceptance, bill endorsement and any other credit and debt from financial institutions or third parties.
- XIV. Other power of authority granted pursuant to the Company Act or resolution by the shareholders meeting.

Article 16: The board of directors shall elect a chairman of the board of directors from among the directors by a majority vote at a meeting attended by over two-thirds of the directors. The Chairman represents the Company externally.

Article 17: Unless otherwise provided for in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. The resolutions of the Board shall be tracked as minute of meeting on record. The Board of Directors' meeting shall be convened at least one time a quarter. Unless otherwise stipulated by the Company Law, the board of directors shall be convened by the chairman of the board of directors, and the convener should state the convening matter for notification to the directors seven days beforehand; . In the event of an emergency, however, it must be called at any time. The convening method can be written, fax or email.

Article 18: The chairman of the board of directors shall preside at the meeting of the board of directors. In case the chairman of the board of directors is on leave or absent or cannot exercise his power and authority for any cause, the person acting on his behalf shall handle things pursuant to the requirements of Article 208 of the Company Act. Each director shall attend the meeting of the board of directors in person. If the director cannot be present due to a particular reason he may appoint other director to represent him. A director may accept the appointment to act as the proxy referred to in the preceding paragraph of one other director only.

The meeting of the board of directors may proceed via visual communication network. The directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 19: Deleted

Article 20: When the directors of the company perform their duties in the company, the company may pay remuneration, according to directors based on the level of participation and the value of devotion to the operation of the Company, with reference to the standard of other entities in the same industry, authorized by the Board of Directors

Article 21: A Company may have managerial personnel. Appointment and discharge and the remunerations of the managerial personnel shall be decided in accordance with Article 29 of the Company Act.

### **Chapter 5 Accounting**

Article 22: The fiscal year for the Company shall be from January 1 of each year to December 31 of the same year. The Company shall, at the end of each fiscal year, proceed with the annual accounting of revenues and expenditures.

Article 23: At the end of each fiscal year, the board of directors shall prepare the following schedules and submit them to the Regular Meeting of Shareholders for approval in accordance with the law.

I. Business report

II. Financial statements

III. Proposals concerning appropriation of net profits or covering of losses.

Article 24: The company's annual pre-tax net profit before deducting employee remuneration and directors' remuneration should be allocated 5% to 15% as

employee remuneration, which will be submitted to the board of directors after deliberation by the remuneration committee. And shall be adopted by a resolution of the majority of the Board of Directors in a meeting attended by over two-thirds of the directors. It will be distributed in stock or cash, and its distribution objects include employees of subordinate companies who meet certain conditions; the company can the amount of profit by less than 3%, which will be submitted to the board of directors after deliberation by the remuneration committee, and shall be adopted by a resolution of the majority of the Board of Directors in a meeting attended by over two-thirds of the directors. Proposals on the distribution of employee remuneration and director remuneration shall be reported to the shareholders' meeting.

However, if the company still has accumulated losses, it shall reserve the compensation amount in advance, and then allocate employee remuneration and director remuneration in proportion to the preceding paragraph.

Article 25: If the Company has earnings in account settlement of the year, appropriate for the payment of applicable taxes, followed by the appropriation for covering carryforward loss and 10% as mandatory reserve, and also appropriate or reverse special reserve under law. If there is still a balance, pool up with the undistributed earnings accumulated from the previous period for distribution, the Board shall prepare the proposal for the distribution of earnings and present to the Shareholders Meeting for approval.

The company's dividend policy should consider shareholders' interests, coordinate with current and future development plans, and take into account factors such as domestic industry competition, investment environment, and capital needs. It can be implemented in the form of stock dividends or cash dividends, and Refer to the general distribution level of dividends in the industry and the capital market as the basis for dividend distribution. However, the proportion of cash dividend distribution shall not be less than 10% of the total dividends. However, the type and ratio of this surplus distribution may depend on the actual profit and capital status of the year. The board of directors shall prepare a proposal and submit it to the shareholders' meeting for resolution.

Article 26: Deleted

## **Chapter 6 Supplementary Provisions**

Article 27: The company may engage in external guarantees for business needs, and its

operations shall be handled in accordance with the company's operating procedures for fund lending and endorsement guarantees.

Article 28: The Company's organizational procedures and work rules will be prescribed separately

Article 28-1: The company has set up a research and development center to continuously support research and development activities to establish the core value of "innovative technology and high-quality product services". The organization, powers and responsibilities of the research and development center are separately determined by the board of directors.

Article 29: With regards to all matters not provided for in these Articles of Incorporation, the Company Act shall govern.

Article 30: These Articles of Incorporation were established on June 17, 2011.

The 1st amendment was on May 31, 2012

The 2nd amendment was on October 16, 2014

The 3rd amendment was on May 28, 2015

The 4th amendment was on September 30, 2015

The 5th amendment was on June 30, 2016.

The 6th amendment was on June 14, 2018.

The 7th amendment was on June 13, 2019.

The 8th amendment was on July 15, 2021

The 9th amendment was on May 28, 2022

## **【Appendix 2】**

### **AMULAIRE THERMAL TECHNOLOGY, INC.**

#### **Rules of Procedure for Shareholders Meetings**

Article 1: To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the “BM0-006 Corporate Governance Best-Practice Principles”.

Article 2: The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3: Convening shareholders meetings and shareholders meeting notices

Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.

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

Election or dismissal of directors or supervisors, amendments to the articles of

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

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

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

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

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

Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions

of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4: For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

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

Article 5: The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.

This Corporation shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention. If a shareholders meeting is held by means of visual communication, should be recorded shareholders attend the virtual meeting and exercise their rights, actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to other force majeure events, and the date to which the meeting is postponed or on which the meeting will resume and other matters needing attention; To convene a virtual-only shareholders meeting,

appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified. The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Article 6: Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

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

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

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days before the meeting date.

In the event of a virtual shareholders meeting, this Corporation shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 7: If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing

directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

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

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

Article 8: This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders meeting is held online, this Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

Article 9: Attendance at shareholders meetings shall be calculated based on numbers of shares.

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

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares

represented by shareholders attending the meeting.

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

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 6. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10: If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

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

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

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

Article 11: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

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

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

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

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

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

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

Article 12: Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is

the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted

after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders. When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.

elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When this Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or

exercise voting rights on amendments to the original proposal.

Article 14: The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15: Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

Article 16: On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by

correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During this Corporation's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17: Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18: 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.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue. A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 19: In the event of a virtual shareholders meeting, this Corporation shall disclose

real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 20: When this Corporation convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location

Article 21: In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

During a postponed or resumed session of a shareholders meeting held under the previous paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When postponing or resuming a meeting according to the first paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders listed in the register of shareholders whose transfer of ownership is suspended at the original shareholders' meeting have the right to attend the shareholders' meeting.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporation shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph. When this Corporation convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in first paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the

minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the first paragraph is required.

When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

Article 22: These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

Article 23: These Rules were established on May 28 , 2015.

The 1st amendment was made on June 30, 2016

The 2nd amendment was made on June 4, 2020

The 3rd amendment was made on July 15, 2021

The 4th amendment was made on May 26, 2022

## **【Appendix 3】**

### **AMULAIRE THERMAL TECHNOLOGY, INC.**

#### **Procedures for Election of Directors**

1. To ensure a just, fair, and open election of directors and supervisors, these Procedures are adopted pursuant to Articles 21 of the “BM0-006 Corporate Governance Best-Practice Principles”.
2. Except as otherwise provided by law and regulation or by this Corporation's Articles of Incorporation, elections of directors and supervisors shall be conducted in accordance with these Procedures.
3. The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the “BM0-006 Corporate Governance Best-Practice Principles”.

4. The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

- (1). Basic requirements and values: Gender, age, nationality, and culture.
- (2). Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience. Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

- (1).The ability to make judgments about operations.
- (2).Accounting and financial analysis ability.
- (3).Business management ability.
- (4).Crisis management ability.
- (5).Knowledge of the industry.
- (6).An international market perspective.
- (7).Leadership ability.
- (8).Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.

5. Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

6. The cumulative voting method shall be used for election of the directors and supervisors at this Corporation. Each share will have voting rights in number equal to the directors or supervisors to be elected, and may be cast for a single candidate or split among multiple candidates.
7. The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
8. The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers 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 chair drawing lots on behalf of any person not in attendance.
9. Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.
10. A ballot is invalid under any of the following circumstances:
  - (1) Is not dropped into the ballot box
  - (2) Is not on a ballot prepared by authorized conveners
  - (3) Is not filled out by voter or is blank
  - (4) The writing is unclear and indecipherable or has been altered.
  - (5) Contains the name of a candidate List of Director Candidates do not comply with the register of shares
  - (6) Other words or marks are entered in addition to the number of voting rights allotted.
11. The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors or supervisors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

The previous ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
12. These procedures and any amendments hereto, shall be implemented after approval by a shareholders' meeting.

This Procedure was enacted on June 30, 2016

The 1st amendment was made on July 15, 2021

**【Appendix 4】****Amulair Thermal Technology, Inc.****Shareholdings of Directors****Book closure date : March 27, 2023**

<b>Title</b>	<b>Name</b>	<b>Shareholding</b>
Chairman	Chi-Sheng, Lin	2,358,911
Director	Pao Yu (II) Investments Co., Ltd. Representative: Chih Jen, Hu	6,830,817
Director	Sunder Investment. Co., Ltd. Representative: Chao-Li, Huang	527,539
Director	Ta-Lun, Huang	2,232,823
Independent director	Hsin-Yi, Chan	—
Independent director	Shih Han, Huang	—
Independent director	Ying-Jet, Wang (Note 4)	—
<b>Total</b>		<b>11,950,090</b>

Note :

- (1) Total shares issued as of March 27, 2023: 89,602,306 common shares.
- (2) Share ownership of directors required by law: 7,168,184 common shares. The actual number of shares held: 11,950,090 common shares. The share ownership of directors has met the minimum legal requirement according to Article 26 of Securities Exchange Act of the Republic of China.
- (3) The company has an audit committee, so there is no statutory requirement for the number of shares held by the supervisor.
- (4) Resigned from independent director due to personal reasons at December 15, 2022.