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**Taiwan Stock Exchange
Market Observation Post
System:**

<https://mops.twse.com.tw>

Company Website:

<https://www.micb2b.com>

 Marketech International Corp.

**Handbook for the 2023
Annual General Meeting of Shareholders**

Time : May 30th, 2023 (Tuesday) at 9:00 a.m.

Venue: 3F.,No.3, Yuancyu St., Nangang Dist., Taipei City

DISCLAIMER

THIS IS A TRANSLATION OF THE HANDBOOK FOR THE 2023 ANNUAL GENERAL MEETING (THE “HANDBOOK”) OF MARKETECH INTERNATIONAL CORP. (THE “COMPANY”). THIS TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NOTHING ELSE, THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE AGENDA SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

Marketech International Corp.
Handbook for the 2023 Annual General Meeting of Shareholders

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Marketech International Corp.
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I. Meeting Procedures

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Marketech International Corp.

Handbook for the 2023 Annual General Meeting of Shareholders

II. Meeting Agenda

Method: Physical meeting

Time : May 30th, 2023 (Tuesday) at 9:00 a.m.

Venue: 3F., No.3, Yuancyu St., Nangang Dist., Taipei City

1. Chairman to announce the commencement of meeting

2. Chairman's Remarks

3. Matters to Report

- (1) Directors' Remuneration and Employees' Compensation in 2022
- (2) Business Report in 2022
- (3) Audit Committee's Review Report on the Business Report, Financial Statements and Earnings Distribution in 2022
- (4) Report of implementing Endorsements and Guarantees to outside parties in 2022
- (5) Implementation Report of the 4th Domestic Unsecured Convertible Bonds in 2022
- (6) Amendments to the "Rules of Procedure for Board of Directors Meetings"
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4. Matters for Ratification

- (1) To ratify Business Report and Financial Statements in 2022
- (2) To ratify Earnings Distribution in 2022

5. Matters for Discussion

- (1) Amendments to the "Operational Procedures for Loaning Funds to Others"

6. Directors Election

- (1) Election of independent director

7. Other Matters

- (1) Release of non-competition restrictions on the newly elected independent director

8. Extempore Motion

9. Adjournment

III. Matters to Report

Item 1: (proposed by the Board of Directors)

Description: Please refer to the Company's Directors' Remuneration and Employees' Compensation in 2022

Explanation: The directors' remuneration in 2022 is NT\$29,709,774 and employees' compensation is NT\$297,097,738, please refer to "Appendix 6" (page 57) of this handbook.

Item 2: (proposed by the Board of Directors)

Description: Please refer to the Company's Business Report in 2022

Explanation: Regarding the Company's Business Report and Financial Statements in 2022, please refer to "Annex 1" (page 8-10) and "Annex 2" (page 11-37) of this handbook.

Item 3: (proposed by the Board of Directors)

Description: Please refer to the Audit Committee's Review Report on the Business Report, Financial Statements and Earnings Distribution in 2022

Explanation: Regarding the Company's Audit Committee's Audit Report on the Business Report, Financial Statements and Earnings Distribution in 2022, please refer to "Annex 3" (page 38) of this handbook.

Item 4: (proposed by the Board of Directors)

Description: Please refer to the Company's Report of implementing Endorsements and Guarantees to outside parties in 2022

Explanation: Regarding the Company's Report of implementing Endorsements and Guarantees to outside parties in 2022, please refer to "Annex 4" (page 39-40) of this handbook.

Item 5: (proposed by the Board of Directors)

Description: Please refer to the Company's Implementation Report on the execution of the 4th Domestic Unsecured Convertible Bonds in 2022

Explanation: Regarding the Company's Implementation Report on the execution the 4th Domestic Unsecured Convertible Bonds in 2022, please refer to "Annex 5" (page 41) of this handbook.

Item 6: (proposed by the Board of Directors)

Description: Please refer to the Company's amendments to the "Rules of Procedure for Board of Directors Meetings"

Explanation: (1) Amendments to the Company's "Rules of Procedure for Board of Directors Meetings" are made to comply with legal regulations.
(2) Regarding the Comparison Table of Amendments to "Rules of Procedure for Board of Directors Meetings", please refer to "Annex 7" (page 43-45) of this handbook.

Item 7: Other reports

Explanation: In order to repay bank loans and reduce interest burden, the Board Meeting resolved on March 17th, 2023, to issue the fifth unsecured convertible bonds. Each bond has a face value of NTD 100,000 and the total number of bonds issued is limited to 25,000 with a total amount of NTD 2,500,000,000. The bonds will be issued at a price of 100% to 102% of the face value, and bond duration of 3 years. The issuance is approved and effect upon the official letter of Jin-Guan-Zheng-Fa-Zhi No.1120339091 issued by the Financial Supervisory Commission R.O.C.(Taiwan) dated on April 27th, 2023.

IV. Matters for Ratification

Item 1: (proposed by the Board of Directors)

Description: Please ratify the Company's Business Report and Financial Statements in 2022.

Explanation:

- (1) The Company's Business Report and Financial Statements in 2022 are completed and approved by the Board of Directors on February 17, 2023 with records. The Annual Financial Statements in 2022 has also been audited by Independent Accountant Lin Chun-Yao and Independent Accountant Weng Shih-Jung of PricewaterhouseCoopers (PwC) Taiwan. Aforesaid statements and report are also audited by the audit committees with records.
- (2) Aforesaid statements / report and independent accountants' report are attached. Please refer to "Annex 1" (page 8-10) and "Annex 2" (page 11-37) of this handbook.

Resolution:

Item 2: (proposed by the Board of Directors)

Description: Please ratify the Company's Earnings Distribution in 2022

Explanation:

- (1) Please refer to "Annex 6" (page 42) of the Company's Earnings Distribution in 2022.
- (2) The distributed cash dividend shall be counted only until digit in ones (shall be rounded down to an integer).
- (3) Regarding the earnings distribution stated in preceding paragraph, if the 4th domestic unsecured convertible bonds converted to ordinary shares affect the number of the Company's ordinary shares outstanding and results in a change of shareholders' dividend declared ratio, it is hereby proposed at the Shareholders' Meeting to fully authorize the Chairman to make an adjustment according to the resolution of the Board of Directors.
- (4) According to earnings distribution stated in preceding paragraph, the cash dividend shall be, after the authorization was approved at the General Meeting of Shareholders', distributed based on the ex-dividends date stipulated by the Board of Directors separately.

Resolution:

V. Matters for Discussion

Item 1: (proposed by the Board of Directors)

Description: Amendment to “Operational Procedures for Loaning Funds to Others”

Explanation: (1) Amendments to the Company’s “Operational Procedures for Loaning Funds to Others” are made to satisfy the Company’s actual operational needs.
(2) Regarding the Comparison Table of Amendments to “Operational Procedures for Loaning Funds to Others”, please refer to “Annex 8” (page 46) of this handbook.

Resolution:

VI. Directors Election

Item 1: (proposed by the Board of Directors)

Description: Please approve the election of the Independent Director.

Explanation:

- (1) The terms of office for the Company's Independent Directors (3 Directors) is from May 27, 2022 to May 26, 2025.
- (2) To comply with regulations, it is proposed to conduct a election at shareholders' meeting this time on May 30, 2023 to elect one seat of Independent Director, whose terms of office is from May 30, 2023 to May 26, 2025.
- (3) Regarding the Company's Independent Directors nomination system, list of candidates and their educational background, experiences and shareholding, please refer to "Appendix 7" (page 58) of this handbook.
- (4) Regarding "Rules for Election of Directors", please refer to "Appendix 4" (page 55) of this handbook.

Resolution:

VII. Other Matters

Item 1: (proposed by the Board of Directors)

Description: Please approve the release of non-competition restriction on the newly elected independent director.

Explanation:

- (1) Please approve to release the non-competition restriction for the newly elected independent director and/or his representatives according to Article 209 of the Company Act, the newly elected director shall do anything for himself or on behalf of another person that is within the scope of the Company's business.
- (2) Details of the release of non-competition restrictions on the newly elected independent director, please refer to "Appendix 8" (page 59) of this handbook.

Resolution:

VIII. Extempore Motion

IX. Adjournment

[Annex 1: Business Report in 2022]

Marketch International Corp. 2022 Business Report

I. Operating Results of 2022

1. Operating Results

In 2022, MIC group's consolidated revenue was NT\$50,366,704 thousand with an increase of 46.17% comparing with NT\$34,458,674 thousand in 2021; consolidated net income was NT\$2,149,807 thousand with an increase of 42.52% comparing with NT\$1,508,422 thousand in 2021; and earnings per share was NT\$11.34 with an increase of 37.62% comparing with NT\$8.24 in 2021.

The company will continue to stabilize growth and profitability as the operational goals in the future, thus to create the largest shareholder equity.

Summary of the 2022 and 2021 Consolidated Financial Statement is listed as follows:

Unit: NT\$ thousands ; %

Items	2021	2022	Difference (\$)	Difference (%)
Operating Revenue	34,458,674	50,366,704	15,908,030	46.17%
Gross Profit	3,619,982	5,386,070	1,766,088	48.79%
Operating Income	1,643,086	2,866,250	1,223,164	74.44%
Net Income	1,508,422	2,149,807	641,385	42.52%
Profit attributable to owners of the parent	1,547,479	2,210,709	663,230	42.86%
Earnings per share (in dollars) (Note2)	8.24	11.34	3.10	37.62%

Note 1: The above information is summarized from Audit Reports of 2021 and 2022.

Note 2: The Earnings per share is based on the weighted average number of outstanding shares to calculate the basic earnings per share.

2. Budget Implementation

In 2022, due to prospect of the of semiconductor and the relevant industries, the order demands of the customers have been increasing. This has led MIC consolidated revenue and profit higher then expected. MIC will continue to strive for stable growth and achievement of operational goals.

3. Analysis of Receipts, Expenditures and Profitability

Items		Consolidated Financial Statements	
		2021	2022
Financial Structure	Ratio of liabilities to assets (%)	72.00	73.16
	Ratio of long-term capital to fixed assets (%)	433.13	466.05
Solvency	Current ratio (%)	130.28	125.69
	Quick ratio (%)	104.23	93.58
	Times interest earned	34.24	32.22
Profitability	Return on total assets (%)	6.46	7.05
	Return on shareholders' equity (%)	21.29	24.88
	Ratio of operating income to paid-in capital (%)	85.24	146.97
	Ratio of pre-tax income to paid-in capital (%)	100.67	153.64
	Profit margin (%)	4.38	4.27
	Earnings per share (dollar) (Note)	8.24	11.34

Note: The Earnings per share is based on the weighted average number of outstanding shares to calculate the basic earnings per share.

4. Research and Development

(1) Expenditure involved

Unit: NT\$ thousands; %

Items	Year	Consolidated Financial Statements	
		2021	2022
Research and development expenses (A)		226,158	277,870
Operating revenue (B)		34,458,674	50,366,704
Ratio (C=A/B)(%)		0.66	0.55

(2) Developed technologies and products in 2022

Featured with the capability of integrating high-technology production, auto-control and precision machinery technologies, the R&D team of MIC Group has shown extraordinary results in developing high-technology system and facilities. Its major performance in 2022 is shown below:

Year	R&D Performance	Applications
2022	Desktop multiaxis cutting machine	Dental instruments
	96-specimen automatic extractor	Biotechnology
	Automatic wrap-packaging for reagent production line	Biotechnology
	Fabrication and testing of high pressure products (1,300 bar)	Sub-modules of laser source for mask aligner
	GDD mask atomizer	Reliability check of mask pellicle for mask aligner
	Composite vacuum laminating machine	Micro LED panel lamination
	MLA on UTG substrate	Fabrication of micro optoelectronic components
	Automatic chemical cap replacement system	Facility system for semiconductor/LCD/advanced packaging

II. Highlights of 2023 Business Plan

1. Operating Strategies

- (1) Go further in high-tech equipment and material product lines to increase the operating revenue.
- (2) Upgrade capabilities in turnkey service of engineering, design and system integration.
- (3) Cooperate with well-known international manufacturers to develop capabilities in production relevant processing equipment.
- (4) Upgrade and extend equipment maintenance services.
- (5) Actively develop IoT, Big Data, AI applications, private 5G network, AR/VR and other applications and installation capabilities.
- (6) Optimize international professional services.

2. Sales volume forecast and basis thereof

Directorate-General of Budget, Accounting and Statistics (DGBAS) estimated that the annual economic growth rate (yoy) would be 3.06% in 2022; and forecasted that the number will drop to 2.75% in 2023. In the latest “Global Economic Prospects” report published by the World Bank in January 2023, the global economic growth rate was 2.9% in 2022 and is expected to be 1.7% in 2023 and 2.7% in 2024.

At 2022 SEMICON Japan Exhibition, Semiconductor Equipment and Materials International (SEMI) forecasted that the total sale of worldwide original equipment manufacturers’ (OEM) semiconductor manufacturing equipment in 2022 will increase 5.9% to US\$108.5 billion, then drop 16% to US\$91.2 billion in 2023, and rebound 17.5% to US\$107.16 billion in 2024.

At the earnings call held by TSMC on January 12, 2023, the company’s capital expenditure in 2023 will drop from the historical high of US\$36.3 billion (around NT\$1,100 billion) in 2022 to between US\$32 billion to

US\$36 billion (around NT\$974.6 billion to NT\$1,090 billion).

Looking into 2023, due to the slowdown of macroeconomy and semiconductor industry, MIC forecasts that the Group's business performance will seek for stable or slight growth.

3. Important Production and Sales Policies

- (1) To integrate MIC Group's business units and build up the Company's core technology.
- (2) Increase the efficiency and reduce the costs to enhance the Company's business competitiveness.
- (3) To provide customer a full line service through synergy of the Company's business units.
- (4) To enhance its relationship with international customers and to extend the Company's capability to provide local services.

III. Future Development Strategy

Centered on four major business groups – business agency, engineering design, system applications, and R&D and Manufacturing – MIC aims to further diversify its services and to include non-IT customers in order to expand its business worldwide.

Regarding the management system, MIC has implemented AEO, ISO9001, ISO13485, ISO14001, ISO14064, ISO45001, SA8000, GMP and ESG work standards to enhance its work quality and efficiency to ensure the Group's competitiveness, to make employees confident, to bring customers a good protection, and to maximize shareholders' benefits.

IV. Impacts of External Competitive Environment, Regulatory Environment and Macroeconomic Environment

Impacted by the pandemic and the demand of globalization, the management of supply chain plays a crucial role to adapt to the environmental change, in order to provide the services both in quality and in quantity. MIC Group is now making efforts on the project and purchase management in order to enhance our competitiveness in the industry by controlling the costs and expenditure. As for the regulations, amendments concerning the protection of our environment, consumers and investors, as well as our social responsibilities were made, creating more restrictions on the business and turning the macroeconomic environment even more complicated. MIC Group values the spirit of ESG, therefore we will provide even more professional services to confront the incoming challenges. Upholding the spirit of "innovations", MIC Group will optimize our advantages and expand our market by offering "integrated", "eco-friendly", "differentiated", "digitalize", and "smart" solutions and services.

A Good Health and All the Bests to our Shareholders.

Sincerely yours,

Chairman: Margaret Kao

President: Scott Lin

Accounting Director: Chung Chi-Wen

【Annex 2:2022 Financial Statements and Independent Auditors' Report】
I. 2022 Consolidated Financial Statements and Independent Auditors' Report



INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of Marketech International Corp.

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters on the consolidated financial statements for the year ended December 31, 2022 were as follows:

Recognition of construction contract revenue

Description

Refer to Note 4(28) for accounting policy on construction contract revenue, Note 5(2) for the details of uncertainty of construction contract accounting estimation and assumptions, and Notes 6(19) and 6(5) for details of construction contract revenue and construction contract cost.

The Group recognized revenue and profit by using the percentage of completion method. This method is also being used to calculate the cost for each contract at year-end. Management will re-evaluate the cost if the budget had increased or decreased, and depending on the cost after adjustment, the percentage of completion will be recalculated. The construction contract revenue may be affected by the appropriateness of determination of cost and estimated cost. Thus, we considered this as one of the key audit matters.

How our audit addressed the matter

We tailored the major audit scope as follows:

- A. Obtained an understanding of the management's control system and determined whether the contract had been created or significantly changed with respect to estimated cost.
- B. Obtained the newly added construction contracts list for this fiscal year, and checked whether the total contract price is equal to the amount being used to calculate construction contract revenue. Ascertained whether any additional construction supplements can be traced back to supplementary contracts.
- C. Checked the significant newly added construction projects, sample tested the construction costs incurred, estimation sheets and subcontract plans, and ascertained whether these have been approved appropriately by the management.
- D. Checked the significant changes in the estimation of construction cost, and ascertained whether the revised plan had been approved by the management.
- E. Obtained the billing details and selected samples of related vouchers by using statistical procedure to check the correctness of input cost in engineering reports and confirmed whether the current input costs have been accounted for appropriately.



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Valuation of inventories

Description

Refer to Note 4(12) for description of accounting policy on inventory valuation, Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(5) for details of inventory.

The Group is primarily engaged in the import and export trading business, which include integrated circuit, electronic equipment, as well as materials and components used in electronic equipment. Due to the rapid technological changes, the semiconductor equipment industry has become more and more competitive, and the product price frequently changes. Therefore, the Group is now exposed to risk on inventory valuation loss and slow-moving inventory. Inventories are stated at the lower of cost or net realizable value, and the specific identification method is used to estimate the allowance for inventory valuation loss on slow-moving inventories.

The base stock of inventories is based on assumptions of future demand and development plan. Due to the large quantity of inventories for sale, and since the amounts involved are significant, the determination of net realizable value for obsolete or slow-moving inventory involves subjective judgement resulting in high degree of estimation uncertainty. As a result of the high uncertainties in these estimates, we considered this as one of the key audit matters.

How our audit addressed the matter

We tailored the major audit scope as follows:

- A. Assessed the policy on allowance for inventory valuation loss based on our understanding of the operations and industry of the Group.
- B. Tested whether the basis of market value used in calculating the net realizable value of inventory is consistent with the policy of the Group and validated selling prices of selected samples of respective inventory and their accuracy of net realizable value calculation.
- C. Acquired management's individually identified out-of-date inventory list, inspected the related supporting documents and proper recognition in the financial statements.



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Valuation of loss allowance for accounts receivable

Description

Refer to Note 4(9) and (10) for accounting policy on accounts receivable, Note 5(2) for accounting estimates and assumption uncertainty in relation to loss allowance of accounts receivable, and Note 6(3) for the details of accounts receivable.

The Group assesses the significant accounts receivable individually, and for those that are not significant, are assessed either individually or collectively. If there is no impairment after individual assessment, then the group of accounts receivable will be added for collective assessment. If the accounts receivable over a certain age is significant, the management will re-examine the collectability and assess each case for possible impairment. Management uses professional judgement during the process, and accounting estimates have a high possibility of becoming inappropriate. The professional judgement may be affected by several factors, such as customer's financial status, internal credit rating, order history, and economic situation. Accordingly, obtaining the supporting documents which management used for judgement is important. Thus, we considered the assessment on loss allowance of accounts receivable as one of our key audit matters.

How our audit addressed the matter

We tailored the major audit scope as follows:

- A. Obtained an understanding of the process which management used to evaluate the collectability of accounts receivable.
- B. Ensured that the classification of impairment in the group of accounts receivable is appropriate and in accordance with the Group's accounting policy.
- C. Checked the details of significant impairment recognized by the management against the supporting documents to verify appropriateness.
- D. Verified the subsequent collection details of significant accounts receivable.
- E. Obtained the details of significant accounts receivable which have not yet been collected at year end, and re-evaluated the appropriateness.



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Other matter - Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of Marketech International Corp. as at and for the years ended December 31, 2022 and 2021.

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 International Financial Reporting Standards, International Accounting Standards, **IFRIC** Interpretations, and **SIC** Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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



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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 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, and for forming an audit opinion on the parent company only financial statements.

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

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

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



Lin, Chun-Yao

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 17, 2023



Weng, Shih-Jung

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

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 6,481,297	18	\$ 4,187,655	15
1110	Financial assets at fair value through profit or loss - current	6(2)	103,087	-	175,306	1
1136	Current financial assets at amortized cost	8	803	-	747	-
1140	Current contract assets	6(19)	9,059,781	26	8,510,574	30
1150	Notes receivable, net	6(3)	29,193	-	52,866	-
1160	Notes receivable - related parties	6(3) and 7	158	-	113	-
1170	Accounts receivable, net	6(3)(4)	6,232,983	18	4,805,260	17
1180	Accounts receivable - related parties, net	6(3) and 7	89,331	-	122,384	-
1200	Other receivables		27,043	-	201,074	1
130X	Inventories, net	6(5)	6,267,875	18	3,562,479	13
1410	Prepayments		1,421,484	4	1,026,464	4
1470	Other current assets	8	385,679	1	300,806	1
11XX	Total current assets		<u>30,098,714</u>	<u>85</u>	<u>22,945,728</u>	<u>82</u>
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	653,075	2	802,715	3
1535	Non-current financial assets at amortized cost	8	16,199	-	42,119	-
1550	Investments accounted for using equity method	6(6) and 7	104,090	-	75,386	-
1600	Property, plant and equipment, net	6(7)(9), 7 and 8	2,441,994	7	2,366,042	9
1755	Right-of-use assets	6(8) and 7	1,624,507	5	1,255,415	5
1780	Intangible assets	7	109,186	-	106,822	-
1840	Deferred tax assets	6(23)	185,037	1	157,800	1
1900	Other non-current assets	6(6) and 8	94,256	-	108,507	-
15XX	Total non-current assets		<u>5,228,344</u>	<u>15</u>	<u>4,914,806</u>	<u>18</u>
1XXX	Total Assets		<u>\$ 35,327,058</u>	<u>100</u>	<u>\$ 27,860,534</u>	<u>100</u>

(Continued)

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(10) and 8	\$ 5,349,747	15	\$ 3,568,994	13
2130	Current contract liabilities	6(19)	6,889,495	20	4,684,990	17
2150	Notes payable		2,159,902	6	1,721,874	6
2160	Notes payable - related parties	7	7,487	-	15,218	-
2170	Accounts payable		7,075,213	20	6,363,401	23
2180	Accounts payable - related parties	7	22,366	-	12,409	-
2200	Other payables	6(11)	1,112,753	3	853,528	3
2230	Current tax liabilities		390,985	1	173,703	1
2280	Current lease liabilities	7	236,604	1	146,794	-
2320	Long-term liabilities, current portion	6(12)	644,880	2	-	-
2399	Other current liabilities		56,775	-	71,612	-
21XX	Total current liabilities		<u>23,946,207</u>	<u>68</u>	<u>17,612,523</u>	<u>63</u>
	Non-current liabilities					
2530	Bonds payable	6(12)	-	-	885,747	3
2540	Long-term borrowings	6(13)	200,000	1	200,000	1
2570	Deferred tax liabilities	6(23)	160,698	-	94,422	-
2580	Non-current lease liabilities	7	1,396,335	4	1,098,869	4
2640	Net defined benefit liability - non-current	6(14)	138,106	-	163,688	1
2670	Other non-current liabilities	6(6)	4,710	-	3,145	-
25XX	Total non-current liabilities		<u>1,899,849</u>	<u>5</u>	<u>2,445,871</u>	<u>9</u>
2XXX	Total Liabilities		<u>25,846,056</u>	<u>73</u>	<u>20,058,394</u>	<u>72</u>
	Equity					
	Share capital	6(16)				
3110	Ordinary shares		1,950,284	6	1,927,562	7
	Capital surplus	6(15)(17)				
3200	Capital surplus		1,787,330	5	1,562,207	6
	Retained earnings	6(18)				
3310	Legal reserve		1,087,737	3	932,127	3
3320	Special reserve		256,244	1	167,098	1
3350	Unappropriated retained earnings		4,456,073	13	3,339,807	12
	Other equity interest					
3400	Other equity interest		(182,589)	(1)	(256,244)	(1)
31XX	Total equity attributable to owners of parent		<u>9,355,079</u>	<u>27</u>	<u>7,672,557</u>	<u>28</u>
36XX	Non-controlling interests	4(3)	<u>125,923</u>	<u>-</u>	<u>129,583</u>	<u>-</u>
3XXX	Total Equity		<u>9,481,002</u>	<u>27</u>	<u>7,802,140</u>	<u>28</u>
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	Total Liabilities and Equity		<u>\$ 35,327,058</u>	<u>100</u>	<u>\$ 27,860,534</u>	<u>100</u>

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021

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

Items	Notes	Year ended December 31				
		2022		2021		
		AMOUNT	%	AMOUNT	%	
4000	Operating Revenue	6(19) and 7	\$ 50,366,704	100	\$ 34,458,674	100
5000	Operating Costs	6(5)(22) and 7	(44,980,634)	(89)	(30,838,692)	(90)
5900	Gross Profit		<u>5,386,070</u>	<u>11</u>	<u>3,619,982</u>	<u>10</u>
	Operating Expenses	6(22)				
6100	Sales and marketing expenses		(749,202)	(1)	(712,422)	(2)
6200	General and administrative expenses		(1,317,772)	(3)	(1,044,927)	(3)
6300	Research and development expenses		(277,870)	(1)	(226,158)	(1)
6450	Expected credit (loss) gain	12(2)	(174,976)	-	6,611	-
6000	Total operating expenses		(2,519,820)	(5)	(1,976,896)	(6)
6900	Operating Profit		<u>2,866,250</u>	<u>6</u>	<u>1,643,086</u>	<u>4</u>
	Non-operating Income and Expenses					
7100	Interest income		25,255	-	11,791	-
7010	Other income	6(20)	81,890	-	66,917	-
7020	Other gains and losses	6(2)(9)(21)	111,642	-	279,660	1
7050	Finance costs	7	(95,985)	-	(58,380)	-
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method	6(6)	<u>7,386</u>	-	(2,693)	-
7000	Total non-operating income and expenses		<u>130,188</u>	-	<u>297,295</u>	<u>1</u>
7900	Profit before Income Tax		<u>2,996,438</u>	<u>6</u>	<u>1,940,381</u>	<u>5</u>
7950	Income tax expense	6(23)	(846,631)	(2)	(431,959)	(1)
8200	Net Income		<u>\$ 2,149,807</u>	<u>4</u>	<u>\$ 1,508,422</u>	<u>4</u>

(Continued)

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021

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

Items	Notes	Year ended December 31				
		2022		2021		
		AMOUNT	%	AMOUNT	%	
Other Comprehensive Income						
8311	Gain on remeasurements of defined benefit plan	6(14)	\$ 22,145	-	\$ 10,746	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(23)	(4,429)	-	(2,127)	-
8310	Other comprehensive income that will not be reclassified to profit or loss		17,716	-	8,619	-
Components of other comprehensive income that will be reclassified to profit or loss						
8361	Exchange differences on translation of foreign operations		91,858	-	(111,052)	-
8370	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method	6(6)	553	-	(197)	-
8399	Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	6(23)	(18,414)	-	21,916	-
8360	Other comprehensive income (loss) that will be reclassified to profit or loss		73,997	-	(89,333)	-
8300	Other comprehensive income (loss), net of tax		\$ 91,713	-	(\$ 80,714)	-
8500	Total Comprehensive Income		\$ 2,241,520	4	\$ 1,427,708	4
Profit (loss) attributable to:						
8610	Owners of the parent		\$ 2,210,709	4	\$ 1,547,479	4
8620	Non-controlling interests		(60,902)	-	(39,057)	-
	Total		\$ 2,149,807	4	\$ 1,508,422	4
Comprehensive income (loss) attributable to:						
8710	Owners of the parent		\$ 2,302,080	4	\$ 1,466,952	4
8720	Non-controlling interests		(60,560)	-	(39,244)	-
	Total		\$ 2,241,520	4	\$ 1,427,708	4
9750	Basic earnings per share (in dollars)	6(24)	\$	11.34	\$	8.24
9850	Diluted earnings per share (in dollars)	6(24)	\$	10.87	\$	7.80

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Equity attributable to owners of the parent									Total equity
		Capital Reserves			Retained Earnings			Other Equity			
		Share capital - ordinary shares	Capital Surplus - share premium	Capital Surplus - others	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Total	Non-controlling interests	
Year ended December 31, 2021											
Balance at January 1, 2021		\$ 1,872,192	\$ 981,167	\$ 47,942	\$ 841,627	\$ 170,247	\$ 2,526,327	(\$ 167,098)	\$ 6,272,404	\$ 93,979	\$ 6,366,383
Profit (loss) for the year		-	-	-	-	-	1,547,479	-	1,547,479	(39,057)	1,508,422
Other comprehensive income (loss) for the year		-	-	-	-	-	8,619	(89,146)	(80,527)	(187)	(80,714)
Total comprehensive income (loss)		-	-	-	-	-	1,556,098	(89,146)	1,466,952	(39,244)	1,427,708
Appropriations and distribution of 2020 retained earnings:	6(18)										
Legal reserve		-	-	-	90,500	-	(90,500)	-	-	-	-
Special reserve		-	-	-	-	(3,149)	3,149	-	-	-	-
Cash dividends		-	-	-	-	-	(655,267)	-	(655,267)	-	(655,267)
Share-based payment	6(15)(16)(17)	1,690	1,887	(1,023)	-	-	-	-	2,554	704	3,258
Changes in ownership interest in subsidiaries	6(17)	-	-	2,102	-	-	-	-	2,102	(2,102)	-
Conversion of convertible bonds	6(16)(17)(26)	53,680	547,311	(17,179)	-	-	-	-	583,812	-	583,812
Change in non-controlling interests		-	-	-	-	-	-	-	-	76,246	76,246
Balance at December 31, 2021		\$ 1,927,562	\$ 1,530,365	\$ 31,842	\$ 932,127	\$ 167,098	\$ 3,339,807	(\$ 256,244)	\$ 7,672,557	\$ 129,583	\$ 7,802,140
Year ended December 31, 2022											
Balance at January 1, 2022		\$ 1,927,562	\$ 1,530,365	\$ 31,842	\$ 932,127	\$ 167,098	\$ 3,339,807	(\$ 256,244)	\$ 7,672,557	\$ 129,583	\$ 7,802,140
Profit (loss) for the year		-	-	-	-	-	2,210,709	-	2,210,709	(60,902)	2,149,807
Other comprehensive income for the year		-	-	-	-	-	17,716	73,655	91,371	342	91,713
Total comprehensive income (loss)		-	-	-	-	-	2,228,425	73,655	2,302,080	(60,560)	2,241,520
Appropriations and distribution of 2021 retained earnings:	6(18)										
Legal reserve		-	-	-	155,610	-	(155,610)	-	-	-	-
Special reserve		-	-	-	-	89,146	(89,146)	-	-	-	-
Cash dividends		-	-	-	-	-	(867,403)	-	(867,403)	-	(867,403)
Share-based payment	6(15)	-	-	-	-	-	-	-	-	121	121
Changes in ownership interest in subsidiaries	6(17)	-	-	383	-	-	-	-	383	(383)	-
Conversion of convertible bonds	6(12)(16)(17)(26)	22,722	232,010	(7,270)	-	-	-	-	247,462	-	247,462
Change in non-controlling interests		-	-	-	-	-	-	-	-	57,162	57,162
Balance at December 31, 2022		\$ 1,950,284	\$ 1,762,375	\$ 24,955	\$ 1,087,737	\$ 256,244	\$ 4,456,073	(\$ 182,589)	\$ 9,355,079	\$ 125,923	\$ 9,481,002

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31,	
		2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 2,996,438	\$ 1,940,381
Adjustments			
Adjustments to reconcile profit (loss)			
Net loss (gain) on financial assets at fair value through profit or loss	6(2)(21)	154,730	(443,233)
Expected credit loss (gain)	12(2)	174,976	(6,611)
Share of (profit) loss of associates and joint ventures accounted for using equity method	6(6)	(7,386)	2,693
Depreciation	6(7)(8)(22)	422,584	345,272
Amortization	6(22)	30,739	21,871
(Gain) loss on disposal of property, plant and equipment	6(7)(21)	(27,343)	841
Impairment of non-financial assets	6(7)(9)(21)	12,509	47,309
Compensation cost of share-based payments	6(15)(22)	121	704
Gain from disposal of investments	6(25)	-	(1)
Loss (gain) on lease modification	6(8)	133	(1,647)
Interest income		(25,255)	(11,791)
Interest expense		95,985	58,380
Dividend income	6(20)	(15,354)	(9,560)
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets – current		(549,207)	(3,203,956)
Notes receivable, net		23,673	(2,195)
Notes receivable – related parties, net		(45)	(113)
Accounts receivable, net		(1,564,144)	(1,121,382)
Accounts receivable – related parties, net		30,386	25,834
Other receivables		5,964	(4,825)
Inventories		(2,696,656)	(713,838)
Prepayments		(394,935)	(448,475)
Other current assets		(120,257)	(11,980)
Changes in operating liabilities			
Contract liabilities – current		2,204,505	1,316,946
Notes payable		438,028	569,839
Notes payable – related parties		(7,731)	11,321
Accounts payable		647,086	2,289,075
Accounts payable – related parties		9,957	6,876
Other payables		237,839	199,281
Other current liabilities		(14,838)	(35,592)
Other non-current liabilities		(3,436)	(14,444)
Cash inflow generated from operations		2,059,066	806,980
Interest received		25,022	11,818
Dividends received		15,354	9,560
Interest paid		(85,702)	(42,794)
Income tax paid		(618,670)	(347,765)
Net cash flows from operating activities		1,395,070	437,799

(Continued)

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31,	
		2022	2021
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit or loss		(\$ 67,465)	(\$ 81,016)
Proceeds from disposal of financial assets at fair value through profit or loss		317,914	36,462
Proceeds from capital reduction of financial assets at fair value through profit or loss		455	1,957
Acquisition of financial assets at amortized cost		(11,580)	-
Proceeds from disposal of financial assets at amortized cost		38,119	40,676
Acquisition of investments accounted for using equity method		(19,200)	-
Net cash flow from acquisition of subsidiaries	6(25)	-	11,413
Acquisition of property, plant and equipment	6(7)	(371,971)	(482,388)
Proceeds from disposal of property, plant and equipment	6(7)	77,295	1,943
Acquisition of right-of-use assets		(1,260)	(4,221)
Acquisition of intangible assets		(33,013)	(46,554)
Decrease (increase) in refundable deposits		24,795	(87,945)
Decrease in other non-current assets		27,813	-
Dividends received		-	4,103
Net cash flows used in investing activities		(18,098)	(605,570)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(27)	1,772,058	2,100,100
Proceeds from exercise of employee stock options	6(15)	-	2,554
Repayments of lease principal	6(8)(27)	(170,224)	(106,441)
Cash dividends paid	6(18)	(867,403)	(655,267)
Changes in non-controlling interests		57,162	48,861
Net cash flows from financing activities		791,593	1,389,807
Effect of exchange rate changes on cash and cash equivalents		125,077	(26,760)
Net increase in cash and cash equivalents		2,293,642	1,195,276
Cash and cash equivalents at beginning of year	6(1)	4,187,655	2,992,379
Cash and cash equivalents at end of year	6(1)	\$ 6,481,297	\$ 4,187,655

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

II. 2022 Parent Company only Financial Statements and Independent Auditors' Report



INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of Marketech International Corp.

Opinion

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

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at 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 Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters on the parent company only financial statements for the year ended December 31, 2022 were as follows:



資誠

Recognition of construction contract revenue

Description

Refer to Note 4(26) for accounting policy on construction contract revenue, Note 5(2) for the details of uncertainty of construction contract accounting estimation and assumptions, and Notes 6(17) and 6(4) for details of construction contract revenue and construction contract cost.

The Company recognized revenue and profit by using the percentage of completion method. This method is also being used to calculate the cost for each contract at year-end. Management will re-evaluate the cost if the budget had increased or decreased, and depending on the cost after adjustment, the percentage of completion will be recalculated. The construction contract revenue may be affected by the appropriateness of determination of cost and estimated cost. Thus, we considered this as one of the key audit matters.

How our audit addressed the matter

We tailored the major audit scope as follows:

- A. Obtained an understanding of the management's control system and determined whether the contract had been created or significantly changed with respect to estimated cost.
- B. Obtained the newly added construction contracts list for this fiscal year, and checked whether the total contract price is equal to the amount being used to calculate construction contract revenue. Ascertained whether any additional construction supplements can be traced back to supplementary contracts.
- C. Checked the significant newly added construction projects, sample tested the construction costs incurred, estimation sheets and subcontract plans, and ascertained whether these have been approved appropriately by the management.
- D. Checked the significant changes in the estimation of construction cost, and ascertained whether the revised plan had been approved by the management.
- E. Obtained the billing details and selected samples of related vouchers by using statistical procedure to check the correctness of input cost in engineering reports and confirmed whether the current input costs have been accounted for appropriately.

Valuation of inventories

Description

Refer to Note 4(10) for description of accounting policy on inventory valuation, Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(4) for details of inventory.

The Company is primarily engaged in the import and export trading business, which include integrated circuit, electronic equipment, as well as materials and components used in electronic equipment. Due to the rapid technological changes, the semiconductor equipment industry has become more and more competitive, and the product price frequently changes. Therefore, the Company is now exposed to risk on inventory valuation loss and slow-moving inventory. Inventories are stated at the lower of cost or net realizable value, and the specific identification method is used to estimate the allowance for inventory valuation loss on slow-moving inventories.

The base stock of inventories is based on assumptions of future demand and development plan. Due to the large quantity of inventories for sale, and since the amounts involved are significant, the determination of net realizable value for obsolete or slow-moving inventory involves subjective judgement resulting in high degree of estimation uncertainty. As a result of the high uncertainties in these estimates, we considered this as one of the key audit matters.

How our audit addressed the matter

We tailored the major audit scope as follows:

- A. Assessed the policy on allowance for inventory valuation loss based on our understanding of the operations and industry of the Company.
- B. Tested whether the basis of market value used in calculating the net realizable value of inventory is consistent with the policy of the Company and validated selling prices of selected samples of respective inventory and their accuracy of net realizable value calculation.
- C. Acquired management's individually identified out-of-date inventory list, inspected the related supporting documents and proper recognition in the financial statements.

Valuation of loss allowance for accounts receivable

Description

Refer to Notes 4(7) and (8) for accounting policy on accounts receivable, Note 5(2) for accounting estimates and assumption uncertainty in relation to loss allowance of accounts receivable, and Note 6(3) for the details of accounts receivable.

The Company assesses the significant accounts receivable individually, and those that are not significant, are assessed either individually or collectively. If there is no impairment after individual assessment, then the group of accounts receivable will be subject to collective assessment. If the accounts receivable over a certain age is significant, the management will re-examine the collectability, and assess each case for possible impairment. Management uses professional judgement during the process, and accounting estimates have a high possibility of becoming inappropriate. The professional judgement may be affected by several factors, such as customer's financial status, internal credit rating, order history, and economic situation. Accordingly, obtaining the supporting documents which management used for judgement is important. Thus, we considered the assessment on loss allowance of accounts receivable as one of our key audit matters.

How our audit addressed the matter

We tailored the major audit scope as follows:

- A. Obtained an understanding of the process which management used to evaluate the collectability of accounts receivable.
- B. Ensured that the classification of impairment in the group of accounts receivable is appropriate and in accordance with the Company's accounting policy.
- C. Checked the details of significant impairment recognized by the management against the supporting documents to verify appropriateness.
- D. Verified the subsequent collection details of significant accounts receivable.
- E. Obtained the details of significant accounts receivable which have not yet been collected at year end, and re-evaluated the appropriateness.



資誠

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

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

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

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

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

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

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

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

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

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.



資誠

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

Lin, Chun-Yao

Weng, Shih-Jung

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 17, 2023

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

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

MARKETECH INTERNATIONAL CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 2,643,998	9	\$ 1,446,152	6
1110	Financial assets at fair value through profit or loss - current	6(2)	103,087	-	175,306	1
1140	Current contract assets	6(17) and 7	7,019,760	25	7,556,616	33
1150	Notes receivable, net	6(3)	4,511	-	4,436	-
1160	Notes receivable due from related parties, net	6(3) and 7	95	-	92	-
1170	Accounts receivable, net	6(3)	3,884,234	14	3,072,904	13
1180	Accounts receivable - related parties, net	6(3) and 7	77,218	-	71,163	-
1200	Other receivables		10,864	-	195,048	1
1210	Other receivables - related parties	7	192,012	1	180,450	1
130X	Inventories, net	6(4)	5,414,646	19	3,015,240	13
1410	Prepayments		775,466	3	723,366	3
1470	Other current assets	8	125,168	1	94,864	1
11XX	Total current assets		<u>20,251,059</u>	<u>72</u>	<u>16,535,637</u>	<u>72</u>
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	653,075	2	802,715	3
1550	Investments accounted for using equity method	6(5) and 7	3,786,276	14	2,547,470	11
1600	Property, plant and equipment, net	6(6) and 7	2,078,508	7	1,979,380	9
1755	Right-of-use assets	6(7) and 7	1,041,981	4	962,581	4
1780	Intangible assets	7	77,464	-	75,746	-
1840	Deferred tax assets	6(21)	185,037	1	157,800	1
1900	Other non-current assets	8	49,396	-	49,152	-
15XX	Total non-current assets		<u>7,871,737</u>	<u>28</u>	<u>6,574,844</u>	<u>28</u>
1XXX	Total Assets		<u>\$ 28,122,796</u>	<u>100</u>	<u>\$ 23,110,481</u>	<u>100</u>

(Continued)

MARKETECH INTERNATIONAL CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
Current liabilities						
2100	Short-term borrowings	6(8)	\$ 5,100,000	18	\$ 3,345,000	15
2130	Current contract liabilities	6(17) and 7	3,841,452	14	2,680,786	12
2150	Notes payable		2,165,239	8	1,719,791	7
2160	Notes payable - related parties	7	2,809	-	14,724	-
2170	Accounts payable		4,215,684	15	4,411,499	19
2180	Accounts payable - related parties	7	28,310	-	45,333	-
2200	Other payables	6(9)	851,657	3	639,993	3
2230	Current tax liabilities		310,980	1	154,008	1
2280	Current lease liabilities		108,365	1	78,737	-
2320	Long-term liabilities, current portion	6(10)	644,880	2	-	-
2399	Other current liabilities		50,280	-	66,609	-
21XX	Total current liabilities		<u>17,319,656</u>	<u>62</u>	<u>13,156,480</u>	<u>57</u>
Non-current liabilities						
2530	Bonds payable	6(10)	-	-	885,747	4
2540	Long-term borrowings	6(11)	200,000	1	200,000	1
2570	Deferred tax liabilities	6(21)	160,698	1	94,422	-
2580	Non-current lease liabilities		945,831	3	894,340	4
2640	Net defined benefit liability - non-current	6(12)	138,106	-	163,688	1
2670	Other non-current liabilities	6(5)	3,426	-	43,247	-
25XX	Total non-current liabilities		<u>1,448,061</u>	<u>5</u>	<u>2,281,444</u>	<u>10</u>
2XXX	Total Liabilities		<u>18,767,717</u>	<u>67</u>	<u>15,437,924</u>	<u>67</u>
Equity						
Share capital						
6(14)						
3110	Ordinary shares		1,950,284	7	1,927,562	8
Capital surplus						
6(13)(15)						
3200	Capital surplus		1,787,330	6	1,562,207	7
Retained earnings						
6(16)						
3310	Legal reserve		1,087,737	4	932,127	4
3320	Special reserve		256,244	1	167,098	1
3350	Unappropriated retained earnings		4,456,073	16	3,339,807	14
Other equity interest						
3400	Other equity interest		(182,589)	(1)	(256,244)	(1)
3XXX	Total Equity		<u>9,355,079</u>	<u>33</u>	<u>7,672,557</u>	<u>33</u>
Significant contingent liabilities and unrecognized contract commitments						
Significant events after the balance sheet date						
3X2X	Total Liabilities and Equity		<u>\$ 28,122,796</u>	<u>100</u>	<u>\$ 23,110,481</u>	<u>100</u>

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

MARKETECH INTERNATIONAL CORP.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

Items	Notes	Year ended December 31				
		2022		2021		
		AMOUNT	%	AMOUNT	%	
4000	Operating Revenue	6(17) and 7	\$ 30,201,152	100	\$ 25,756,473	100
5000	Operating Costs	6(4)(20) and 7	(27,030,316)	(90)	(23,187,462)	(90)
5900	Gross Profit		3,170,836	10	2,569,011	10
	Operating Expenses	6(20) and 7				
6100	Sales and marketing expenses		(426,109)	(1)	(394,933)	(1)
6200	General and administrative expenses		(894,742)	(3)	(728,341)	(3)
6300	Research and development expenses		(235,146)	(1)	(197,474)	(1)
6450	Expected credit (loss) gain	12(2)	(80,541)	-	83,394	-
6000	Total operating expenses		(1,636,538)	(5)	(1,237,354)	(5)
6900	Operating Profit		1,534,298	5	1,331,657	5
	Non-operating Income and Expenses					
7100	Interest income	7	15,344	-	4,607	-
7010	Other income	6(18) and 7	105,046	-	90,618	-
7020	Other gains and losses	6(2)(19)	122,451	1	370,301	1
7050	Finance costs		(69,674)	-	(47,891)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method		936,705	3	154,472	1
7000	Total non-operating income and expenses		1,109,872	4	572,107	2
7900	Profit before Income Tax		2,644,170	9	1,903,764	7
7950	Income tax expense	6(21)	(433,461)	(1)	(356,285)	(1)
8200	Net Income		\$ 2,210,709	8	\$ 1,547,479	6
	Other Comprehensive Income (Loss) Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Gain (loss) on remeasurements of defined benefit plan	6(12)	\$ 22,145	-	\$ 10,746	-
8349	Income tax related to components of other comprehensive loss that will not be reclassified to profit or loss	6(21)	(4,429)	-	(2,127)	-
8310	Other comprehensive income that will not be reclassified to profit or loss		17,716	-	8,619	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences on translation of foreign operations		91,516	-	(110,865)	-
8380	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method		553	-	(197)	-
8399	Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	6(21)	(18,414)	-	21,916	-
8360	Other comprehensive income (loss) that will be reclassified to profit or loss		73,655	-	(89,146)	-
8300	Other comprehensive income (loss), net of tax		\$ 91,371	-	(\$ 80,527)	-
8500	Total Comprehensive Income		\$ 2,302,080	8	\$ 1,466,952	6
9750	Basic earnings per share (in dollars)	6(22)	\$ 11.34		\$ 8.24	
9850	Diluted earnings per share (in dollars)	6(22)	\$ 10.87		\$ 7.80	

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

MARKETECH INTERNATIONAL CORP.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Notes	Share capital - ordinary shares	Capital Reserves		Retained Earnings			Other Equity	Total equity
		Capital surplus - share premium	Capital Surplus - others	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statement translation differences of foreign operations	
<u>Year ended December 31, 2021</u>								
Balance at January 1, 2021	\$ 1,872,192	\$ 981,167	\$ 47,942	\$ 841,627	\$ 170,247	\$ 2,526,327	(\$ 167,098)	\$ 6,272,404
Profit for the year	-	-	-	-	-	1,547,479	-	1,547,479
Other comprehensive income (loss) for the year	-	-	-	-	-	8,619	(89,146)	(80,527)
Total comprehensive income (loss)	-	-	-	-	-	1,556,098	(89,146)	1,466,952
Appropriations and distribution of earnings for 2020 6(16)								
Legal reserve	-	-	-	90,500	-	(90,500)	-	-
Special reserve	-	-	-	-	(3,149)	3,149	-	-
Cash dividends	-	-	-	-	-	(655,267)	-	(655,267)
Share-based payment 6(13)(14)(15)	1,690	1,887	(1,023)	-	-	-	-	2,554
Changes in ownership interest in subsidiaries 6(15)	-	-	2,102	-	-	-	-	2,102
Conversion of convertible bonds 6(10)(14)(15)(24)	53,680	547,311	(17,179)	-	-	-	-	583,812
Balance at December 31, 2021	\$ 1,927,562	\$ 1,530,365	\$ 31,842	\$ 932,127	\$ 167,098	\$ 3,339,807	(\$ 256,244)	\$ 7,672,557
<u>Year ended December 31, 2022</u>								
Balance at January 1, 2022	\$ 1,927,562	\$ 1,530,365	\$ 31,842	\$ 932,127	\$ 167,098	\$ 3,339,807	(\$ 256,244)	\$ 7,672,557
Profit for the year	-	-	-	-	-	2,210,709	-	2,210,709
Other comprehensive income for the year	-	-	-	-	-	17,716	73,655	91,371
Total comprehensive income	-	-	-	-	-	2,228,425	73,655	2,302,080
Appropriations and distribution of earnings for 2021 6(16)								
Legal reserve	-	-	-	155,610	-	(155,610)	-	-
Special reserve	-	-	-	-	89,146	(89,146)	-	-
Cash dividends	-	-	-	-	-	(867,403)	-	(867,403)
Changes in ownership interest in subsidiaries 6(15)	-	-	383	-	-	-	-	383
Conversion of convertible bonds 6(10)(14)(15)(24)	22,722	232,010	(7,270)	-	-	-	-	247,462
Balance at December 31, 2022	\$ 1,950,284	\$ 1,762,375	\$ 24,955	\$ 1,087,737	\$ 256,244	\$ 4,456,073	(\$ 182,589)	\$ 9,355,079

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

MARKETECH INTERNATIONAL CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31,	
		2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 2,644,170	\$ 1,903,764
Adjustments			
Adjustments to reconcile profit (loss)			
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	6(2)(19)	154,730	(443,233)
Expected credit loss (gain)	12(2)	80,541	(83,394)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method		(936,705)	(154,472)
Depreciation	6(6)(7)(20)	261,407	243,273
Amortization	6(20)	24,519	19,794
Loss on disposal of property, plant and equipment	6(6)(19)	139	19
Loss (gain) on lease modification	6(7)(19)	211	(1,608)
Gain from disposal of investments	6(19)	-	(1)
Interest income	7	(15,344)	(4,607)
Interest expense		69,674	47,891
Dividend income	6(18)	(15,354)	(9,560)
Changes in operating assets and liabilities			
Changes in operating assets			
Current contract assets		536,856	(3,330,228)
Notes receivable, net		(75)	25,647
Notes receivable - related parties, net		(3)	(92)
Accounts receivable, net		(891,871)	(594,375)
Accounts receivable - related parties, net		(6,055)	85,547
Other receivables		(14,052)	(6,115)
Other receivables - related parties, net		11,562	610
Inventories, net		(2,399,406)	(629,830)
Prepayments		(52,100)	(349,728)
Other current assets		(96,800)	11,678
Changes in operating liabilities			
Current contract liabilities		1,160,666	207,996
Notes payable		445,448	564,689
Notes payable – related parties		(11,915)	14,996
Accounts payable		(195,815)	1,748,750
Accounts payable – related parties		(17,023)	(6,528)
Other payables		212,920	285,992
Other current liabilities		(16,329)	(37,416)
Other non-current liabilities		(3,437)	(3,700)
Cash inflow (outflow) generated from operations		930,559	(494,241)
Interest received		15,344	4,607
Dividends received		15,354	9,560
Interest paid		(64,336)	(34,195)
Income tax paid		(260,293)	(272,024)
Net cash flows from (used in) operating activities		<u>636,628</u>	<u>(786,293)</u>

(Continued)

MARKETECH INTERNATIONAL CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31,	
		2022	2021
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit or loss		(\$ 67,465)	(\$ 81,016)
Proceeds from disposal of financial assets at fair value through profit or loss		317,914	36,462
Proceeds from capital reduction of financial assets at fair value through profit or loss		455	1,957
Disposal of financial assets at amortized cost		-	45,000
Increase in other receivables – related parties		(8,664)	(141,952)
Acquisition of investments accounted for using equity method – subsidiaries	7	(259,386)	(220,164)
Acquisition of investments accounted for using equity method – non-subsiidiaries	7	(19,200)	-
Proceeds from capital reduction of investments accounted for using equity method		29,118	-
Acquisition of property, plant and equipment	6(6)	(276,941)	(430,259)
Proceeds from disposal of property, plant and equipment	6(6)	46	272
Acquisition of right-of-use assets		(663)	(659)
Acquisition of intangible assets		(26,237)	(47,514)
Decrease (increase) in refundable deposits		67,556	(33,111)
Increase in other non-current assets		(1,304)	-
Dividends received		-	4,103
Net cash flows used in investing activities		(244,771)	(866,881)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(25)	1,755,000	2,259,222
Proceeds from exercise of employee stock options	6(13)	-	2,554
Repayments of lease principal	6(7)(25)	(81,608)	(69,676)
Cash dividends paid	6(16)	(867,403)	(655,267)
Net cash flows from financing activities		805,989	1,536,833
Net increase (decrease) in cash and cash equivalents		1,197,846	(116,341)
Cash and cash equivalents at beginning of year	6(1)	1,446,152	1,562,493
Cash and cash equivalents at end of year	6(1)	\$ 2,643,998	\$ 1,446,152

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

【Annex 3: 2022 Audit Committee’s Review Report】

Marketch International Corp.

Audit Committee’s Review Report

To: The 2023 Annual General Shareholders’ Meeting of Marketch International Corp.

We, as the Audit Committee of MIC Group, have audited the 2022 Business Report, Financial Statements and Earnings Distribution Proposal made and submitted by the board of directors. The said Financial Statements were audited by Independent Accountant Lin Chun-Yao and Independent Accountant Weng Shih-Jung of PricewaterhouseCoopers (PwC) Taiwan, and are supported with an audit report issued by PwC. We believe that there is no inconsistent information of aforementioned Business Report, Financial Statements and Earnings Distribution Proposal and hereby submit these documents to you according to Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act.

Sincerely yours,

Chairperson of Audit Committee, Lin Hsiao-Min

February 17, 2023

【 Annex 4: Status of implementing Endorsements and Guarantees to outside parties in 2022 】

Marketech International Corp. and Subsidiaries Endorsements and Guarantees to outside parties For the year ended December 31, 2022

Unit: NT\$ thousands

Endorser / Guarantor	Endorsee / Guarantee		Shareholding (%)	Limit on endorsements / guarantees provided for a single party (Note 2 and 3)	Maximum outstanding endorsements / guarantees (Note 4)	Outstanding endorsements / guarantees at period end (Note 5)	Actual drawdown amount (Note 6)	Ceiling on total amount of endorsement / guarantee (Note 2 and 3)	Content of Guarantee
	Company Name	Relationship							
Marketech International Corp.	Marketech Integrated Pte Ltd.	Note 1(2)	100%	4,677,540	81,430	80,761	62,988	9,355,079	Signed a contract for joint guarantee.
Marketech International Corp.	MIC-Tech (Shanghai) Corp.	Note 1(2)	100%	4,677,540	822,488	564,887	-	9,355,079	Provide promissory notes as bank loan guarantee.
Marketech International Corp.	MIC-Tech (WuXi) Co., Ltd..	Note 1(2)	100%	4,677,540	386,970	304,571	175,047	9,355,079	Provide promissory notes as bank loan guarantee.
Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	Note 1(2)	100%	4,677,540	3,071,992	2,629,482	1,918,879	9,355,079	Provide promissory notes as bank loan guarantee and signed a contract for joint guarantee.
Marketech International Corp.	Shanghai Maohua Electronics Engineering Co.,Ltd.	Note 1(2)	87%	4,677,540	303,626	139,440	12,182	9,355,079	Signed a contract for joint guarantee.
Marketech International Corp.	Marketech International Sdn. Bhd.	Note 1(2)	100%	4,677,540	166,950	122,840	18,737	9,355,079	Provide Standby Letter of Credit as bank loan guarantee.
Marketech International Corp.	eZoom Information, Inc.	Note 1(2)	100%	4,677,540	80,000	55,000	18,698	9,355,079	Provide promissory notes as bank loan guarantee.
Marketech International Corp.	Te Chang Construction Co., LTD.,	Note 1(5)	0%	4,677,540	174,418	44,418	22,167	9,355,079	Provide banker's letter of guarantee for joint guarantee.
Marketech International Corp.	Marketech International Corporation USA	Note 1(2)	100%	4,677,540	1,966,450	1,608,058	1,137,248	9,355,079	Provide promissory notes as bank loan guarantee and signed a contract for joint guarantee.
MIC-Tech Electronics Engineering Corp.	MIC-Tech Viet Nam Co., Ltd.	Note 1(4)	0%	2,370,234	450,989	-	-	3,950,390	Signed a contract for joint guarantee.
MIC-Tech Electronics Engineering Corp.	The Fourth Construction Co., Ltd. of China Electronics System Engineering	Note 1(5)	0%	2,370,234	831,264	-	-	3,950,390	Signed a contract for joint guarantee.
MIC-Tech Electronics Engineering Corp.	Marketech International Corp.	Note 1(3)	0%	2,370,234	159,336	153,459	153,459	3,950,390	Signed a contract for joint guarantee.
MIC-Tech Electronics Engineering Corp.	The Second Construction Co., Ltd. of China Electronics System Engineering	Note 1(5)	0%	2,370,234	1,122	1,122	1,122	3,950,390	Signed a contract for joint guarantee.

Note 1: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
- (4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
- (5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.
- (6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
- (7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 2: Limit on endorsements and guarantees stated in "Regulations Governing Loaning of Funds and Making of Endorsements/ Guarantees by Public Companies":

- (1) In accordance with mutual guarantee requirement in the same industry for contracting constructions, limit on the total amount is 5 times of the Company's net assets.
- (2) Endorsement guarantees engaged in business relationship, the limit of endorsement guarantee for a single enterprise shall not exceed the total amount of business transactions between the two parties within the twelve-month period before the endorsement guarantee (the "business transaction amount" refers to the amount of purchases or sales between the two parties, whichever is higher)
- (3) For endorsements other than those mentioned in (1) and (2) above, limit on endorsement/guarantee to a single party is 50% of the Company's net assets.
- (4) The total amount of endorsement guarantees in (2) and (3) above shall not exceed the net value of the company.
- (5) The limit of endorsement guarantee by the company and its subsidiaries to a single enterprise shall not exceed the net value of the company; the total amount shall not exceed five times the net value of the company.

Note 3: Limit on endorsements and guarantees of the Group's subsidiary - MIC-Tech Electronics Engineering Corp. and MIC-Tech (Shanghai) Corp.

- (1) In accordance with mutual guarantee requirement in the same industry or the common builders for contracting constructions, or provision of endorsements and guarantees for joint ventures from shareholders in proportion to shareholding ratio, limit on the total amount is 5 times of the net assets of the endorser/guarantor on endorsement/guarantee to a single party is three times of the net assets of the endorser/guarantor.

(2) Except for (1), the Group follows standards of endorsements and guarantees as below:

(2-1) Total amount:

(2-1-1) Limit on the accumulated endorsements and guarantees is 5 times of the net assets of the endorser/guarantor;

(2-1-2) Limit on endorsements and guarantees to a company of which the endorser company and the Company directly or indirectly holds 90%, should meet the requirement in (2-1-1) and may not exceed 10% of the ultimate parent's net assets.

(2-1-3) Total endorsements and guarantees of the endorser/guarantor and its subsidiaries are limited to 5 times of the net assets of the endorser/guarantor.

(2-2) Limit on endorsement/guarantee to a single party

(2-2-1) For the companies having business relationship with the endorser/guarantor and thus being provided endorsements/guarantees, limit on endorsements to a single party is the total value of business transactions within past 12 months. (the value of business transactions is the higher of purchase or sales)

(2-2-2) Limit on endorsement/guarantee to a single party who having business relationship with the Group is 3 times of the net assets of the endorser/guarantor.

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period. (2022)

Note 5: The amount agreed by the Board of Directors until December 31, 2022. But the board of directors authorized the chairman of the board of directors to agree the amount in accordance with Article 12, Clause 8 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, which refer to amount determined by the chairman of the board of directors.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

【Annex 5: Implementation of the 4th Domestic Unsecured Convertible Bonds in 2022.】

Marketch International Corp. Report on the execution of the 4th Domestic Unsecured Convertible Bonds

1. Issuance of Corporate Bonds

Type of Corporate Bond	The 4 th Domestic Unsecured Convertible Bonds.
Date of Resolution by the Board of Directors	September 30, 2020
Approval Reference Number from Financial Supervisory Commission	Official Letter of Jin-Guan-Zheng-Fa-Zhi No. 1090374130 dated on November 27, 2020
Issuing Date	December 15, 2020
Denomination	NT\$100,000
Offering Price	Par
Total Amount	NT\$1,500,000,000
Coupon rate	0%
Tenor and Maturity Date	Tenor: Three Years Maturity Date: December 15, 2023
Methods of Redemption	Except for creditors who convert common shares according to Article 10 of Rules for Issuance and Conversion of Unsecured Convertible Bonds, or the Company redeems the bond prior to its maturity or repurchases the bond at the place of business of a securities firm for write-down according to Article 18 of the Rules for Issuance and Conversion, redemption will be made by cash at once according to the par value at maturity.
Outstanding	NT\$581,800,000 (as of April 1 st , 2023)
Latest conversion price	NT\$106.8 (as of April 1 st , 2023)

Note: Please refer to MIC Regulation of the 4th Domestic Unsecured Convertible Bonds and Conversion Measures.

2. Implementation Status

The Company's 4th domestic unsecured convertible bonds was issued on December 11, 2020, and was completed in the fourth quarter of 2020 according to the scheduled schedule.

3. Conversion Status

As of April 1st, 2023, the 4th domestic unsecured convertible corporate bonds issued by the Company had a total conversion amount of NT\$918,200,000, and a total of 8,289,966 ordinary shares were converted.

【 Annex 6: Ratification of 2022 Earnings Distribution 】

Marketch International Corp. Ratification of 2022 Earnings Distribution

Unit: NT\$

Items	Amount
Beginning unappropriated retained earnings	\$2,227,647,867
Plus: Net income in 2022	\$ 2,210,708,536
Retained earnings in 2022 (Note 1)	17,715,947
Total	2,228,424,483
Less: Recognized of Legal reserve	(222,842,448)
Plus: Reversal of special reserve (Note 2)	73,655,274
Retained earning available for distribution	4,306,885,176
Distribution item(s): (Note 3)	
Shareholders' dividend – Cash dividends 5.67 / per share	(1,105,810,892)
Unappropriated retained earnings	\$ 3,201,074,284

Note: 1. Refers to re-measurements of defined benefit plans, which was recognized as other comprehensive income due to actuarial assumption variables of defined benefit / pension plan of 2022 and then transferred into retained earnings was NT\$17,715,947.

2. As stipulated under the Financial Supervisory Commission R.O.C (Taiwan) No. 1010012865 directive, to reversal of special reserve.
3. The distributed profit was generated mainly in 2022 as the priority.
4. Regarding the dividend distribution rate set in profit distribution proposal, if the 4th domestic unsecured convertible bonds converted to ordinary shares affect the number of the Company's ordinary shares outstanding and results in a change of shareholders' dividend declared ratio, it is hereby proposed at the Shareholders' Meeting to fully authorize the Chairman to make an adjustment according to the resolution of the board of directors.
5. The distributed cash dividends shall be counted only until digit in ones. Digits below shall all be rounded off. Fractional amount less than one dollar should be recorded.

Chairman: Kao Hsin-Ming

President: Lin Yue-Yeh

Accounting Director: Chung Chi-Wen

【Annex 7: Comparison Table of Amendments to the “Rules of Procedure for Board of Directors Meetings”】

Comparison Table of Amendments to the “Rules of Procedure for Board of Directors Meetings”

Article before the amendment	Article after the amendment	Explanations
<p>3. Convener of board meeting:</p> <p>3.1 Board meetings shall be convened and chaired by the chairman of the board. However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as chair.</p> <p>3.2 When the chairman of the board is on leave or for any reason unable to exercise the powers of chairman, the chairman shall designate a director as the representative. If the chairman fails to do so, the directors shall select from among themselves one director to serve as representative.</p>	<p>3. Convener of board meeting:</p> <p>3.1 Board meetings shall be convened and chaired by the chairman of the board. However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as chair.</p> <p><u>3.2 According to the regulation of Paragraph 4 in Article 203 or Paragraph 3 in Article 203-1 of Company Act, the Board of Directors’ Meeting which is held by self-convened of over 50% directors, the chair should be elected by election of directors.</u></p> <p>3.3 When the chairman of the board is on leave or for any reason unable to exercise the powers of chairman, the chairman shall designate a director as the representative. If the chairman fails to do so, the directors shall select from among themselves one director to serve as representative.</p>	<p>To comply with provisions of regulations; itemized the article.</p>

Article before the amendment	Article after the amendment	Explanations
<p>4.4 All matters set forth under Article 5.8 shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extraordinary motion <u>except in the case of an emergency or for other legitimate reason.</u></p>	<p>4.4 All matters set forth under Article 5.8 shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extraordinary motion.</p>	<p>To comply with provisions of regulations.</p>
<p>5.8.6 The appointment or discharge of a financial, accounting, or internal audit officer.</p>	<p>5.8.6 The appointment or discharge of a <u>chairperson</u>, financial, accounting, or internal audit officer.</p>	<p>To comply with provisions of regulations.</p>
<p>5.11 If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of the Company, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director.</p> <p>Where a director is prohibited by the preceding paragraph from exercising voting rights with respect to a resolution at a board meeting, the provisions of Paragraph 2 of Article 180 of the Company Act apply mutatis mutandis in accordance with Paragraph 3 of Article 206 of the same Act.</p>	<p>5.11 If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of the Company, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director.</p> <p><u>The spouse or two generations, or company which is affiliated with director, is an interested party in the meeting in previous Paragraph. The director is regarded as an interested party.</u></p> <p>Where a director is prohibited by the preceding <u>two</u> paragraphs from exercising voting rights with respect to a resolution at a board meeting, the provisions of Paragraph</p>	<p>To comply with provisions of regulations.</p>

Article before the amendment	Article after the amendment	Explanations
	2 of Article 180 of the Company Act apply mutatis mutandis in accordance with <u>Paragraph 4</u> of Article 206 of the same Act.	

**【Annex 8 : Comparison Table of Amendments to the “Operational Procedures for
Loaning Funds to Others” 】**

Article before the amendment	Article after the amendment	Explanations
<p>2.4 Method for Interest Calculated :</p> <p>According to the base lending interest rate of Taiwan Bank in the month which the fund lending is permitted, <u>plus 2% annual rate</u> as the fund lending rate which is counted by month. If the borrower could not fulfill the lending contract, it will be 1.1 times across the rate above since the violation date and counted by month.</p>	<p>2.4 Method for Interest Calculated :</p> <p>According to the base lending interest rate of Taiwan Bank in the month which the fund lending is permitted, and counted by month. If the borrower could not fulfill the lending contract, it will be 1.1 times across the rate above since the violation date and counted by month.</p>	<p>To comply with the needs of practice.</p>

【 Appendix 1: Article of Incorporation 】

Marketch International Corp. Articles of Incorporation (Before amendment)

Approved by the Shareholders' Meeting on May 27, 2022

CHAPTER I GENERAL PRINCIPLES

Article 1 The Corporation is incorporated as a company limited by shares under the Company Act of the Republic of China and is named "Marketch International Corp.", and English is named "Marketch International Corp."

Article 2 The Company is engaged in the following businesses:

1. F107170 Wholesale of Industrial Catalyst
2. F207170 Retail Sale of Industrial Catalyst
3. C801010 Basic Industrial Chemical Manufacturing
4. F107200 Wholesale of Chemistry Raw Material
5. F207200 Retail sale of Chemistry Raw Material
6. F113050 Wholesale of Computing and Business Machinery Equipment
7. F213030 Retail sale of Computing and Business Machinery Equipment
8. F119010 Wholesale of Electronic Materials
9. F219010 Retail Sale of Electronic Materials
10. F207060 Retail Sale of Virulence Chemical Materials
11. F107060 Wholesale of Virulence Chemical Substance
12. F207990 Retail Sale of Other Chemical Products
13. F113070 Wholesale of Telecom Instruments
14. F213060 Retail Sale of Telecom Instruments
15. F114030 Wholesale of Motor Vehicle Parts and Supplies
16. F214030 Retail Sale of Motor Vehicle Parts and Supplies
17. F213080 Retail Sale of Machinery and Equipment
18. F113020 Wholesale of Household Appliance
19. F213010 Retail Sale of Household Appliance
20. F110010 Wholesale of Clocks and Watches
21. F210010 Retail Sale of Watches and Clocks
22. F105050 Wholesale of Furniture, Bedclothes Kitchen Equipment and Fixtures
23. F205040 Retail sale of Furniture, Bedclothes, Kitchen Equipment and Fixtures
24. F104110 Wholesale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products
25. F204110 Retail sale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products
26. F109070 Wholesale of Stationery Articles, Musical Instruments and Educational Entertainment Articles
27. F209060 Retail sale of Stationery Articles, Musical Instruments and Educational Entertainment Articles
28. F102170 Wholesale of Food and Grocery
29. F203010 Retail sale of Food and Grocery
30. F108040 Wholesale of Cosmetics
31. F208040 Retail Sale of Cosmetics
32. F201010 Retail sale of Agricultural Products
33. EZ99990 Other Construction
34. IG03010 Energy Technical Services

35. CE01010 Precision Instruments Manufacturing
36. CB01010 Machinery and Equipment Manufacturing
37. F113010 Wholesale of Machinery
38. F113030 Wholesale of Precision Instruments
39. E602011 Frozen and Air-conditioning Engineering
40. I301010 Software Design Services
41. J101040 Waste Disposing
42. E599010 Pipe Lines Construction
43. E603010 Cables Construction
44. E603040 Fire Fighting Equipments Construction
45. E603050 Cybernation Equipments Construction
46. E603090 Illumination Equipments Construction
47. E603100 Electric Welding Construction
48. E604010 Machinery Installation Construction
49. E801030 Interior Light Rigid Frame Construction
50. EZ05010 Apparatus Installation Construction
51. F107990 Wholesale of Other Chemical Products
52. E502010 Fuel Pipe Construction
53. E603020 Elevator Construction
54. E605010 Computing Equipments Installation Construction
55. E701010 Telecommunications Construction
56. EZ02010 Derrick Construction
57. EZ06010 Traffic Labels Construction
58. EZ07010 Drilling Construction
59. F401010 International Trade
60. G801010 Warehousing and Storage
61. H701050 Public Works Construction and Investment
62. I103060 Management Consulting Services
63. JD01010 Industry and Commerce Credit Bureau Services
64. IF01010 Fire Fighting Equipments Overhauling
65. IZ06010 Cargoes Packaging
66. IZ12010 Manpower Services
67. J101030 Waste Clearing
68. J101050 Sanitary and Pollution Controlling Services
69. J101060 Wastewater (Sewage) Treatment
70. J101070 Radwaste Disposing Service
71. E501011 Water Pipe Construction
72. E601010 Electric Appliance Construction
73. E103101 Environmental Protection Construction
74. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import
75. E103071 Underground Utilities Project Construction
76. H701010 Residence and Buildings Lease Construction and Development
77. H701020 Industrial Factory Buildings Lease Construction and Development
78. H701040 Specialized Field Construction and Development
79. H701060 New County and Community Construction and Investment
80. H701070 Land Levy and Delimit
81. H701080 Reconstruction within the renewal area
82. H701090 Renovation, or maintenance within the renewal area
83. CB01990 Other Machinery Manufacturing Not Elsewhere Classified
84. E603080 Traffic Signals Construction
85. E903010 Eroding and Rusting Construction

- 86. EZ09010 Static Electricity Protecting and Clearing Construction
- 87. E402010 Ballast and Mud Construction on Sea
- 88. E401010 Dredge Engineering
- 89. E503011 User's Drainage Facility Installation Contractor of Sewer System
- 90. CF01011 Medical Materials and Equipment Manufacturing
- 91. F108031 Wholesale of Drugs, Medical Goods
- 92. F208031 Retail sale of Medical Equipments
- 93. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3 The Company has its headquarter established in Taipei City and may set up branch offices inside the country whenever the Board of Directors deem necessary.

Article 4 The Company shall make public announcement according to Article 28 of the Company Act.

Article 4-1 The Company may provide endorsement and guarantee and act as a guarantor

Article 4-2 The total amount of the Company's reinvestment shall not be subject to the restriction of not exceeding forty percent of the amount of its own paid-up capital as provided in Article 13 of the Company Act.

CHAPTER 2 SHARES

Article 5 The total capital stock of the Company is in the amount of NT\$3,000,000,000, divided into 300,000,000 shares, at ten New Taiwan Dollars each, and may be paid-up in installments. A total of NT\$98,000,000 among the above total capital stock, which equals to 9,800,000 shares, should reserved for issuing employee stock options from time to time upon the resolutions of Board of Directors.

Article 6 Deleted.

Article 7 The Company's share certificates shall be in registered form, shall be affixed with the signatures or personal seals of the director representing the company, and shall be duly certified or authenticated according to law before issuance.
The shares of the Company may be made without physical certificates. Nevertheless, the stock of the Company shall be registered with Taiwan Depository and Clearing Corporation.

Article 8 The transfer of share certificates shall be carried out in accordance with Regulations Governing the Administration of Shareholder Services of Public Companies.

CHAPTER 3 SHAREHOLDERS' MEETING

Article 9 Shareholders' meeting shall be of two kinds: (1) Regular meetings, to be held at least once every year and within six months after close of each fiscal year; (2) Special meetings, to be held whenever necessary and according to law.

Article 10 Shareholder who is unable to attend shareholders' meeting for any cause may appoint a proxy to attend the meeting in his/her/its behalf by executing a power of attorney printed by the company stating therein the scope of power authorized to the proxy and affixed with the signatures / personal seals.

Article 11 A shareholder shall have one voting power in respect of each share in his/her/its possession except in the circumstances set forth in Item 3 of Article 157 and Paragraph 2 of Article 179, where the shares shall have no voting power or have such power limited.

Article 12 A resolution at the meeting of shareholders shall be adopted only by a majority of the shareholders present who represent half of the total number of its outstanding shares by the company, unless otherwise provided for by law.

CHAPTER 4 DIRECTORS AND SUPERVISORS

- Article 13 The Company has 9 to 11 directors, whose term of office shall be 3 years and are eligible for re-election. The shareholders shall elect the directors from among the nominees listed in the roster of director candidates as the Company has adopted the candidates nomination system. The quota of directors stated in preceding Paragraph shall include no less than three independent directors. Independent directors' professional qualifications, shareholdings and concurrent serving restrictions, recognition of independence, nomination and election methods, and other governing rules shall be carried out in accordance with the Company Act and relevant regulations.
- Article 13-1 The Company has established an audit committee, which is constituted by the entire number of independent directors. The power and authority of audit committee, rules governing the proceedings of meetings and other governing rules shall be carried in accordance with Securities and Exchange Act, Company Act, other relevant regulations and Articles of Incorporation.
- Article 14 The Board of Directors is constituted by directors. The directors shall, with the concurrence of a majority of the directors present who represent two-thirds or more of all the directors, elect from among them a chairman, and a vice chairman through the same method. The chairman shall represent the Company externally.
- Article 15 In case the chairman of the board of directors is on leave or absent or cannot exercise his / her power and authority for any cause, his / her proxy shall be appointed in accordance with Article 208 of the Company Act.
- Article 16 Chairman's remuneration shall not exceed the doubled amount of general manager's remuneration and shall be determined by the Board of Directors upon the deliberation of remuneration committee. Director who takes a position at the functional committee under the Board of Directors concurrently shall have his/her income from professional practice paid according to the number of meetings held by the functional committee. The said fees shall be determined by the Board of Directors according to the standard generally adhered by other firms of the same trade.
- Article 16-1 The notice of Board of Directors meetings may be delivered by methods like fax and e-mail. Each director shall attend the meeting of the board of directors in person. In case a director is unable to attend the meeting for any cause and appoints another director to attend a meeting of the board of directors in his/her behalf, he/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting.

CHAPTER 5 MANAGEMENT

- Article 17 The Company has one general manager, whose appointment, discharge and remuneration shall be carried out in accordance with Article 29 of the Company Act.

CHAPTER 6 ACCOUNTING

- Article 18 The Board of Directors shall prepare and submit below statements and reports at the end of each fiscal year:
1. Business report
 2. Financial statements
 3. Earnings distribution or offsetting of deficit relevant statements and reports.
- Above statements and reports shall be submitted to regular shareholders' meeting and request for ratification
- Article 19 Deleted
- Article 20 If there is any surplus profit of the year, the Company shall firstly pay directors' remuneration, which shall not exceed 3%. Then 1% to 15% of the remaining amount shall then be paid as employees' remuneration. However, if the Company has any left-over deficit, the amount to make up the deficit shall be reserved in advance. Upon closing of accounts, if there is surplus profit, the Company shall firstly estimate and reserve

the all taxes and dues, make up the losses for preceding years, set aside a legal reserve of 10% of the net profit and then set aside a special reserve in accordance with applicable laws or regulations of the competent authority. Then the remaining profit shall be added with the remaining profit of precedent year. The Board of Directors shall draft a surplus distribution proposal, in which will be submitted to shareholders' meeting to decide whether to distribute or reserve the surplus profit. However, if legal reserve amounts reach to the total paid-in capital, this provision shall not apply.

Article 20-1 To respond to the development of the overall environment and industry's growth drivers, the Company's objective is to firstly satisfy the demand of future development and to maintain a sound financial structure. Therefore, the Company distributes no more than 50% of its total dividend of the year.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 21 Other unspecified matters of the Company's Articles of Incorporation shall be carried in accordance with the Company Act and other relevant regulations.

Article 22 The Articles of Incorporation was established on December 22, 1988. The 1st amendment was made on February 2, 1990. The 2nd amendment was made on June 29, 1991. The 3rd amendment was made on June 20, 1992. The 4th amendment was made on November 11, 1992. The 5th amendment was made on June 21, 1994. The 6th amendment was made on July 20, 1995. The 7th amendment was made on October 9, 1996. The 8th amendment was made on June 6, 1998. The 9th amendment was made on July 31, 2000. The 10th amendment was made on October 13, 2000. The 11th amendment was made on April 26, 2001. The 12th amendment was made on October 22, 2001. The 13th amendment was made on May 22, 2002. The 14th amendment was made on May 22, 2002. The 15th amendment was made on June 6, 2003. The 16th amendment was made on June 11, 2004. The 17th amendment was made on June 14, 2005. The 18th amendment was made on June 9, 2006. The 19th amendment was made on April 10, 2007. The 20th amendment was made on June 15, 2007. The 21st amendment was made on June 19, 2009. The 22nd amendment was made on June 17, 2010. The 23rd amendment was made on June 10, 2011. The 24th amendment was made on June 12, 2012. The 25th amendment was made on June 12, 2014. The 26th amendment was made on May 28, 2015. The 27th amendment was made on May 31, 2016. The 28th amendment was made on May 30, 2018. The 29th amendment was made on May 27, 2020. The 30th amendment was made on May 27, 2022.

Marketch International Corp.
Chairman: Margaret Kao

【Appendix 2: Rules of Procedure for Shareholders' Meeting】

Marketch International Corp. Rules of Procedure for Shareholders' Meeting

Approved by the Shareholders' Meeting on June 15, 2007

1. The Company's shareholders' meeting (hereinafter shortened as "the Meeting") shall be conducted in accordance with these Rules and Procedures, unless otherwise provided for by law.
2. The Company shall provide an attendance list bearing the signatures of shareholders present at the meeting, or the shareholders attending the Meeting shall submit the attendance card for the purpose of signing in.
The attendance and votes of the Meeting shall be counted based on the shares. The shares represented by shareholders attending the Meeting shall be calculated according to the attendance list or submitted attendance cards.
3. The term "shareholder" in these Rules and Procedures refers to the shareholder in person or proxy appointed by the shareholder.
4. The Meeting shall be held at the headquarters of the Company or at any other appropriate place that is convenient for shareholders to attend. The time to start the Meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m.
5. For a shareholders' meeting convened by the Board of Directors, the chairman of the meeting shall be the chairman of the Board of Directors. If the chairman of the Board of Directors is on leave or absent or cannot exercise his / her power and authority for any cause, he / she shall designate one of the directors to act on his / her behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of directors. For a shareholders' meeting convened by any other person having the convening right, he/she shall act as the chairman of that meeting provided, however, that if there are two or more persons having the convening right, the chairman of the meeting shall be elected from among themselves.
6. The Company may appoint designated counsel, CPA or other related persons to attend the Meeting. Persons handling affairs of the Meeting shall wear identification cards or badges.
7. The process of the Meeting shall be tape-recorded or videotaped and these tapes shall be preserved for at least one year.
8. Chairman shall call the Meeting to order at the time scheduled for the Meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chairman may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one-third of the total outstanding shares, tentative resolutions may be made in accordance with Section 1 of Article 175 of the Company Act of the Republic of China.
If during the process of the Meeting the number of outstanding shares represented by the shareholders present becomes sufficient to constitute the quorum, the chairman may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Act of the Republic of China.
9. The agenda of the Meeting shall be set by the Board of Directors if the Meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda.
The above provision applies mutatis mutandis to cases where the Meeting is convened by any person, other than the Board of Directors, entitled to convene such Meeting. However, in the event that the chairman adjourns the Meeting in violation of these Rules and Procedures, the shareholders may designate, by a majority of votes represented by shareholders attending the Meeting, one person as

chairman to continue the Meeting. Unless otherwise resolved at the Meeting, the chairman cannot announce adjournment of the Meeting before all the discussion items (including special motions) listed in the agenda are resolved.

The shareholders cannot designate any other person as chairman or continue the Meeting in the same or other place after the Meeting is adjourned.

10. When a shareholder present at the Meeting wishes to speak, a Speech Note should be filled out with summary of the speech, the shareholder's number (or the number of Attendance Card) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman. If any shareholder present at the Meeting submits a Speech Note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of actual speech shall prevail. Unless otherwise permitted by the chairman and the shareholder in speaking, no shareholder shall interrupt the speeches of the other shareholders, otherwise the chairman shall stop such interruption.
11. Unless otherwise permitted by the chairman, each shareholder shall not, for each discussion item, speak more than two times (each time not exceeding 5 minutes). In case the speech of any shareholder violates the above provision or exceeds the scope of the discussion item, the chairman may stop the speech of such shareholder.
12. Any legal entity designated as proxy by a shareholder(s) to be present at the Meeting may appoint only one representative to attend the meeting. If a corporate shareholder designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.
13. After the speech of a shareholder, the chairman may respond himself/herself or appoint an appropriate person to respond.
14. The chairman may announce to end the discussion of any resolution and go into voting if the Chairman deems it appropriate.
15. The person(s) to check and the person(s) to record the ballots during a vote by casting ballots shall be appointed by the chairman. The person(s) checking the ballots shall be a shareholder(s). The result of voting shall be announced at the Meeting and placed on record.
16. During the Meeting, the chairman may, at his discretion, set time for intermission.
17. Except otherwise specified in the Company Law of the Republic of China or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting. The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after solicitation by the chairman during the voting.

The Company's shareholders shall be entitled to one vote per share of stock, except those whose shares have no voting power or have such power limited according to Section 3 of Article 157 and Section 2 of Article 179 of the Company Act.
18. If there is amendment to or substitute for a discussion item, the chairman shall decide the sequence of voting for such discussion item, the amendment or the substitute. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is necessary.
19. The chairman may conduct the disciplinary officers (or the security guard) to assist in keeping order of the Meeting place. Such disciplinary officers (or security guards) shall wear badges marked "Disciplinary Officers" for identification purpose.
20. Other unspecified matters in these Rules and Procedures shall be carried in accordance with the Company Act and other relevant regulations.
21. These Rules and Procedures shall be effective from the date it is approved by the shareholders' meeting. The Board of Directors is also authorized to make amendments depending on actual situations.

【 Appendix 3: Shareholdings of Directors 】

Marketch International Corp. Shareholdings of Directors

1. The Company's actual paid-in capital is NT\$1,956,781,660 with 195,781,660 issued shares and share types.
2. The company has elected three independent directors, all directors other than the independent directors shall collectively hold at least 11,740,690 common shares. As the company has established the audit committee that satisfies the requirements of the Securities and Exchange Act, the minimum shareholding requirements for supervisors do not apply.
3. Until the book closure date for the 2023 shareholders' meeting, the status of shareholdings of individual and all directors and supervisors are shown below:

Shareholder Account	Job Title	Name	Appointment Date	No. of Shares at the Time of Appointment			As of April 1 st , 2023 (Note1)	
				Appointment Term	No. of Shares	Holding Percentage	No. of Shares	Holding Percentage
4	Director	Ji Shuan Investment Co. representative: Kao Hsin-Ming	May 27, 2022	3 years	11,005,795	5.93%	11,005,795	5.64%
12	Director	Yi Wei Investment Co. representative: Lin Yue-Yeh	May 27, 2022	3 years	6,647,112	3.58%	6,647,112	3.40%
78894	Director	Ennoconn International Investment Co., Ltd. representative: Chu, Fu-Chuan	May 27, 2022	3 years	83,468,613	44.95%	83,468,613	42.65%
78894	Director	Ennoconn International Investment Co., Ltd. representative: Lou, Chao-Tsung	May 27, 2022	3 years	83,468,613	44.95%	83,468,613	42.65%
78894	Director	Ennoconn International Investment Co., Ltd. representative: Tsai, Neng-Chi	May 27, 2022	3 years	83,468,613	44.95%	83,468,613	42.65%
78894	Director	Ennoconn International Investment Co., Ltd. representative: Chuang, Tsung-Hsien	May 27, 2022	3 years	83,468,613	44.95%	83,468,613	42.65%
—	Independent Director	Wu Chung-Pao	May 27, 2022	3 years	-	-	-	-
—	Independent Director	Lin Hsiao-Ming	May 27, 2022	3 years	-	-	-	-
—	Independent Director	Wang, Yi-Chun	May 27, 2022	3 years	-	-	-	-
Total number of shares held by all directors					101,121,520	54.46%	101,121,520	51.67%

Note 1: Refers to the number of shares stated in shareholder register until the book closure date for the 2023 shareholders' meeting (April 1st, 2023).

Note 2: Ennoconn International Investment Co., Ltd. was elected as one of directors of MIC with appointment of Wu, You-Mei as its representative on May 27, 2022. Ennoconn International Investment Co., Ltd. dismissed the appointment of its representative, Wu, You-Mei, and re-appointed Lin, Yun-Xian as its representative on August 22, 2022. Ennoconn International Investment Co., Ltd. dismissed the appointment of its representative, Lin, Yun-Xian, and re-appointed Chuang, Tsung-Hsien as its representative on February 7, 2023.

4. The total shares held by the Company's directors and supervisors already reached the statutory standard.

【 Appendix 4: Rules for Election of Directors 】

Marketch International Corp. Rules for Election of Directors

Passed by the Shareholders' Meeting on May 28, 2015

1. Objective: To respond to the election of directors. These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.
2. Rules and Procedures:
 - 2.1 The cumulative voting method shall be used for election of the directors at this Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.
 - 2.1.1 The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.
 - 2.2 When the election begins, the chairman shall appoint a number of persons to perform the respective duties.
 - 2.3 The number of directors will be as specified in the Company's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions based on the nominees listed in the roster of director candidates publicly announced by the Company. 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 chairman drawing lots on behalf of any person not in attendance.
 - 2.4 The ballots shall be made and prepared by the Board of Directors and shall be distributed to shareholders according to the number of to-be-elected directors (one person with one ballot). The number of vote stated on every ballot is based on shareholder's voting rights.
 - 2.5 If a candidate is a shareholder, a voter must enter the candidate's name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and serial number of ID Cards on the ballot. However, when the candidate is a juristic-person shareholder, the name of the juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.
 - 2.6 A ballot is invalid under any of the following circumstances:
 1. The ballot was not prepared by the board of directors.
 2. The ballot is not placed in the ballot box or a blank ballot is placed in the ballot box.
 3. More than two candidates have been elected on one single ballot
 4. Other words or marks are entered in addition to the candidate's name or shareholder account number (or identity card number).
 5. The writing is unclear and indecipherable or has been altered.
 6. The candidate whose name is entered in the ballot is a shareholder, but the candidate's name does not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.
 7. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.
 - 2.7 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation shall be announced by the chairman on the site.
 - 2.8 The board of directors of this Corporation shall issue notifications to the persons elected as directors or supervisors.
 - 2.9 Any other unspecified matters shall be carried out in accordance with the Company Act and other relevant regulations.

【Appendix 5: The Impact of Stock Dividend Issuance proposed in this Annual General Meeting of Shareholders on the Company's Business Performance, Earnings Per Share, and Return on Shareholders' Investment】

As the Company's shareholders' meeting in 2023 does not have any proposal regarding the stock dividend distribution, it makes no effect upon the Company's business performance, earnings per share and return on shareholders' investment.

【Appendix 6: Information on Employees' Compensation and Directors' Remuneration】

Information on Employees' Compensation and Directors' Remuneration

The distribution of employees' compensation and directors' remuneration of 2022 approved by the 9th Board of Directors at the 7th meeting on February 17, 2023.

1. The amount of any employees' compensation and directors' compensation distributed in cash or stocks. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed:

- (1) Proposed employees' compensation and directors' remuneration:

The distribution of employees' compensation amounted NT\$297,097,738 and directors' remuneration amounted NT\$29,709,774.

Unit: NT\$

Items / Amount	Proposed Distribution Amount
Employees' Compensation– in Cash	297,097,738
Employees' Compensation– in Stocks	0
Remuneration of Directors	29,709,774

- (2) If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed:

Above proposed employees' compensation and directors' remuneration for 2022 resolved by the Board of Directors were in agreement with those amounts recognized in the 2022 financial statements, which were NT\$297,097,738 and NT\$29,709,744, respectively.

2. The amount of any employees' compensation distributed in stocks as a percentage of the sum of the current after-tax net income and total employees' compensation in individual financial statement:

Not applicable as the employees' compensation of 2022 approved by the Board of Directors does not involve stocks distribution relevant matters.

【Appendix 7: List of Independent Directors Candidate】

List of Independent Directors Candidate

1. Name: Chao, Rong-Shiang
Education: Master of Business Administration, National Taiwan University
Experiences: Advisor of Formosa Sumco Technology Corporation
No. of Shares: 0 Shares

【Appendix 8 : Proposal for release of non-competition restrictions on newly elected director】

Proposal for release of non-competition restrictions on newly elected directors.

Position	Name	The position who also currently serves at other companies
Independent Director	Chao, Rong-Shiang	Independent director of Brillian Network and Automation
		Director of Everlight Chemical Industrial Corporation
		Advisor of Formosa Sumco Technology Corporation

Additional Information

Processing of proposals submitted by this shareholders' meeting:

- Explanations:
1. According to Article 172-1 of the Company Act, shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal be limited to not more than three hundred (300) words
 2. Shareholders may submit proposals regarding the 2023 regular shareholders' meeting to the Company from March 24, 2023 to April 6, 2023. The information is already announced on a market observation post system.
 3. The Company has not received any proposal from the shareholders.

Thank you for coming to Annual Meeting of Shareholders!
We welcome any comments or suggestions!