

Stock Code: 6170

2023 General Shareholders' Meeting Handbook

Welldone Company

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Welldone Company

2023 General Shareholders' Meeting Procedure

I. Commencement of Meeting

(Number of shares in attendance reported and announcement to commence meeting)

II. Chairman's Speech

III. Reported Matters

IV. Approval Matters

V. Discussion Matters

VI. Election Matters

VII. Other Agenda

VIII. Motions

IX. Adjournment

Welldone Company

2023 General Shareholders' Meeting Agenda

Meeting Manner: Physical Shareholders' Meeting

- I. Time: 9 a.m., 14 June 2023 (Wednesday)
- II. Location: No. 181, Anmei Street, Neihu District, Taipei City
- III. Announcement to commence meeting
- IV. Chairman's Speech
- V. Reported Matters
 - (I) 2022 Business report
 - (II) Audit Committee report on the 2022 closing statements audit
 - (III) Report on the distribution of the 2022 director remuneration and employee remuneration
 - (IV) Report on the 2022 profit distribution through cash dividends
 - (V) Report on endorsements and guarantees granted by the Company
- VI. Approval Matters
 - (I) Approval of the 2022 closing statements and profit distribution
- VII. Discussion Matters
 - (I) Planned release of shares of subsidiary Life Link Co., Ltd.
 - (II) Proposed capital increase through private placement and issuance of ordinary shares
- VIII. Election Matters
 - (I) Full re-election of directors
- IX. Other Matters
 - (I) Release of competition restriction on newly elected directors and representatives
- X. Motions
- XI. Adjournment

Reported Matters

Report Agenda Item No. 1

Subject: The 2022 business report has been submitted for review.

Illustration: Please refer to Attachment 1 on pages 13-14 of the Meeting Handbook for the 2022 business report.

Report Agenda Item No. 2

Subject: The Audit Committee report on the 2022 closing statements audit has been submitted for review.

Illustration: Please refer to Attachment 2 on page 15 of the Meeting Handbook for the Audit Committee's audit report.

Report Agenda Item No. 3

Subject: The report on the 2022 distribution of director remuneration and employee remuneration has been submitted for review.

Illustration: 1. In accordance with Article 19 of the Company's Articles of Association. The Company's before-tax profit was NT\$281,205,621 in 2022 before deducting employee and director remuneration; 10% provisioned as employee remuneration in the amount of NT\$28,120,562, and 4% as director remuneration in the amount of NT\$11,248,224 will be issued in cash.

2. The amounts of distribution and provision are consistent with the annual estimated amounts.

Report Agenda Item No. 4

Subject: The report on the 2022 profit distribution in cash dividends has been submitted.

Illustration: In accordance with the Articles of Association, the Company provisions NT\$183,246,080 as a shareholder bonus for distribution of cash dividends, i.e., NT\$2.1 per share (up to a minimum of NT\$1, excluding fractions; the sum of fractions to be included as other income of the Company). The chairman is authorized to fix the record date, issue date, and other relevant matters. If the distribution ratio changes subsequently due to a change in the number of outstanding ordinary shares of the Company, the chairman also has full discretion to make adjustments.

Report Agenda Item No. 5

Subject: The report on endorsements and guarantees granted by the Company has been submitted for review.

Illustration: In accordance with the Procedure for the Loaning of Funds, Endorsements, and Guarantees of the Company, the limit amount of endorsements/guarantees granted to a single enterprise is 20% of the Company's net worth and the limit amount for endorsements and guarantees is 50% of the Company's net worth. As of 31 December 2022, the Company has granted endorsements and guarantees to its subsidiaries in the amount of NT\$0, which is consistent with the above limits.

Approval Matters

Approval Agenda Item No. 1

Subject: The 2022 closing statements and profit distribution have been submitted for approval (proposal by the board of directors).

Illustration: 1. The Company's 2022 financial statements and consolidated financial statements have been audited by CPAs Chiu, Yong-Ming and Liu, Shu-Ling from Deloitte Taiwan, and have been submitted to and audited by the Audit Committee together with the business report and profit distribution proposal.

2. Please refer to Attachment 1 on pages 13-14, Attachment 3 on pages 16-37, and Attachment 4 on page 38 of the Meeting Handbook for the 2022 business report, CPA's audit report, financial statements, consolidated financial statements, and profit distribution table.

Resolution:

Discussion Matters

Discussion Agenda Item No. 1

Subject: The plan to release shares of subsidiary Life Link Co., Ltd. has been submitted for discussion (proposal by the board of directors).

Illustration: 1. In accordance with the operating development of the subsidiary Life Link Co., Ltd. (hereinafter "Life Link"), the attraction and retention of talent, consolidation of internal and external resources of the group, introduction of strategic investors or financial investors, diversification of the equity stake in the planning of future listings on the stock exchange (OTC market), and in accordance with subparagraph 3, paragraph 1, Article 19 of the Taiwan Stock Exchange Corporation Rules Governing the Review of Securities Listings, the Company and its related parties shall not hold more than 70% of the total outstanding shares of Life Link. It is proposed that, while maintaining control by the Company, the Company may release shares in several stages of such subsidiary (including waiver of participation in the cash capital increase by such company) in the following manner:

- (1) Waiver of subscription to cash capital increase: The Company may waive subscription to Life Link shares under cash capital increase and procure that Life Link offers the number of shares waived to all shareholders of the Company for subscription in proportion to their shareholding ratios. Shareholders listed in the Company's shareholder register on the last transfer suspension date and entitled to subscribe to one share or more shall have the right to participate in the subscription. If the Company's shareholders waive subscription or if the shares are not fully subscribed, it is proposed that the chairman contact specific persons for subscription, who, in principle, shall be the employees of the Company and its affiliates, and financial or strategic investors. However, matters such as the actual cash capital increase issue price, the contact with specific persons, the procedure and timeline, etc., shall be in accordance with the board resolution of Life Link.
- (2) Disposal of Life Link shares: The price at which the Company disposes of Life Link shall not be lower than the net worth per share listed in the financial statements audited and certified or reviewed by the CPA before the board meeting resolving the disposal. The transaction counterparties shall be all shareholders of the Company in priority. It is proposed that the shareholders' meeting authorize the

board of directors of the Company to determine matters such as the actual transaction price, number of shares, contact with transaction counterparties, and procedure and timeline, etc. based on the market situation and operating status of Life Link at the time, as well as in accordance with the Procedure for the Acquisition or Disposal of Assets by the Company.

2. After the above share lease is completed, the direct or indirect consolidated shareholding ratio by the Company shall remain not less than 50% upon listing of Life Link on the stock exchange (OTC market) to maintain control and exert group effect. After the Company releases the shares, the number of shares shall not be lower than 1/2 of shareholding at the time of election to avoid conflict with Article 197 of the Company Act.
3. It is proposed that the general shareholders' meeting authorize the board of directors to handle the above matters related to the release of shares of Life Link/waiver of subscription to cash capital increase, which have been submitted to the general shareholders with full discretion.

Resolution:

Discussion Agenda Item No. 2:

Subject: Proposed capital increase through private placement and issuance of ordinary shares has been submitted for discussion (proposal by the board of directors).

Illustration: 1. To seek partnerships with strategic investors and enrich working capital, it is proposed that the board of directors be authorized to carry out cash capital increase through private placement and issuance of up to 10,000,000 ordinary shares in accordance with Article 43-6 of the Securities and Exchange Act and the Directions for Public Companies Conducting Private Placements of Securities within one year from the date of shareholders' resolution. The relevant details are below:

A. Basis and reasonableness of private placement pricing:

- (1) The private placement price shall be the simple average closing price of ordinary shares on either the first, third, or fifth business day before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction, or the simple average closing price of ordinary shares for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction, whichever is higher (the

"reference price"), provided that the actual issue price shall not be lower than 80% of the reference price.

- (2) The pricing manner for the private placement is conducted in accordance with the Directions for Public Companies Conducting Private Placements of Securities. Considering the future prospects of the Company, the strict restrictions on the timing of transfer, target, and quantity of securities placed and the fact that no OTC listing may take place within three years, creating less liquidity, the price of the private placement is reasonable and should not create a significant impact on shareholders' interests.
- (3) The board of directors is authorized to determine the actual pricing date and actual private placement price based on the status of contact with specific persons and the market situation in the future, provided that it is not lower than the percentage resolved by the shareholders' meeting.

B. The manner of selection of specific persons, purpose, necessity, and expected benefit:

- (1) Selection manner and purpose: The placees of the private placement shall be those selected in accordance with the requirements under Article 43-6 of the Securities and Exchange Act, and Order of the Financial Supervisory Commission, Executive Yuan, (2002) Tai-Cai-Zheng-Yi-Zi No. 0910003455 dated 13 June 2002, and shall be limited to strategic investors only. The Company will seek opportunities for technical partnerships or strategic alliances with large domestic and overseas plants in the industry, and enrich its working capital at the same time.
- (2) Necessity: In view of swift changes in the global market and to reinforce the growth dynamics of the Company, it is proposed to introduce strategic investors through cash capital increase by private placement and issuance of ordinary shares to increase competitiveness, which is clearly helpful and necessary for long-term business development.
- (3) Expected benefits: After strategic investors are introduced, strategic alliances will be established between the parties to lower the Company's operating risk. At the same time, working capital will be enriched to improve the operating performance of the Company in the future.
- (4) No strategic investor has been contacted so far.

C. Reason why private placement is necessary:

- (1) Reason why public offer is not adopted: Considering the situation of the capital market, cost of issuance, timeliness, and feasibility of private placement, and the restrictions against free transfer of shares issued under private placement within three years, it ensures and reinforces closer long-term relationships with strategic investors. Therefore, public offer is not adopted and private placement will be used for cash capital increase and issuance of new shares.
- (2) Limit amount of private placement: Up to 10,000,000 shares and within one year from the date of shareholders' resolution.
- (3) Purpose of funds: Seek technical partnership or strategic alliance opportunities with large domestic and overseas plants, while enriching working capital at the same time.
- (4) Expected benefits: Lowering of the Company's operating risk while enriching working capital and improving the operating performance of the Company in the future.

D. Whether independent directors have objections or reservations: No.

2. The rights and obligations of ordinary shares to be issued under this private placement and cash capital increase will be the same as those of the Company's ordinary shares currently outstanding. Other than permitted transferees under Article 43-8 of the Securities and Exchange Act, ordinary shares issued under this private placement shall not be transferred within three years from the date of delivery. After the expiry of the three-year period from the date of delivery of ordinary shares issued under private placement, the application for public offer and listing on the OTC market may be filed with the securities competent authority if it complies with applicable laws.
3. It is proposed that the shareholders' meeting authorize the board of directors to adjust, determine, and carry out the main details of this private placement of ordinary shares, including the actual number of shares to be placed, actual private placement price, selection of placees, record date, terms of issuance, project items, purpose and progress of funds, estimated benefits, and other relevant matters, as well as all other matters related to the issuance plan in accordance with the market situation. If any change is required in the future due to changes in legislation, requests for revision by the competent authority, or based on an operating evaluation or change in the objective environment, the board of directors also has full discretion to handle these matters.

4. In addition to the above scope of authorization, it is proposed that the shareholders' meeting authorize the chairman to sign, negotiate, and revise all contracts and documents related to the private placement of ordinary shares on behalf of the Company, and to carry out all matters required for the issuance of ordinary shares under private placement for the Company.

Resolution:

Election Matters

Election Agenda Item 1:

Subject: The proposed full re-election of directors has been submitted (proposal by the board of directors)

Illustration: 1. The term of the current directors of the Company expires on 15 June 2023, and full re-election will take place in the 2023 general shareholders' meeting.

2. According to Article 13 of the Company's Articles of Association, the Company has 6-9 directors, among which at least three shall be independent directors. Seven directors will be re-elected (including three independent directors). Directors shall be elected under the candidate nomination system by the shareholders' meeting from a list of candidates. New directors shall start their term from the date of election. The term is three years from 14 June 2023 to 13 June 2026.

3. Please refer to Attachment 5 on pages 39-40 of the Meeting Handbook for the director (independent director) candidate list and relevant materials.

Election Result:

Other Agenda

Other Agenda Item No. 1

Subject: Release of competition restriction on newly elected directors and representatives has been submitted for discussion (proposal by the board of directors).

Illustration: 1. In accordance with Article 209 of the Company Act, when a director engages in any act within the scope of business of the company for him/herself or for any other person, key details shall be explained to the shareholders' meeting and approval from the shareholders' meeting shall be acquired.

2. To benefit from the expertise and relevant experience of the directors of the Company, if new directors of this term engage in any act within the scope of business of the Company for him/herself or for any other persons, it is proposed that the general shareholders' meeting agree to release competition restrictions on the new directors and their representatives. Please refer to Attachment 6 on page 41 of the Meeting

Handbook for details on competition restriction for directors (independent directors).

Resolution:

Motions

Adjournment

Attachment

Attachment 1

Welldone Company

2022 Business Report

1. Operation policies, general implementation status

Welldone Company obtained its first license as a small amount remittance service for foreign migrant workers in October 2021. The company uses an app to provide convenient, reliable services in a timely manner. The number of members and remittances continue to grow and operational performance of the service has received positive recognition. The company also continues to strengthen information security, customer service, and marketing, as well as service efficiency to not only grasp the needs of the market but also to face market competition and challenges following the ease of regulation on small amount remittance services for foreign immigrant workers in Taiwan. The pandemic has also slowed since last year, and people's lives are gradually returning to normal. Therefore, the government has lifted the regulations restricting movements of foreign migrant workers to Taiwan. The overall operational performance of the prepaid SIM card business is therefore gaining in strength.

Regarding reinvestment, the company had transferred most of its equity to Ritdisplay Corporation to take control of the company. The company expects to utilize the existing resources of Ritdisplay Corporation to form a strategic alliance and create synergy in sales, supply chain management, and manufacturing to further improve the operational performance of WELLTECH ENERGY INC. The company holds 29.98% of the equity of WELLTECH ENERGY INC. following the equity transfer. The sales channel business, Life Link Co., Ltd. (formerly known as Taiwan Digi-Com Co., Ltd.) has been an agent of cosmetics products in Germany for five years. However, due to the impact of the pandemic, the global cosmetics market slumped and faced decline. However, due to pandemic prevention measures, the short-term demand for masks and rapid test kits increased greatly, allowing Life Link Co., Ltd. to make significant profit and revenue in 2022. Furthermore, after the company became a general agency of Duracell Battery in Taiwan, sales alongside another distributed battery brand, TOSHIBA Batteries & Cells, experienced significant growth. Moreover, the new distributed brand of the company in Germany, Doppelherz Healthcare Products, has started omni-channel deployment and distribution. The company expects that

these new products and related business planning will bring good operational performance in the future.

2. Result of the implementation of the business plan

The company's operating revenue in 2022 was NT\$2.47 billion, a decrease of 17.07% compared to operating revenue of NT\$2.98 billion in 2021, mainly due to the pandemic and the impact on telecommunication and makeup products sales, and because the revenue of WELLTECH ENERGY INC. had not been consolidated with the company's revenue since Q2 2022. The after-tax income of the company reached NT\$238 million in 2022, which was an increase compared to NT\$162 million in 2021. This increase is mainly due to the sales growth of the small amount remittance service and the disposition of the owner's equity of WELLTECH ENERGY INC. Sales income due to the short-term demand for masks and rapid test kits further contributed to this figure. The EPS of the company also increased from NT\$1.86 to NT\$2.73.

3. Execution of the budget derivative of operating revenue and expenditure

There is no publication of financial forecasts disclosed by the company.

4. Profitability Analysis

Financial revenue and expenditure and profitability analysis

		Unit: NT\$ Thousand	
Item		2022	2021
Financial revenue and expenditure	Operating income	2,468,794	2,976,984
	Operating costs	608,570	631,613
	Net Income	237,876	162,124
Profitability	Return on Equity (%)	17.0%	12.4%
	Earnings per share (NT\$)	2.73	1.86

5. Research and development

The primary task of research and development is the optimization and the development of small amount remittance system applications.

Chairman: Chen, Tun-Jen

President: Ho, Ming-Che

Chief Accountant: Chu, Chen-Ju

Welldone Company

2022 Audit Committee Audit Report

The Business Report, Financial Statement (including Consolidated Financial Statement), and Profit Distribution proposal of the year 2022, in which the financial statement can be found, were prepared and audited by Chiu, Yung-Ming and Liu, Shu-Lin of Deloitte Taiwan under authorization of the Board. The aforementioned reports, the business report, financial statements (including Consolidated Financial Statement), and the earnings distribution proposal have been reviewed by the Committee and were found to be true and correct. The Committee hereby submits the aforementioned reports and proposal for approval in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

2023 General Shareholders' meeting

Welldone Company

Convener of the Audit Committee: Wang, Shen-Huei

24 March 2023



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CPA Report and 2022 Financial Statemen

Independent Auditors' Report

To Welldone Company:

Opinion

We have audited the financial statements of Welldone Company ("the Company"), which comprise the balance sheets as of December 31, 2022 and 2021, and the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Account of 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 of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit

matters to be communicated in our report.

The key audit matters aiming at the Welldone Company's 2022 individual financial report are as follows:

Recognition of sales revenue

According to Note 4 of the individual financial report and summary of significant accounting policies (12), the revenue of the Company shall be recognized when obligations are fully performed. Meanwhile, the biggest customer of Welldone Company is a major source of operation revenue and the credit condition granted is also more favorable than other customers. Therefore, we consider the recognition of such revenues as having a significant effect on the Company's operation and recognition of such revenue shall constitute a key audit matter. Aiming at preceding risks corresponding to such customer, the audit procedures were implemented as follows:

1. We recognized the major design of the internal control system for revenue flow of the consolidated company and implemented relevant control tests.
2. We selected revenue samples aiming at preceding sales customers, and reviewed and checked the certificates and shipping documents for the revenue recognized to confirm if the revenue is recognized properly.
3. We implemented payment tests aiming at the preceding revenue samples selected.

Responsibilities of Management and Those Charged with Governance for the financial statements

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on these 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 financial statements of the current period and are therefore key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure of 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.

Deloitte Touche

Independent Auditor Chiu, Yung-Ming



Independent Auditor Liu, Shu-Lin



Approval number of the Financial Supervisory
Commission

Chin-Kuan-Cheng-Shen-Tzu No. 1100356048

Approval number of the Financial Supervisory
Commission

Chin-Kuan-Cheng-Shen-Tzu No. 1050024633

March 24, 2023

Welldone Company
Balance Sheets
December 31, 2022 and 2021

Unit: NT\$ Thousands

Code	Assets	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 4 & 6)	\$ 418,528	14	\$ 155,928	7
1110	Current financial assets at fair value through profit or loss (Note 4 & 7)	27,716	1	58,808	3
1150	Notes receivable, net (Note 4 & 10)	22,682	1	28,165	1
1170	Accounts receivable, net (Note 4 & 10)	5,180	-	3,663	-
1200	Other receivables (Note 4 & 10)	254,513	9	294,418	13
1210	Other receivables—related parties (Note 4 & 28)	1,019	-	1,820	-
130X	Current inventories (Note 4 & 11)	245,224	8	196,664	8
1476	Other current financial assets (Note 4, 9 & 29)	936,324	32	652,899	28
1479	Other current assets, others	30,815	1	11,725	-
11XX	Total current assets	<u>1,942,001</u>	<u>66</u>	<u>1,404,090</u>	<u>60</u>
	Non-current assets				
1517	Non-current financial assets at fair value through other comprehensive income (Note 4 & 8)	50,094	2	22,279	1
1550	Investments accounted for using equity method (Note 4 & 12)	451,299	15	410,059	18
1600	Property, plant and equipment (Note 4, 13 & 29)	296,494	10	256,395	11
1755	Right-of-use assets (Note 4 & 14)	2,239	-	1,315	-
1760	Investment property, net (Note 4, 15 & 29)	162,496	6	211,492	9
1840	Deferred tax assets (Note 4 & 23)	31,444	1	29,124	1
1920	Guarantee deposits paid (Note 4)	1,407	-	1,585	-
15XX	Total non-current assets	<u>995,473</u>	<u>34</u>	<u>932,249</u>	<u>40</u>
1XXX	Total assets	<u>\$ 2,937,474</u>	<u>100</u>	<u>\$ 2,336,339</u>	<u>100</u>
Code	Liabilities and equity				
	Current liabilities				
2100	Current borrowings (Note 16 & 29)	\$ 1,295,000	44	\$ 840,000	36
2150	Notes payable and Accounts payable (Note 17)	1,209	-	1,991	-
2200	Other payables (Note 18 & 28)	75,241	3	63,506	3
2230	Current tax liabilities (Note 4 & 23)	9,685	-	4,052	-
2280	Current lease liabilities (Note 4 & 14)	1,318	-	961	-
2399	Other current liabilities (Note 10)	119,398	4	77,362	3
21XX	Total current liabilities	<u>1,501,851</u>	<u>51</u>	<u>987,872</u>	<u>42</u>
	Non-current liabilities				
2570	Deferred tax liabilities (Note 4 & 23)	11,105	-	14,279	1
2580	Non-current lease liabilities (Note 4 & 14)	929	-	338	-
2640	Net defined benefit liability, non-current (Note 4 & 19)	25,896	1	26,477	1
2645	Refundable deposit	1,286	-	1,286	-
25XX	Total non-current liabilities	<u>39,216</u>	<u>1</u>	<u>42,380</u>	<u>2</u>
2XXX	Total liabilities	<u>1,541,067</u>	<u>52</u>	<u>1,030,252</u>	<u>44</u>
	Equity (Note 4 & 20)				
	Share capital				
3110	Ordinary share	896,701	30	896,701	38
3200	Total capital surplus	165,705	6	168,172	7
	Retained earnings				
3310	Legal reserve	66,887	3	51,837	2
3320	Special reserve	95,393	3	95,393	4
3350	Unappropriated retained earnings	239,808	8	155,433	7
3300	Total retained earnings	402,088	14	302,663	13
3400	Other equity interest	(31,488)	(1)	(24,850)	(1)
3500	Treasury shares	(36,599)	(1)	(36,599)	(1)
3XXX	Total equity	<u>1,396,407</u>	<u>48</u>	<u>1,306,087</u>	<u>56</u>
	Total liabilities and equity	<u>\$ 2,937,474</u>	<u>100</u>	<u>\$ 2,336,339</u>	<u>100</u>

The accompanying notes are integral part of this individual financial report.

Chairman: Chen, Tun-Jen

President: Ho, Ming-Che

Chief Accountant: Chen-Ju Chu

Welldone Company
Statements of Comprehensive Income
For the years ended December 31, 2022 and 2021

Unit: NT\$ Thousands
EPS is in dollar

Code	2022		2021	
	Amount	%	Amount	%
4000 Operating revenue (Note 4 & 21)	\$ 1,462,731	100	\$ 1,476,657	100
5000 Operating costs (Note 11)	<u>1,108,891</u>	<u>76</u>	<u>1,178,444</u>	<u>80</u>
5900 Gross profit from operations	<u>353,840</u>	<u>24</u>	<u>298,213</u>	<u>20</u>
Operating expenses (Note 4, 22 & 28)				
6100 Selling expenses	149,119	10	120,008	8
6200 Administrative expenses	116,142	8	100,238	7
6450 Expected gain on reverse of credit (Note 10)	<u>(103)</u>	<u>-</u>	<u>-</u>	<u>-</u>
6000 Total operating expenses	<u>265,158</u>	<u>18</u>	<u>220,246</u>	<u>15</u>
6900 Net operating income	<u>88,682</u>	<u>6</u>	<u>77,967</u>	<u>5</u>
Non-operating income and expenses (Note 4, 12, 22 & 28)				
7100 Interest income	2,421	-	811	-
7010 Other income	24,967	2	21,942	2
7020 Other gains and losses	60,817	4	27,852	2
7050 Finance costs	<u>(13,134)</u>	<u>(1)</u>	<u>(9,013)</u>	<u>(1)</u>
7070 Share of profit of associates and joint ventures accounted for using equity method	<u>78,083</u>	<u>5</u>	<u>51,512</u>	<u>4</u>
7000 Total non-operating income and expenses	<u>153,154</u>	<u>10</u>	<u>93,104</u>	<u>7</u>
7900 Net earnings before tax	241,836	16	171,071	12
7950 Total tax expense (Note 4 & 23)	<u>(3,960)</u>	<u>-</u>	<u>(8,947)</u>	<u>(1)</u>
8200 Profit	<u>237,876</u>	<u>16</u>	<u>162,124</u>	<u>11</u>

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Code		2022		2021	
		Amount	%	Amount	%
	Other comprehensive income				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans (Note 4 & 19)	\$ 1,231	-	(\$ 1,632)	-
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (Note 4 & 20)	(7,185)	-	6,208	-
8330	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss (Note 4, 12 & 20)	(1,863)	-	121	-
8360	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation (Note 4 & 20)	<u>766</u>	=	(<u>1,875</u>)	-
8300	Total other comprehensive income	(<u>7,051</u>)	=	<u>2,822</u>	-
8500	Total comprehensive income	<u>\$ 230,825</u>	<u>16</u>	<u>\$ 164,946</u>	<u>11</u>
	Earnings per share (Note 24)				
	From continuing operations				
9710	Basic	<u>\$ 2.73</u>		<u>\$ 1.86</u>	
9810	Diluted	<u>\$ 2.70</u>		<u>\$ 1.84</u>	

The accompanying notes are integral part of this individual financial report.

Chairman: Chen, Tun-Jen

President: Ho, Ming-Che

Chief Accountant: Chen-Ju Chu

Welldone Company
Statements of Changes in Equity
For the years ended December 31, 2022 and 2021

Unit: NT\$ thousand

Code		Retained Earnings					Other Equity Interest		Treasury Shares	Total Equity
		Ordinary Share	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income		
A1	Equity at beginning of period (2021/1/1)	\$ 896,701	\$ 146,716	\$ 38,110	\$ 95,393	\$ 140,820	(\$ 5,309)	(\$ 32,917)	(\$ 36,599)	\$ 1,242,915
	Appropriation and distribution of retained earnings in 2020									
B1	Legal reserve appropriated	-	-	13,727	-	(13,727)	-	-	-	-
B5	Cash dividends of ordinary share	-	-	-	-	(122,164)	-	-	-	(122,164)
M3	Disposal of subsidiaries or investments		(1,690)							
M5	Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	23,243	-	-	-	(3,269)	-	-	19,974
M7	Changes in ownership interests in subsidiaries	-	(106)	-	-	-	-	-	-	(106)
Q1	Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(9,988)	-	9,988	-	-
N1	Share-based payments	-	9	-	-	-	-	-	-	9
D1	2021 Profit (loss)	-	-	-	-	162,124	-	-	-	162,124
D3	Other comprehensive income (2021)	-	-	-	-	(1,632)	(1,875)	6,329	-	2,822
Z1	Equity at end of period (2021/12/31)	896,701	168,172	51,837	95,393	155,433	(8,250)	(16,600)	(36,599)	1,306,087
	Appropriation and distribution of retained earnings in 2021									
B1	Legal reserve appropriated	-	-	15,050	-	(15,050)	-	-	-	-
B5	Cash dividends of ordinary share	-	-	-	-	(139,616)	-	-	-	(139,616)
M5	Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	-	(66)	1,578	66	-	1,578
M7	Changes in ownership interests in subsidiaries	-	(2,467)	-	-	-	-	-	-	(2,467)
D1	2022 Profit (loss)	-	-	-	-	237,876	-	-	-	237,876
D3	Other comprehensive income (2022)	-	-	-	-	1,231	766	(9,048)	-	(7,051)
Z1	Equity at end of period (2022/12/31)	<u>\$ 896,701</u>	<u>\$ 165,705</u>	<u>\$ 66,887</u>	<u>\$ 95,393</u>	<u>\$ 239,808</u>	<u>(\$ 5,906)</u>	<u>(\$ 25,582)</u>	<u>(\$ 36,599)</u>	<u>\$ 1,396,407</u>

The accompanying notes are integral part of this individual financial report.

Chairman: Chen, Tun-Jen

President: Ho, Ming-Che

Chief Accountant: Chu, Chen-Ju

Welldone Company
Statements of Cash Flows
For the years ended December 31, 2022 and 2021

Unit: NT\$ Thousands

Code		2022	2021
	Cash flows from (used in) operating activities, indirect method		
A10000	Profit (loss) before tax	\$ 241,836	\$ 171,071
A20010	Total adjustments to reconcile profit (loss)		
A20100	Depreciation expense (including investment properties and right-of-use assets)	11,740	11,804
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(103)	-
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	29,533	(18,959)
A20900	Interest expense	13,134	9,013
A21200	Interest income	(2,421)	(811)
A21300	Dividend income	(8,985)	(4,566)
A22400	Share of profit (loss) of associates and joint ventures accounted for using equity method	(78,083)	(51,512)
A23200	Loss (gain) on disposal of investments accounted for using equity method	(56,903)	(28,351)
A30000	Total changes in operating assets and liabilities		
A31130	Decrease (increase) in notes receivable	5,483	6,574
A31150	Decrease (increase) in accounts receivable	(1,414)	230
A31180	Decrease (increase) in other receivables	15,706	(78,450)
A31200	Adjustments for decrease (increase) in inventories	(48,560)	38,862
A31240	Adjustments for decrease (increase) in other current assets	(19,090)	2,972
A32150	Increase (decrease) in accounts payable	(782)	(389)
A32180	Increase (decrease) in other payable	11,309	11,985
A32230	Adjustments for increase (decrease) in other current liabilities	42,036	151
A32240	Increase (decrease) in net defined benefit liability	<u>650</u>	<u>293</u>
A33000	Cash inflow (outflow) generated from operations	155,086	69,917
A33100	Interest received	2,421	811
A33300	Interest paid	12,708	(8,965)
A33500	Income taxes refund (paid)	(<u>3,821</u>)	(<u>1,955</u>)
AAAA	Net cash flows from (used in) operating activities	<u>140,978</u>	<u>59,808</u>

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Code		2022	2021
	Cash flows from (used in) investing activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	(\$ 35,000)	\$ -
B00100	Acquisition of financial assets at fair value through profit or loss	364)	(55,451)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	1,923	18,117
B00030	Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	4,000
B02300	Proceeds from disposal of subsidiaries	39,750	93,063
B01900	Proceeds from disposal of investments accounted for using equity method	39,615	48,994
B02700	Acquisition of property, plant and equipment	(879)	(3,320)
B03700	Decrease in refundable deposits	178	310
B04100	Decrease (increase) in other receivables	25,000	25,000
B06500	Increase in other financial assets	(283,425)	(363,979)
B07600	Dividends received	<u>21,380</u>	<u>15,245</u>
BBBB	Net cash flows from (used in) investing activities	(<u>191,822</u>)	(<u>218,021</u>)
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	455,000	230,000
C01700	Repayments of long-term debt	-	44,381)
C04020	Payments of lease liabilities	(1,940)	(2,732)
C04500	Cash dividends paid	(<u>139,616</u>)	(<u>122,164</u>)
CCCC	Net cash flows from (used in) financing activities	<u>313,444</u>	<u>60,723</u>
EEEE	Net increase (decrease) in cash and cash equivalents	262,600	(97,490)
E00100	Cash and cash equivalents at beginning of period	<u>155,928</u>	<u>253,418</u>
E00200	Cash and cash equivalents at end of period	\$ <u><u>418,528</u></u>	\$ <u><u>155,928</u></u>

The accompanying notes are integral part of this individual financial report.

Chairman: Chen, Tun-Jen

President: Ho, Ming-Che

Chief Accountant: Chen-Ju

Consolidated Statements of Operations of Affiliated Enterprises

The Company has consolidated the financial statements as of the year ending December 31, 2022 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises as the same as those included in the consolidated financial statements prepared in compliance with International Accounting Standard 10. In addition, the information required to be disclosed in consolidated financial statements is included in these consolidated financial statements. Consequently, Welldone Company and its subsidiaries do not prepare separate consolidated financial statements.

Company Name: Welldone Company

Chairman: Chen, Tun-Jen

March 24, 2023

Independent Auditors' Report

To Welldone Company:

Opinion

We have audited the consolidated financial statements of Welldone Company and its subsidiaries (hereinafter referred to as “the Group”), which comprise the consolidated balance sheets as of December 31, 2022, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters aiming at the Company's 2022 consolidated financial report are as follows:

Recognition of sales revenue

According to Note 4 of the consolidated financial report and summary of significant accounting policies (14), the consolidated revenue of the Company shall be recognized when obligations are fully performed. Meanwhile, the biggest customer of the communication service department of the Company is a major source of operation revenue of the Company and the credit condition granted is more favorable than other customers. On the other hand, the customer of additional special revenue of other IC channel business departments also represents major operation revenue of the Company. Therefore, we consider the recognition of such revenue key audit matters. Aiming at the preceding risks corresponding to such customer, the audit procedures were implemented as follows:

1. We recognized the major design of the internal control system for revenue flow of the consolidated company and implement relevant control tests.
2. We selected revenue samples aiming at preceding sales customers, and reviewed and checked certificates and shipping documents for the revenue recognized to confirm if the revenue is recognized properly.
3. We implemented payment tests aiming at the preceding revenue samples selected.

Other Matters

WELLDONE COMPANY has prepared its parent-company-only financial statements as of and for the years ended December 31, 2022 and 2021, on which we have issued an unmodified opinion with other matters paragraph.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to ensure the preparation of consolidated financial statements is 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 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance as to 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 auditing standards generally accepted in the Republic of China will always detect a material misstatement when such exists. Misstatements can arise from fraud or error and are

considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 and 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 key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure of 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.

Deloitte Touche

Independent Auditor Chiu, Yung-Ming



Approval number of the Financial Supervisory
Commission
Chin-Kuan-Cheng-Shen-Tzu No. 1100356048

Independent Auditor Liu, Shu-Lin



Approval number of the Financial Supervisory
Commission
Chin-Kuan-Cheng-Shen-Tzu No. 1050024633

March 24, 2023

Welldone Company and Subsidiaries
Consolidated Balance Sheets
December 31, 2022 and 2021

		December 31, 2022		December 31, 2021	
Code	Assets	Amount	%	Amount	%
Unit: NT\$ thousand					
Current assets					
1100	Cash and cash equivalents (Note 4 and Note 6)	\$ 472,854	15	\$ 292,626	9
1110	Current financial assets at fair value through profit or loss (Note 4 and Note 7)	27,716	1	58,808	2
1150	Notes receivable, net (Note 4 and Note 10)	43,540	1	40,273	1
1170	Accounts receivable, net (Note 4 and Note 10)	136,731	4	328,165	10
1200	Other receivables (Note 4, 10, 26, and 33)	254,662	8	294,812	9
130X	Current inventories (Note 4, 11, and 34)	351,980	11	545,656	17
1410	Prepayments	48,913	2	45,154	2
1476	Other current financial assets (Note 4, 9, and 34)	952,634	30	748,319	23
1479	Other current assets	15,356	1	19,282	1
11XX	Total current assets	2,304,386	73	2,373,095	74
Non-current assets					
1517	Non-current financial assets at fair value through other comprehensive income (Note 4 and Note 8)	50,094	2	37,215	1
1550	Investments accounted for using equity method (Note 4 and Note 13)	311,333	10	128,552	4
1600	Property, plant and equipment (Note 4, 14, and 34)	412,935	13	480,447	15
1755	Right-of-use assets (Note 4 and Note 15)	2,329	-	46,069	2
1760	Investment property (Note 4, 16, and 34)	46,055	1	46,900	2
1780	Intangible assets (Note 4 and Note 17)	150	-	2,224	-
1840	Deferred tax assets (Note 4 and Note 26)	35,779	1	72,795	2
1915	Prepayments for business facilities	-	-	2,777	-
1920	Guarantee deposits paid (Note 4)	2,917	-	6,635	-
1995	Long-term prepaid expenses	76	-	4,657	-
15XX	Total non-current assets	861,668	27	828,271	26
1XXX	Total assets	\$ 3,166,054	100	\$ 3,201,366	100
Liabilities and equity					
Current liabilities					
2100	Current borrowings (Note 18 and Note 34)	\$ 1,404,481	45	\$ 1,207,243	38
2150	Notes payable and Accounts payable (Note 19)	37,278	1	177,678	6
2200	Other payables (Note 20)	137,461	4	118,611	4
2230	Current tax liabilities (Note 4 and Note 26)	16,532	1	4,052	-
2250	Current provisions (Note 4 and Note 21)	-	-	471	-
2280	Current lease liabilities (Note 4 and Note 15)	1,408	-	1,566	-
2322	Long-term borrowings, current portion (Note 18 and Note 34)	-	-	9,460	-
2399	Other current liabilities (Note 10)	121,284	4	94,780	3
21XX	Total current liabilities	1,718,444	55	1,613,861	51
Non-current liabilities					
2570	Deferred tax liabilities (Note 4 and Note 26)	11,345	-	14,335	-
2580	Non-current lease liabilities (Note 4 and Note 15)	929	-	428	-
2640	Net defined benefit liability, non-current (Note 4 and Note 22)	25,896	1	26,477	1
2670	Other non-current liabilities	1,286	-	1,286	-
25XX	Total non-current liabilities	39,456	1	42,526	1
2XXX	Total liabilities	1,757,900	56	1,656,387	52
Equity attributable to owners of parent (Note 4 and Note 23)					
Share capital					
3110	Ordinary share	896,701	28	896,701	28
3200	Total capital surplus	165,705	5	168,172	5
Retained earnings					
3310	Legal reserve	66,887	2	51,837	2
3320	Special reserve	95,393	3	95,393	3
3350	Unappropriated retained earnings	239,808	8	155,433	5
3300	Total retained earnings	402,088	13	302,663	10
3400	Other equity interest	(31,488)	(1)	(24,850)	(1)
3500	Treasury shares	(36,599)	(1)	(36,599)	(1)
31XX	Total equity attributable to owners of parent	1,396,407	44	1,306,087	41
36XX	Non-controlling interests (Note 4, 23 and 30)	11,747	-	238,892	7
3XXX	Total equity	1,408,154	44	1,544,979	48
Total liabilities and equity		\$3,166,054	100	\$ 3,201,366	100

See accompanying notes to the consolidated financial statements.

Chairman: Chen, Tun-Jen

President: Ho, Ming-Che

Chief Accountant: Chu, Chen-Ju

Welldone Company and Subsidiaries
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2022 and 2021

		Unit: NT\$ thousand; provided that EPS is in dollar			
Code		2022		2021	
		Amount	%	Amount	%
4000	Operating revenue (Note 4 and Note 24)	\$ 2,468,794	100	\$ 2,976,984	100
5000	Operating costs (Note 11 and Note 25)	<u>1,860,224</u>	<u>75</u>	<u>2,345,371</u>	<u>79</u>
5900	Gross profit from operations	<u>608,570</u>	<u>25</u>	<u>631,613</u>	<u>21</u>
	Operating expenses (Note 10 and Note 25)				
6100	Selling expenses	279,360	12	302,848	10
6200	Administrative expenses	169,034	7	169,193	6
6300	Research and development expenses	2,970	-	15,761	-
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	<u>3,885</u>	<u>-</u>	<u>224</u>	<u>-</u>
6000	Total operating expenses	<u>455,249</u>	<u>19</u>	<u>488,026</u>	<u>16</u>
6900	Net operating income	<u>153,321</u>	<u>6</u>	<u>143,587</u>	<u>5</u>
	Non-operating income and expenses (Note 4, 13, 25, and 33)				
7100	Interest income	2,227	-	1,035	-
7190	Other income	17,244	1	33,792	1
7020	Other gains and losses	82,120	4	34,990	1
7050	Finance costs	(17,187)	(1)	(15,430)	-
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method	<u>24,072</u>	<u>1</u>	<u>4,744</u>	<u>-</u>
7000	Total non-operating income and expenses				
	Total	<u>108,476</u>	<u>5</u>	<u>59,131</u>	<u>2</u>
7900	Profit (loss) before tax	261,797	11	202,718	7
7950	Total tax (expense) income (Note 4 and Note 26)	<u>(12,043)</u>	<u>(1)</u>	<u>2,452</u>	<u>-</u>
8200	Profit	<u>249,754</u>	<u>10</u>	<u>205,170</u>	<u>7</u>

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Code		2022		2021	
		Amount	%	Amount	%
	Other comprehensive income				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans (Note 4 and Note 22)	\$ 1,231	-	(\$ 1,632)	-
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (Note 4 and Note 22)	(7,274)	-	6,146	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(1,824)	-	148	-
8360	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation (Note 4 and Note 23)	2,294	-	(4,300)	-
8300	Total other comprehensive income	(5,573)	-	362	-
8500	Total comprehensive income	<u>\$ 244,181</u>	<u>10</u>	<u>\$ 205,532</u>	<u>7</u>
	Profit attributable to:				
8610	owners of parent	\$ 237,876	10	\$ 162,124	5
8620	non-controlling interests	11,878	-	43,046	2
8600		<u>\$ 249,754</u>	<u>10</u>	<u>\$ 205,170</u>	<u>7</u>
	Comprehensive income attributable to:				
8710	owners of parent	\$ 230,825	9	\$ 164,946	6
8720	non-controlling interests	13,356	1	40,586	1
8700		<u>\$ 244,181</u>	<u>10</u>	<u>\$ 205,532</u>	<u>7</u>

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Code		2022		2021	
		Amount	%	Amount	%
	Basic earnings per share (Note 27)				
9710	Basic earnings (loss) per share from continuing operations	<u>\$ 2.73</u>		<u>\$ 1.86</u>	
9810	Diluted earnings (loss) per share from continuing operations	<u>\$ 2.70</u>		<u>\$ 1.84</u>	

See accompanying notes to the consolidated financial statements.

Chairman: Chen, Tun-Jen

President: Ho, Ming-Che

Chief Accountant: Chu, Chen-Ju

Welldone Company and Subsidiaries
Consolidated Statements of Changes in Equity
For the years ended December 31, 2022 and 2021

Unit: NT\$ thousand

		Equity Attributable to Owners of Parent										
		Retained Earnings					Other Equity Interest					
		Ordinary Share	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Treasury Shares	Total equity	Non-Controlling Interests	Total Equity
Code												
A1	Equity at beginning of period (2021/1/1)	\$ 896,701	\$ 146,716	\$ 38,110	\$ 95,393	\$ 140,820	(\$ 5,309)	(\$ 32,917)	(\$ 36,599)	\$ 1,242,915	\$ 287,234	\$ 1,530,149
	Appropriation and distribution of retained earnings in 2020											
B1	Legal reserve appropriated	-	-	13,727	-	(13,727)	-	-	-	-	-	-
B5	Cash dividends of ordinary share	-	-	-	-	(122,164)	-	-	-	(122,164)	-	(122,164)
M3	Disposal of subsidiaries or investments											
M5	Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	23,243	-	-	-	(3,269)	-	-	19,974	29,021	48,995
M7	Changes in ownership interests in subsidiaries	-	(106)	-	-	-	-	-	-	(106)	12,811	12,705
Q1	Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(9,988)	-	9,988	-	-	-	-
N1	Share-based payments	-	9	-	-	-	-	-	-	9	29	38
O1	Cash dividends of ordinary share in subsidiaries	-	-	-	-	-	-	-	-	-	(18,630)	(18,630)
D1	2021 Profit (loss)	-	-	-	-	162,124	-	-	-	162,124	43,046	205,170
D3	Other comprehensive income (2021)	-	-	-	-	(1,632)	(1,875)	6,329	-	2,822	(2,460)	362
Z1	Equity at end of period (2021/12/31)	896,701	168,172	51,837	95,393	155,433	(8,250)	(16,600)	(36,599)	1,306,087	238,892	1,544,979
	Appropriation and distribution of retained earnings in 2021											
B1	Legal reserve appropriated	-	-	15,050	-	(15,050)	-	-	-	-	-	-
B5	Cash dividends of ordinary share	-	-	-	-	(139,616)	-	-	-	(139,616)	-	(139,616)
M5	Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	-	(66)	1,578	66	-	1,578	(251,073)	(249,495)
M7	Changes in ownership interests in subsidiaries	-	(2,467)	-	-	-	-	-	-	(2,467)	10,572	8,105
D1	2022 Profit (loss)	-	-	-	-	237,876	-	-	-	237,876	11,878	249,754
D3	Other comprehensive income (2022)	-	-	-	-	1,231	766	(9,048)	-	(7,051)	1,478	(5,573)
Z1	Equity at end of period (2022/12/31)	<u>\$ 896,701</u>	<u>\$ 165,705</u>	<u>\$ 66,887</u>	<u>\$ 95,393</u>	<u>\$ 239,808</u>	<u>(\$ 5,906)</u>	<u>(\$ 25,582)</u>	<u>(\$ 36,599)</u>	<u>\$1,396,407</u>	<u>\$ 11,747</u>	<u>\$ 1,408,154</u>

See accompanying notes to the consolidated financial statements.

Chairman: Chen, Tun-Jen

President: Ho, Ming-Che

Chief Accountant: Chu, Chen-Ju

Welldone Company and Subsidiaries
Consolidated Statements of Cash Flows
For the years ended December 31, 2022 and 2021

Unit: NT\$ thousand

Code		2022	2021
	Cash flows from (used in) operating activities		
A10000	Profit before tax	\$ 261,797	\$ 202,718
A20010	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense (including investment properties and right-of-use assets)	17,384	33,104
A20200	Amortization expense	5,118	6,669
A20300	Expected credit loss	3,885	224
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	29,533	(18,959)
A20900	Finance costs	17,187	15,430
A21200	Interest income	(2,227)	(1,035)
A21300	Dividend income	(8,985)	(4,566)
A21900	Share-based payments	-	38
A22300	Share of loss (profit) of associates and joint ventures accounted for using equity method	(24,072)	(4,744)
A22500	Loss on disposal of property, plant and equipment	638	65
A23100	Proceeds from disposal of subsidiaries	(57,966)	(28,351)
A23200	Loss on disposal of investments accounted for using equity method	1,063	-
A29900	Provisions	25	37
A30000	Changes in operating assets		
A31130	Notes receivable	(3,267)	5,938
A31150	Accounts receivable	(23,199)	3,132
A31180	Other receivables	39,716	(64,592)
A31200	Inventories	(104,768)	742
A31230	Prepayments	(14,976)	(34,552)
A31240	Other current assets	(4,749)	(916)
A32150	Notes payable and accounts payable	1,509	(97,162)
A32180	Other payable	38,500	3,829
A32230	Other current liabilities	37,653	13,811
A32240	Net defined benefit liability	650	293
A33000	Cash generated from operations	210,449	31,153
A33100	Interest received	2,227	1,035
A33300	Interest paid	(16,931)	(16,168)
A33500	Income taxes paid	(3,821)	(2,517)
AAAA	Net cash flows from operating activities	191,924	13,503

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Code		2022	2021
	Cash flows from (used in) operating activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	(\$ 35,000)	\$ -
B00100	Acquisition of financial assets at fair value through profit or loss	(364)	(55,451)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	1,923	18,117
B00030	Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	4,000
B01900	Proceeds from disposal of investments accounted for using equity method Net cash inflow	39,615	-
B02300	Cash outflow from disposal of subsidiaries	(47,371)	(66,786)
B02700	Acquisition of property, plant and equipment	(1,351)	(7,524)
B03700	Decrease (Increase) in refundable deposits	718	(1,098)
B04500	Acquisition of intangible assets	(150)	(2,232)
B06500	Increase in other financial assets	(272,320)	(394,982)
B07100	Increase in prepayments for business facilities	(2,098)	(1,976)
B07600	Cash Dividends received	21,380	4,566
B09900	Increase in long-term prepaid expenses	(60)	(4,005)
BBBB	Net cash flows used in investing activities	(295,078)	(507,371)
	Cash flows from (used in) financing activities		
C00100	Short-term Borrowings	421,839	358,881
C01700	Repayments of long-term debt	(3,408)	(65,435)
C04020	Payments of lease liabilities	(2,545)	(3,369)
C04500	Cash dividends	(139,616)	(122,164)
C05800	Change in non-controlling interests	8,105	61,534
C09900	Dividends paid to non-controlling interest	-	(18,630)
CCCC	Net cash flows from financing activities	284,375	210,817
DDDD	Effect of exchange rate changes on cash and cash equivalents	(993)	92
EEEE	Net increase (decrease) in cash and cash equivalents	180,228	(282,959)
E00100	Cash and cash equivalents at beginning of period	292,626	575,585
E00200	Cash and cash equivalents at end of period	\$ 472,854	\$ 292,626

See accompanying notes to the consolidated financial statements.

Chairman: Chen, Tun-Jen

President: Ho, Ming-Che

Chief Accountant: Chu, Chen-Ju

Welldone Company

2022 Profit Distribution

Unit: NT\$

Item	Amount	Remarks
Starting non-distributed profit	765,905	If the Company has profit in annual general closing, taxes shall first be paid and accumulated losses compensated; 10% shall then be provisioned as legal reserve, except if legal reserve has reached the amount of the Company's paid-in capital. Depending on the operating needs of the Company and legislative requirements, special reserve may be provisioned. Remaining profit, if any, together with non-distributed profit in the beginning of the period may be subject to profit distribution to be proposed by the board of directors and submitted to the shareholders' meeting for resolution and distribution.
Plus: Net profit in current period	237,876,770	
Inclusion of actuated profit (loss) in retained earnings	1,230,886	
Disposal of certain subsidiary shares	(66,047)	
Net profit from current period plus other items		To distribute the profit of the Company, the board of directors is authorized to pass a resolution to distribute in cash all or part of the dividend and bonus distributable, together with legal reserve and capital reserve, by the majority of directors attending a meeting that is attended by 2/3 or more directors, and report to the shareholders' meeting. The Company's dividend policy is determined based on its profitability status, future operating development, and protection of shareholder interests, etc. When shareholder bonuses are distributed, not less than 50% of the distributable profit of the current year shall be distributed. However, if the distributable profit per share in the current year is less than NT\$1, the profit may be retained and not distributed. Dividend may be distributed in cash or in stock, among which at least 30% shall be cash dividends. Cash dividends accrue at a minimum of NT\$, with fractions ignored. The sum of fractions shall be included as other income of the Company. The chairman is authorized to determine the record date, issue date, and other matters related to profit distribution. If the distribution ratio changes subsequently due to a change in the number of outstanding ordinary shares of the Company, the chairman also has full discretion to make adjustments.
— Legal reserve provision	239,807,514	
Distributable profit in current period	(23,910,766)	
Minus: Distribution		
Cash shareholder dividend NT\$2.1 per share	215,896,748	
87,260,038 shares	(183,246,080)	
Ending non-distributed profit		
	32,650,668	

Chairman: Chen, Tun-Jen

President: Ho, Ming-Che

Chief Accountant: Chu, Chen-Ju

Welldone Company

List of Director (Independent Director) Candidates

Category of Nomination	Director	Director	Director	Director
Name	Chen, Tun-Jen	Ho, Ming-Che	Xinlai Investment Co., Ltd. Representative: Chen, Alexander	Yang, Chiao Feng
Education	Fu Jen University Executive MBA National Chengchi University EMAB, Da-Yeh University	Department of Management Science, National Yang Ming Chiao Tung University EMBA, National Chengchi University	Sophia University, Japan	Keck School of Medicine, University of Southern California
Previous Experience	Chairman of Welldone Company Chairman of Life Link Co., Ltd. Chairman of Welltech Energy Inc. Chairman of TD HiTech Encergy Inc.	Director of Welldone Company President of Welldone Company Chairman of Digital Idea Multi-Media Co., Ltd.	Director of Welldone Company Vice-Presdient, Administration Management Center of Welldone Company Sales Exeutive of Life Link Co., Ltd.	Research Assistant of Taipei Medical University Process Analyst Assistant of the Keck School of Medicine, USC Business Analyst of the Keck School of Medicine, USC
Current Position	Chairman of Welldone Company Chairman of Life Link Co., Ltd.	Director of Welldone Company President of Welldone Company	Director of Welldone Company Vice-Presdient, Administration Management Center of Welldone Company	Market Consultant of Iqvia Solutions Taiwan Ltd.
No. of Shares Held on Transfer Suspension Date	3,570,158	1,333,525	8,958,000	0

Category of Nomination Name	Independent Director Wang, Shen-Huei	Independent Director Tsai, Yu-Ping	Independent Director Wang, Teng-Yue
Education	Master of Science, EE, Virginia Polytechnic Institute & State University	Doctor of Law, Santa Clara University	Department of Management Science, National Yang Ming Chiao Tung University
Previous Experience	President of Coretronic Corporation Supervisor of YMA Corporation	Chairman of Baoli Wealth Management Co., Ltd. President of Allianz Insurance Co., Ltd President of Uni-President Asset Management Corp.	Senior Manager of Gorilla Technology
Current Position	Independent Director of Welldone Company Supervisor of YMA Corporation	Independent Director of Welldone Company Chairman of Baoli Wealth Management Co., Ltd. President and Director of Hydroionic Technologies Co., Ltd. Director of Cellmax Taiwan Co. Ltd. Independent Director of Weikeng Industrial Co., Ltd, Independent Director of Cipherlab Co., Ltd. Vice-President of Chinese Association of Valuation	CTO of PacketX Technology Co., Ltd.
No. of Shares Held on the Transfer Suspension Date	0	0	0

The qualifications of the above independent nominees have been reviewed and approved by board meeting of the Company on 4 May 2023 (2nd meeting of 2023), and are consistent with applicable requirements of the competent authority such as Article 14-2 of the Securities and Exchange Act and the Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies.

Welldone Company**Details of Competition Restrictions on Director (Independent Director)****Candidates**

Type	Candidate Name	Company Name of Concurrent Position	Concurrent Position
Director	Chen, Tun-Jen	Life Link Co., Ltd.	Chairman
Independent Director	Tsai, Yu-Ping	Baoli Wealth Management Co., Ltd.	Chairman

Appendix

Appendix 1

Welldone Company

Articles of Association

Chapter 1 General

Article 1: The Company is organized in accordance with the Company Act and is named "Welldone Company".

Article 2: The Company operates the following businesses:

- | | |
|--------------|--|
| (1) F113110 | Wholesale of Batteries; |
| (2) F213110 | Retail Sale of Batteries; |
| (3) F401010 | International Trade; |
| (4) CC01090 | Manufacture of Batteries and Accumulators; |
| (5) 1299990 | Other Industrial and Commercial Services; |
| (6) F113020 | Wholesale of Electrical Appliances; |
| (7) F213010 | Retail Sale of Electrical Appliances; |
| (8) F118010 | Wholesale of Computer Software; |
| (9) F218010 | Retail Sale of Computer Software; |
| (10) F109070 | Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies; |
| (11) F209060 | Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies; |
| (12) F113070 | Wholesale of Telecommunication Apparatus; |
| (13) F213060 | Retail Sale of Telecommunication Apparatus; |
| (14) F119010 | Wholesale of Electronic Materials; |
| (15) F219010 | Retail Sale of Electronic Materials; |
| (16) E701030 | Controlled Telecommunications Radio-Frequency Devices Installation Engineering; |
| (17) F401021 | Restrained Telecom Radio Frequency Equipments and Materials Import; |
| (18) G801010 | Warehousing; |
| (19) 1301010 | Information Software Services; |
| (20) 1301020 | Data Processing Services; |
| (21) 1301030 | Electronic Information Supply Services; |
| (22) 1212010 | Manpower Dispatched; |
| (23) 1701011 | Employment Service; |
| (24) F399040 | Retail Sale No Storefront; |
| (25) 1301040 | The Third Party Payment; |
| (26) IE01010 | Telecommunications Service Number Agencies; |
| (27) HZ07011 | Foreign Migrant Workers Remittances Services; |
| (28) 2299999 | All business activities that are not prohibited or restricted by law, except those that are subject to special approval. |

Article 3: The Company's headquarters are in Taipei City and it may set up domestic and overseas branches as required through board resolution.

Article 3-1: The Company may provide guarantees and invest in other companies as required for the business. The total amount of investment may exceed 40% of the paid-in capital of the Company.

Article 4: The Company makes public announcements in accordance with Article 28 of the Company Act.

Chapter 2 Shares

Article 5: The Company's total capital is NT\$1,500,000,000, divided into 150,000,000 shares at NT\$10 per share. The board of directors is authorized to issue non-issued shares through multiple issuances. Among the total capital, 9,500,000 shares with a face value of NT\$10 per share are reserved for the issuance of employee stock options, and may be issued through multiple issuances following board resolution.

Article 5-1: With the consent of shareholders representing 2/3 or more of voting rights represented in a shareholders' meeting attended by shareholders representing the majority of all outstanding shares, the Company may transfer shares to employees at an average price lower than the actual buy-back price or issue employee stock options at a subscription price lower than the market price.

Article 5-2: Shares bought by the Company may be sold to employees of subsidiaries meeting certain conditions. The board of directors is authorized to determine the terms and manner of transfer.

The Company may issue employee stock options to employees of subsidiaries meeting certain conditions. The board of directors is authorized to determine the terms and manner of issuance.

The Company may issue new restricted employee shares to employees of subsidiaries meeting certain conditions. The board of directors is authorized to determine the terms and manner of issuance.

When the Company increases capital in cash and issues new shares, shares may be reserved for subscription by employees, including employees of subsidiaries meeting certain conditions. The board of directors is authorized to determine the terms and manner of subscription.

Article 6: Deleted

Article 7: All of the Company's share certificates are in registered form and are issued following the affixation of signature or seal by a director on behalf of the Company and certification in accordance with the law. The Company is not obliged to print share certificates but should register with a centralized securities custodian institution. Unless otherwise provided for by law, the Company's shareholder service matters shall be handled in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies.

Article 8: Share transfer registration is suspended for a period of 60 days before any general shareholders' meeting, 30 days before any extraordinary shareholders' meeting, and five days before the record date for the distribution of dividends, bonuses, or other interest decided by the Company.

Chapter 3 Shareholders' Meetings

Article 9: Shareholders' meetings are divided into general meetings and extraordinary meetings. General meetings are held once a year and shall be convened by the board of directors within six months from the end of each accounting year in accordance with the law. Extraordinary meetings are convened in accordance with the law as required. Electronic voting is one of the channels shareholders may exercise their voting rights in

shareholders' meetings of the Company. Detailed procedures are outlined in accordance with the regulations of the competent authority.

Article 9-1: The Company may hold shareholders' meetings by video conference or in another manner published by the Ministry of Economic Affairs.

Article 10: Any shareholder who cannot attend a shareholders' meeting due to any reason may issue a proxy printed by the Company, specifying the scope of authorization and affixing a signature or seal, to designate another person to attend the meeting on its behalf. Other than Article 177 of the Company Act, rules for shareholder attendance by proxy shall be in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies promulgated by the competent authority.

Article 11: Unless otherwise provided for by law, shareholders of the Company are entitled to one vote per share.

Article 12: Unless otherwise provided for by the Company Act, resolutions of shareholders' meetings shall be approved by shareholders representing the majority of voting rights represented in a meeting that is attended by shareholders representing the majority of all outstanding shares.

Chapter 4 Director and Audit Committee

Article 13: The Company has 5-9 directors, serving terms of three years and elected in a shareholders' meeting from a list of candidates under the candidate nomination system. The same person may be re-elected upon expiry of the term.

Article 13-1: Among the number of directors under the previous article, there shall be at least three independent directors, to be elected in a shareholders' meeting from a list of independent director candidates under the candidate nomination system. Professional qualifications, shareholding, restrictions on concurrent positions, nomination and election manner, and other matters of compliance related to independent directors shall be in accordance with the relevant regulations of the competent securities authority. The Company has an audit committee in accordance with Article 14 of the Securities and Exchange Act, to be composed of all independent directors with a minimum of three members, one of which shall be the chairman, and to be responsible for performing the supervisor's duties under the Company Act, the Securities and Exchange Act, and other legislation.

Article 14: The board of directors is organized by directors. One chairman shall be elected by the directors from among themselves with the majority of directors attending a meeting that is attended by 2/3 or more directors. The chairman is the Company's representative. To convene a board meeting, the agenda shall be specified and notice shall be given to each director seven days in advance. A meeting may be convened at any time in case of an emergency. The meeting notice under the previous paragraph may be given in writing, by fax, or by email.

Article 15: When the chairman is on leave or cannot perform his/her duties due to any reason, representation shall be in accordance with Article 208 of the Company Act.

Article 15-1: Unless otherwise provided for by the Company Act, board resolutions shall be approved by the majority of directors attending a meeting that is attended by the majority of directors. Any director who cannot attend a meeting due to any reason may issue a proxy,

specifying the scope of authorization for the agenda, to designate another director to attend the meeting on his/her behalf, provided that each person shall represent no more than one other person. If a board meeting is held by video conference, any director participating in the meeting through video conference shall be deemed to have attended in person.

Article 16: The board of directors is authorized to determine director remuneration without exceeding the common standard of the industry, based on the level of participation in the Company's operation, and the value of contribution, within the maximum salary standard determined under the Company's salary determination regulations. If the Company makes a profit, remuneration may also be distributed in accordance with Article 20.

Article 16-1: The Company may purchase liability insurance for directors to cover any potential legal liabilities that may arise from the performance of their job duties.

Chapter 5 Officers

Article 17: The Company may appoint officers, the hiring, dismissal, and remuneration of whom which shall be in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

Article 18: At the end of each accounting year of the Company, the board of directors shall prepare statements such as (1) business report (2) financial statements and (3) profit distribution or loss compensation proposal, and submit them to the general shareholders' meeting for approval in accordance with the law.

Article 19: If the Company makes a profit in a given year, 1-10% shall be provisioned as employee remuneration and no more than 4% shall be provisioned as director remuneration. However, if the Company has accumulated losses, the amount to compensate losses shall first be reserved.
The recipients of employee remuneration distribution in stock or in cash under the previous paragraph may include employees of subsidiaries meeting certain conditions. The board of directors is authorized to determine the conditions and manner of distribution.

Article 20: If the Company has a profit in annual general closing, taxes shall first be paid and accumulated losses be compensated; 10% shall then be provisioned as legal reserve, except if legal reserve has reached the amount of the Company's paid-in capital. Depending on the operating needs of the Company and legislative requirements, special reserve may be provisioned. Remaining profit, if any, together with non-distributed profit in the beginning of the period may be subject to profit distribution to be proposed by the board of directors and submitted to the shareholders' meeting for resolution and distribution.

When the Company provisions special reserve in accordance with the law, the shortfall amount of provision for "increased amount in fair value of invested real property accumulated from the previous period" and "net debit amount of other interest accumulated from previous year" shall first be provisioned in the special reserve from non-distributed profit in the previous period before profit distribution. If the shortfall is not fully covered, provision shall be made from after-tax net profit from the amount of the current period plus items other than after-tax profit from the current period included under non-distributed profit from the current year.

To distribute the profit of the Company, the board of directors is authorized to pass

resolution to distribute in cash all or part of the dividend and bonus distributable, together with legal reserve and capital reserve, by the majority of directors attending a meeting that is attended by 2/3 or more directors, and report to the shareholders' meeting.

Article 20-1: The Company's dividend policy is determined based on its profitability status, future operating development, and protection of shareholder interests, etc. When shareholder bonuses are distributed, not less than 50% of the distributable profit of the current year shall be distributed. However, if the distributable profit per share in the current year is less than NT\$1, the profit may be retained and not distributed. Dividends may be distributed in cash or in stock, among which at least 30% shall be cash dividends.

Chapter 7 Miscellaneous

Article 21: Anything that is not stipulated in these Articles of Association shall be governed by the Company Act.

Article 22: These Articles of Association were established on 9 August 1977.

The first amendment was made on 2 September 1977.

The second amendment was made on 3 April 1978.

The third amendment was made on 24 December 1980.

The fourth amendment was made on 26 February 1983.

The fifth amendment was made on 6 June 1986.

The sixth amendment was made on 3 August 1989.

The seventh amendment was made on 18 October 1991.

The eighth amendment was made on 24 June 1992.

The ninth amendment was made on 7 December 1993.

The tenth amendment was made on 22 September 1994.

The eleventh amendment was made on 17 June 1996.

The twelfth amendment was made on 25 July 1996.

The thirteenth amendment was made on 12 August 1996.

The fourteenth amendment was made on 15 January 1997.

The fifteenth amendment was made on 15 May 1997.

The sixteenth amendment was made on 28 October 1997.

The seventeenth amendment was made on 15 June 1998.

The eighteenth amendment was made on 12 February 1999.

The nineteenth amendment was made on 20 June 2000.

The twentieth amendment was made on 18 October 2000.

The twenty-first amendment was made on 31 May 2001.

The twenty-second amendment was made on 18 December 2001.

The twenty-third amendment was made on 26 April 2002.

The twenty-fourth amendment was made on 26 April 2002.

The twenty-fifth amendment was made on 27 May 2003.

The twenty-sixth amendment was made on 28 June 2005.

The twenty-seventh amendment was made on 23 May 2006.

The twenty-sixth amendment was made on 28 June 2005.

The twenty-seventh amendment was made on 23 May 2005.

The twenty-eighth amendment was made on 21 June 2007.

The twenty-ninth amendment was made on 13 June 2008.

The thirtieth amendment was made on 23 September 2009.

The thirty-first amendment was made on 15 June 2010.

The thirty-second amendment was made on 12 June 2014.

The thirty-third amendment was made on 13 June 2016.

The thirty-fourth amendment was made on 11 June 2019.

The thirty-fifth amendment was made on 16 June 2020.
The thirty-sixth amendment was made on 13 August 2021.
The thirty-seventh amendment was made on 14 June 2022.

These Articles of Association takes effect and are implemented after amendments are approved by the shareholders' meeting.

Welldone Company
Representative: Chen, Tun-Jen

Procedures for the Election of Directors

Revised 16 June 2020

- Article 1: Elections of directors shall be conducted in accordance with these Procedures.
- Article 2: Directors of the Company are elected under the single registered accumulated voting system. Each share is entitled to voting rights in the amount corresponding to the directors to be elected, which may all be cast to the same candidate or distributed among candidates. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 3: The number of directors shall be as specified in the Company's Articles of Association. 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.
- Article 3-1: Elections of directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.
Independent directors shall be elected at the same time as non-independent directors and the number of elected independent directors and non-independent directors shall be calculated separately. Those receiving ballots representing the highest numbers of voting rights shall be elected sequentially according to their respective numbers of votes.
- Article 4: When the election begins, the chair shall appoint a number of persons to perform the respective duties of vote monitoring and counting personnel.
- Article 5: The ballot boxes shall be prepared by the Company, numbered by attendance numbers, and showing the number of voting rights.
- Article 6: The voter shall indicate the candidate's account name and shareholder account number in the "candidate" column on the ballot. However, if the candidate is a corporate shareholder, the corporation's name shall be listed in the candidate column on the ballot, or the corporation's name and the representative's name may be listed.
- Article 7: A ballot is invalid under any of the following circumstances:
(1) The ballot was not prepared in accordance with these Procedures.
(2) A blank ballot is placed in the ballot box.
(3) The writing is unclear and indecipherable, or has been altered.
(4) When the candidate is a shareholder, the identity or shareholder account number is inconsistent with the shareholders' register. When the candidate is not a shareholder, the name or ID number is inconsistent following verification.
(5) Other words or marks are entered in addition to the candidate's name, shareholder account number or ID number.
(6) The candidate's name is the same as another shareholder and the shareholder account number or ID/tax number is not indicated for identification.
(7) Two or more candidates are listed in the same ballot.
- Article 8: Anything that is not stipulated in these Procedures shall be governed by the Company Act and applicable laws.
- Article 9: These Procedures, including any amendment hereto, are implemented following approval by the shareholders' meeting.

Rules of Procedure for Shareholders' Meetings

Revised June 16, 2020

1. The Company's shareholders' meetings, except as otherwise provided by law, shall be as provided according to these Rules.
2. Shareholders or proxies shall submit attendance cards in lieu of signing in.
3. Attendance and voting at shareholders' meetings shall be calculated based on the number 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, plus the number of shares whose voting rights are exercised by correspondence or electronically.
4. The venue for a shareholders' meeting shall be the premises of the Company, 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.
5. 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 is, for any reason, unable to exercise the powers of the chairperson, the vice chairperson shall act in their place; if there is no vice chairperson or the vice chairperson is also on leave or is, for any reason, unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as the chair, or, if there are no managing directors, one of the directors shall be appointed to act as the 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 the chair. If a shareholders' meeting is convened by a party with the power to convene other than the board of directors, the convening party shall chair the meeting.
6. The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity. Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.
7. The Company shall make an uninterrupted audio and video recording of the proceedings of the shareholders' meeting. The recorded materials shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.
8. The chair shall call the meeting to order at the appointed meeting time. When attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, are issued. If the quorum is not met after two postponements 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. When, prior to the conclusion of the meeting, attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.
9. If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order outlined in the agenda, which may not be changed without 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 of the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, by agreement of a majority of the votes represented by attending shareholders, a new chair may be elected and the meeting may continue. After a meeting is adjourned, the shareholders shall not elect another chair to continue the meeting in the same or another location.

10. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak shall 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. 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.
11. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed five minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
12. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting. 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.
13. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
14. When the chair is of the opinion that a proposal has been discussed sufficiently to be put to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.
15. Vote monitoring and counting personnel for voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. The results of such vote shall be announced on-site at the meeting, and a record made of the vote.
16. When a meeting is in progress, the chair may announce a break based on time considerations. In the event of force majeure, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.
17. When the Company holds a shareholders' meeting, it shall adopt the exercise of voting rights by electronic means and may adopt the 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 his/her voting rights by correspondence or electronic means shall 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 the original proposals of that meeting.

Except as otherwise provided for in the Company Act and in the Company's Articles of Association, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by attending shareholders.
18. 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.
19. The chair may direct proctors (or security personnel) to help maintain order at the meeting. When proctors (or security personnel) help maintain order at the meeting, they shall wear an identification card or armband bearing the word "Proctor". When a shareholder violates the rules of procedure and defies the chair's correction, obstructs proceedings, and refuses to heed calls to stop, the chair may direct proctors or security personnel to escort the shareholder from the meeting.
20. Matters relating to 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.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
21. These Procedures, including any amendment hereto, are implemented following the approval by the shareholders' meeting.

Welldone Company

Shareholding by Directors

- (I) Minimum number of shares to be held by all directors and shareholding details recorded in the shareholders' register

Title	Shareholding Required	No. of Shares Registered in the Shareholders' Register
Director	7,173,603	14,361,683

- (II) Shareholding details by directors and independent directors

Title	Account Name	No. of Shares Registered in the Shareholders' Register
Chairman	Chen, Tun-Jen	3,570,158
Director	Ho, Ming-Che	1,333,525
Director	Xinlai Investment Co., Ltd. Representative: Chen, Alexander	8,958,000
Director	Lo, Hsueh-Yu	500,000
Independent Director	Lo, Li-Chu	34,572
Independent Director	Wang, Shen-Huei	0
Independent Director	Tsai, Yu-Ping	0

Note: The transfer suspension date is April 16, 2023