

ICP DAS Co., Ltd.
2024 Annual Shareholders' Meeting
Meeting Minutes (Translation)

Meeting Time: 9:00 AM, Thursday, June 13, 2024

Meeting Location: No. 111, Guangfu North Road, Hukou Township, Hsinchu County
(Company's 1st Floor Meeting Room)

Convening method: In-person Shareholders' Meeting

Attend a meeting : The total outstanding of shares issued was 63,965,653, and the total shares represented by shareholders present in person or by proxy was 44,610,578 (of which 38,390,827 were present to exercise voting rights by electronic means), representing 69.74% of the total outstanding shares of the Company.

Chairman : YEH,NAI-TI , the Chairman of the Board of Directors

Attendees : CHENG,SHU-FA , Vice President (and General Manager's Agent) 、CHENG, PI-YU , Spokesperson (and Corporate governance officer and Assistant Vice President of Finance Division) 、HUANG,BIN-FONG , Board Director 、SHEN,YANG-BIN , Independent Board Director (and the convener of Audit Committee) 、CHEN,SHAO-CHI , Independent Board Director 、CHAO,YU , Independent Board Director 、LI, YEN-NA , Certified Public Accountant of PwC Taiwan.

Minute Recorder : CHENG, PI-YU

I. Announcement of Meeting (Report on Attendance)

II. Chairman's Address

III. Report Items

1. 2023 Business Report

Explanatory Notes : 2023 Business Report, please refer to attachment 1.

2. 2023 Audit Committee's Review Report

Explanatory Notes : Audit Committee's Review Report, please refer to attachment 2.

3. Report on the Distribution of 2023 Employee Compensation and Director Remuneration.

Explanatory Notes : 1. Pursuant to Article 19 of the "Articles of Incorporation," the Company shall allocate 3% to 12% of the annual profit as employee compensation and no more than 3% of the annual profit as Director remuneration. However, if the Company still has accumulated losses, it shall reserve the compensation amount in advance.

2. The amount of employee compensation for 2023 is NT\$9,102,000, and the amount of Director remuneration is NT\$1,138,000.

3. Both employee compensation and Director remuneration are paid in cash.

There were no shareholders' questions on the matters reported above.

IV. Acknowledgments

Proposal 1 (Proposed by the Board of Directors)

Agenda: To accept 2023 Business Report and Financial Statements.

Explanatory Notes : 1. The Company's 2023 Consolidated Financial Statements and Individual Financial Statements (including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows) have been audited by CPAs Wu, Wui-Hao and Cheng, Ya-Hui of PwC Taiwan, and together with the Business Report, have been submitted to the Audit Committee for review and issuance of an audit report.

2. For the 2023 Business Report, CPA Audit Report, and the aforementioned Financial Statements, please refer to Attachment 1 and Attachment 3.

Proceedings : There were no questions from shareholders regarding the proposals.

Resolution: Proposal was approved after voting.

Voting Results:

The total votes represented at the time of voting was 44,610,578 (of which 38,390,827 were present to exercise voting rights by electronic means)

Voting Results	Percentage of voting rights of shareholders present
Approval votes :44, 593, 169 votes (Includes electronic votes :38, 387, 418 votes)	99. 96%
Disapproval votes :143 votes (Includes electronic votes :143 votes)	0. 00%
Abstention votes/ no votes :17, 266 votes (Includes electronic votes :3, 266 votes)	0. 04%
Invalid votes :0 votes	0. 00%

Proposal 2 (Proposed by the Board of Directors)

Agenda: To accept 2023 Earnings Distribution Table.

Explanatory Notes : 1. For the 2023 Earnings Distribution Table, please refer to Attachment 4.

2. It is proposed to distribute a cash dividend of NT\$1 per share to shareholders. After the approval of the shareholders' meeting, the chairman is authorized to set the ex-dividend date and other related matters.

3. If the number of outstanding shares is subsequently affected due to changes in the Company's share capital, resulting in a change in the dividend payout ratio and requiring adjustment, it is proposed to authorize the chairman to handle the matter.

4. The cash dividends will be distributed to the nearest dollar according to the distribution ratio. Fractional amounts less than one dollar will be rounded down, and the total amount of fractional dollars less than one dollar will be adjusted in the order of decimal places from largest to smallest and shareholder account numbers from the first to the last, until the total amount matches the total cash dividends to be distributed.

Proceedings : There were no questions from shareholders regarding the proposals.

Resolution: Proposal was approved after voting.

Voting Results:

The total votes represented at the time of voting was 44,610,578 (of which 38,390,827 were present to exercise voting rights by electronic means)

Voting Results	Percentage of voting rights of shareholders present
Approval votes :44, 593, 003 votes (Includes electronic votes :38, 387, 252 votes)	99. 96%
Disapproval votes :309 votes (Includes electronic votes :309 votes)	0. 00%
Abstention votes/ no votes :17, 266 votes (Includes electronic votes :3, 266 votes)	0. 04%
Invalid votes :0 votes	0. 00%

V. Discussions

Proposal 1 (Proposed by the Board of Directors)

Agenda: Amendment to the Company's Articles of Incorporation.

Explanatory In order to revise the dividend policy, it is proposed to amend certain provisions of

Notes : the "Articles of Incorporation." For the comparison table of amendments to the "Articles of Incorporation," please refer to Attachment 5.

Proceedings : There were no questions from shareholders regarding the proposals.

Resolution: Proposal was approved after voting.

Voting Results:

The total votes represented at the time of voting was 44,610,578 (of which 38,390,827 were present to exercise voting rights by electronic means)

Voting Results	Percentage of voting rights of shareholders present
Approval votes :44, 593, 169 votes (Includes electronic votes :38, 387, 418 votes)	99. 96%
Disapproval votes :143 votes (Includes electronic votes :143 votes)	0. 00%
Abstention votes/ no votes :17, 266 votes (Includes electronic votes :3, 266 votes)	0. 04%
Invalid votes :0 votes	0. 00%

VI. Special Motion

Summary of Shareholders' Remarks

Shareholder Account No. 16863 Shareholder Speech:

Shareholder: Would the Chairman please explain the current situation of the TPU Business Unit and the ideas for the future, or even if there is any possibility of abandoning it?

The Chairman replied to the above speeches by the shareholders.

Shareholder Account No. 16863 Shareholder Speech:

Shareholder: Thank you for your answer, just asked whether to give up, is because last year have to go to the TPU factory visit, I think the factory is I've seen full of good factory, the whole site management I think it is very good, but because the general manager has left the job, the TPU thing is his brother in the guidance, so I'm just a little worried.

The Chairman replied to the above speeches by the shareholders.

VII. Meeting Adjourned

At 9:19 a.m. on the same day, the Chairman declared the meeting adjourned.

Business Report

The consolidated net operating revenue of ICP DAS in 2023 was NT\$1,018,612 thousand, a decrease of 16.72% compared to 2022; the consolidated net profit for 2023 was NT\$82,052 thousand, a decrease of 64.53% compared to 2022; the consolidated gross profit margin remained at 53% and 59% over these two years; the consolidated net profit margin after tax was 8% and 19% in 2023 and 2022, respectively. Earnings per share were NT\$1.28 and NT\$3.62 in 2023 and 2022, respectively.

The following explains the Company's financial performance and development status.

1. Financial Revenue and Expenditure and Profitability - Consolidated Data

Unit: NT\$ thousand

Item		2022	2023
Financial Revenue and Expenditure	Consolidated Net Sales Revenue	1,223,145	1,018,612
	Consolidated Pre-tax Net Profit	289,444	103,085
Profitability	Return on Assets (%)	14.68%	5.11%
	Return on Equity(ROE)(%)	19.36%	6.45%
	Net Profit Margin (%)	18.91%	8.06%
	Earnings Per Share(NT\$)	3.62	1.28

1. Financial Revenue and Expenditure and Profitability - Individual Data

Unit: NT\$ thousand

Item		2022	2023
Financial Revenue and Expenditure	Net Sales Revenue	1,160,177	946,130
	Profit before tax	289,476	103,034
Profitability	Return on Assets (%)	14.86%	5.11%
	Return on Equity(ROE)(%)	19.36%	6.45%
	Net Profit Margin (%)	19.94%	8.67%
	Earnings Per Share(NT\$)	3.62	1.28

2. Research and Development Status - Individual Data

Unit: NT\$ thousand

Item	2022	2023
Research and development expense	216,194	203,403
Ratio of Research and Development Expenses to Net Sales Revenue	18.63%	21.50%

3. Implementation Results of Business Plans

The COVID-19 pandemic that began in 2021 continued into 2023, causing short-term supply chain shortages. Manufacturers engaged in over-booking, leading to excessive inventory. In 2023, inventory digestion became the primary focus. Moreover, the internal market turmoil in mainland China impacted the global market, resulting in weak and sluggish global demand. The global economy was constrained by lackluster end-market demand and industry inventory adjustments, slowing economic growth momentum. Although domestic private consumption remained relatively stable, weak exports and subdued corporate investment intentions caused Taiwan's economic growth to fall short of expectations. However, ICP DAS accurately grasped the direction of the ESG (Environmental, Social, and Governance) market. With all employees overcoming challenges, the company's turnover maintained a level above NT\$1 billion, albeit slightly lower than in 2022. In 2024, as various factors normalize, the contraction in the U.S. and European manufacturing sectors has shown slight improvement. China's economy is dragged down by the sluggish real estate market, but industrial and commercial activities have recovered. ICP DAS remains highly confident and will continue to move forward with unwavering determination.

ICP DAS continues to invest in the construction and production equipment of its new biomedical business unit. Experiments and products are becoming increasingly comprehensive. With the easing of the pandemic and the reopening of travel, more international visitors and distributors participated in various exhibitions held in 2023. ICP DAS has also completed overseas exhibitions and visits to distributors, gaining a better understanding of TPU customer information and significantly increasing the visibility of its biomedical TPU products. In 2023, through the expansion of market business, new customers recognized and were willing to use ICP DAS's TPU (Thermoplastic Polyurethane) for new products. However, trial use and certification still require some time. It is believed that ICP DAS's biomedical TPU will deliver even stronger performance in 2024.

In 2023, ICP DAS focused on Asia, particularly Taiwan and mainland China, increasing business and sales support, and strengthening ODM (Original Design Manufacturing) customized product development services for key customers. Furthermore, the company collaborated with different types of institutions and companies across industries to expand demand in various sectors. These experiences were promoted to different countries to jointly explore the global market.

In terms of overseas markets, ICP DAS also focused on countries such as India and Southeast Asian regions, including ASEAN countries like Indonesia, Vietnam, and Thailand. This year, the company will continue to conduct online application case sharing, online product training, and product training in Taiwan to facilitate communication with overseas customers. Simultaneously, ICP DAS will strengthen business information communication and project protection with key customers in other countries to achieve business goals.

In the domestic market, ICP DAS regularly holds product launches and industry application case sharing sessions in the northern, central, and southern regions. Customers and distribution partners are invited to visit the smart factory at the Hukou headquarters to understand the practical applications of the Internet of Things (IoT) and Industry 4.0. The company also dedicates efforts to expand its customer base in different industry applications, providing customized services that meet customer needs to achieve win-win and mutually beneficial objectives.

In conclusion, ICP DAS employs a multi-faceted approach to expand its business and explore the global market. This includes customer visits, online activities, exhibitions, and cross-industry collaborations. At the same time, the company maintains a strong focus on the domestic market, developing customers across different industries and providing customized services to achieve mutually beneficial win-win outcomes.

By strengthening its business and product development efforts, ICP DAS has significantly enhanced its product image and brand visibility. The company's domestic business marketing achievements in 2023 are as follows:

- 20 advertisements published
- 73 press releases
- 5 exhibitions
- 6 media seminars
- 3 self-organized physical seminars, 1 online seminar
- 4 issues of PACTECH Technical Newsletter
- Digital media promotion
 - 15 media videos
 - Facebook fan page: 30 posts on product and event promotion, 7 application cases
 - Facebook ad placement: 6 periods with a total of 17 ads
 - Line official account: 28 posts on case sharing and related event information

In terms of overseas marketing results:

- Online exhibitions/online seminars/online forums participated this year
2 online seminars on 12/02 and 12/16
2023 online training plan
- India Automation Exhibition booth poster
- Taiwan-Japan Online Matchmaking Poster/Company Introduction PPT/Virtual Showroom - Product Information
- CIS Handbook (English concise version)
- Chinese blog, 17 articles published
- English blog, 16 articles published
- ICP DAS Blog/ICP DAS Journal Application Case Sharing • A total of 16 articles published

In addition, for the new biomedical business of ICP DAS, the domestic and overseas marketing results are as follows:

- English version of the official website launched
- Establishment of pages for all product series
- Update of biomedical brand introduction presentation in Chinese/English
- Revision of biomedical catalog
- Major exhibitions
Medical Taiwan
Singapore MMA Medical Manufacturing Exhibition
Germany Compamed Medical Exhibition
Shenzhen CMEF Medical Exhibition
- International press release, a total of 3 articles published
Including 11 languages: Traditional Chinese, Simplified Chinese, English, French, German, Japanese, Korean, Malay, Spanish, Portuguese, Thai
LinkedIn, Facebook post publishing
- In 2023, a total of 11 posts and 1 video were published

4. Research and Development Status

[Product R&D Results]: A total of 137 new products were developed in 2023. The most important was the launch of the iWSN wireless meter product line, promoted to the semiconductor manufacturing industry where construction is difficult, greatly reducing construction costs and time. Strenuously promote ICP DAS's Energy Management System (EMS), including meters, meter concentrators, plus IoTstar's Dashboard & Report Service, and expand the supported databases to 3 mainstream databases, forming a complete solution that allows customers to more easily choose based on site and scale.

[Industry Trends]

The concepts of "Internet of Things," "Industry 4.0," and "Industrial Internet of Things" have penetrated various industries. Additionally, the government has introduced the "5+2" industrial policy (five major innovative industries: Asia Silicon Valley,

biotechnology and medicine, green energy technology, smart machinery, and national defense aerospace, plus new agriculture and circular economy as key promotion industries). The R&D direction of ICP DAS Technology still focuses on the "Internet of Things" and "Industrial Internet of Things." Different products have been successively launched for the "perception layer" and "application layer." The goals are "front-end intelligence," "reliable transmission," and "intelligent application" to meet market demands. It also provides flexible production services customized to different customer specification requirements, which is most favored by customers.

ICP DAS Technology's products have evolved from the earliest PC-based DAQ Card & Remote I/O, PAC, Fieldbus Converter & Gateway, Industry Communication to M2M and Indusoft (OPC UA). The technical development of all products is moving towards comprehensive integrated applications, including data acquisition, control strategy algorithms, fieldbus converters, gateway communication technology, connection of various devices, controllers, and databases, further achieving integration with cloud computing or big data. In other words, it has fully entered a 5C stage, which includes:

- Data Collection : PC-based DAQ Card, Remote I/O
- Computing : PAC , Motion Card, WISE
- Control : PAC, Motion, WISE
- Communication : Fieldbus Converter & Gateway, Industry Communication
- Connection : Indusoft, OPC UA, SmartView, M2M, IoTstar

In response to market demands, ICP DAS has sequentially launched solutions such as "Industrial Internet of Things (IIoT Solution)," "Energy Management," "Smart Factory/Smart Manufacturing," "Building Automation," and "Smart Farming & Agriculture." Using the implementation experience of the "Smart Factory" at ICP DAS's Hukou headquarters, including HVAC, lighting control system, power monitoring system, temperature and humidity monitoring system, face recognition system, air quality monitoring system, and Indusoft integration technology, as learning examples for introducing "Industry 4.0." ICP DAS Technology will further focus on the application and promotion of overall solutions for the Internet of Things, Industry 4.0, big data, intelligent manufacturing, and digital transformation of smart factories. In terms of energy management and energy conservation and carbon reduction, it covers the energy conversion efficiency monitoring of solar power generation and wind power generation, the electrical safety of factory transformers, the power consumption information of factory air conditioning, lighting, and equipment, the usage status of equipment, the predictive diagnosis and preventive maintenance of equipment, etc. Through different exhibitions, seminars, and PACTech quarterly newsletters, we introduce them to our distributors and customers, enhance our understanding of customers' needs, provide appropriate optimal solutions, integrate industry knowledge with partners from various industries, serve customers in each industry, and jointly create excellence.

Best regards,

Chairman: Yeh, Nai-Ti Managerial Officer: Chen, Ruei-Yu Accounting manager: Cheng, Pi-Yu

ICP DAS Co., Ltd.
Audit Committee's Review Report

The Board of Directors has prepared the Company's 2023 Business Report, Financial Statements, and Earnings Distribution Proposal. The 2023 Financial Statements have been audited and a report has been issued by PwC Taiwan. The above-mentioned statements and reports have been reviewed and found to be correct by the Audit Committee. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report for your review.

To:

2024 Annual General Meeting of Shareholders of ICP DAS Co., Ltd.

Convener of the Audit Committee

March 4, 2024

INDEPENDENT AUDITORS' REPORT

(113) Financial Audit Report No. 23004177.

ICP DAS Co., Ltd.

Audit Opinion

The individual balance sheets of ICP DAS Co., Ltd. Group as of December 31, 2023 and 2022, as well as the consolidated statements of comprehensive income, consolidated statements of changes in equity, individual statements of cash flows for the years then ended January 1 to December 31, 2023 and 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies, have been audited by us.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of ICP DAS Group as of December 31, 2023 and 2022, and its consolidated financial performance and consolidated cash flows for the year then ended January 1 to December 31, 2023 and 2022, in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretative Announcements endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinions

“The accountants conducted the audit in accordance with the Regulations Governing the Auditing and Certification of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China. The accountants’ responsibilities under those standards will be further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section. The personnel of the firm to which the accountants belong have remained independent of ICP DAS Group in accordance with the Code of Ethics for Professional Accountants in the Republic of China, and have fulfilled other ethical responsibilities in accordance with the Code. We believe and obtain sufficient and appropriate audit evidence as a basis for our opinion.

Key Audit Matter

Key audit matters refers to those which, in accordance with the professional judgment of the CPA, are of utmost importance for the Consolidated Financial Statements of ICP DAS Group’s audit for 2023. These matters have been addressed in the process of auditing the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the Consolidated Financial Statements of ICP DAS Group for 2023 are listed as follows:

Inventory Allowance for Loss on Decline in Market Value

Event Description

The accounting policies, significant accounting estimates and assumptions regarding inventory valuation, and the explanation of the accounting item for inventory loss allowance, please refer to Note 4.(11), 5.(2), and 6.(3) of the consolidated financial statements. As of December 31, 2023, the balances of inventories and allowance for inventory valuation losses of ICP DAS Group were NT\$785,033 thousand and NT\$153,125 thousand respectively.

ICP DAS Group is primarily engaged in the production and sales of industrial computer hardware, software, and peripherals. Since the market demand for industrial control, real-time monitoring, and automation products is diverse, ICP DAS Group needs to stock various types of products to meet the demand, resulting in a higher risk of inventory obsolescence. Moreover, as the assessment process often involves subjective judgments, it may lead to a high degree of uncertainty in accounting estimates. Therefore, the provision for inventory valuation of ICP DAS Group has been identified as one of the most critical audit matters for the current year.

Audit Procedures in Response

The auditor has performed the following audit procedures for inventories exceeding a certain aging period and individually obsolete inventories:

1. Based on our understanding of ICP DAS Group, we assessed the reasonableness of the policies and procedures adopted for the valuation of inventory allowances, including determining the extent of inventory obsolescence using historical information, and evaluating the reasonableness of the inventory allowance policies.
2. Review its annual inventory plan and observe the annual inventory count and management status to assess the effectiveness of management's segregation and control of obsolete inventory.
3. Verify the accuracy of the inventory aging report and the information on inventory turnover, to ensure that the report information is consistent with the relevant policies.
4. Inspect and verify the accuracy of the calculation of inventory impairment losses, and assess the appropriateness of the allowance for impairment losses.

Parent Company Only Financial Statements

ICP DAS Group has prepared its 2023 and 2022 individual financial statements, and the certified public accountant has issued an unqualified audit report, which is available for reference.

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

The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretative Announcements endorsed and issued into effect by the Financial Supervisory Commission, and for maintaining effective internal control relevant to the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the management is responsible for assessing ICP DAS 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 the management either intends to liquidate ICP DAS Group or to cease operations, or has no realistic alternative but to do so.

Those in charge with ICP DAS Group's governance (including the Audit Committee) are responsible for overseeing its financial reporting process.

The Responsibilities of Auditors for the Audit of Consolidated Financial Statements

The purpose of our audit of the consolidated financial statements is 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 auditor's report. Reasonable assurance is a high level of assurance, but according to the auditing standards generally accepted in the Republic of China, the audit work performed cannot guarantee that all material misstatements in the consolidated financial statements will be detected. Misstatements can arise from fraud or error. An item is considered material if there is a reasonable possibility that its individual or aggregated amount, if misstated, would influence the economic decisions of users made on the basis of the consolidated financial statements.

In accordance with the auditing standards generally accepted in the Republic of China, the CPA exercises professional judgment and maintains professional skepticism throughout the audit. The CPA also performs the following tasks:

1. Identify and evaluate the risk of material misstatements due to fraud or error in the consolidated financial statements. design and perform appropriate responses to the assessed risks; and obtain sufficient and appropriate audit evidence as 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 ICP DAS 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 ICP DAS Group's ability to continue as a going concern. When the auditor concludes that a material uncertainty exists, the auditor shall draw attention in the auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, modify the opinion on the consolidated financial statements. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause ICP DAS Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements (including the related notes) and whether the consolidated financial statements appropriately represent the underlying transactions and events.
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. The auditor is responsible for the direction, supervision and performance of the group audit and for expressing an opinion on the consolidated financial statements of the Group.

The CPA communicated with the governance unit, among other matters, the planned scope and timing of the audit, as well as significant audit findings (including any significant deficiencies in internal control that were identified during the audit).

We also provided to the governing body a statement that the personnel of the firm to which they belong have complied with the ethical requirements regarding independence outlined in the Code of Professional Ethics for Certified Public Accountants in the Republic of China, and communicated with the governing body all relationships and other matters that may reasonably be thought to bear on their independence (including related safeguards).

From the communication with the management unit, the CPA decided on the key audit matters for the Consolidated Financial Statements of ICP DAS Group for 2023. The auditor shall communicate such matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the auditor determines that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Wu, Wei-Hao and Cheng, Ya-Hui.

PwC Taiwan
Taipei, Taiwan
Republic of China
March 4, 2024

Notice to Reader

For the convenience of readers, this report has been translated into English from the original Chinese version. The English version has not been audited or reviewed by independent auditors. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

ICP DAS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

December 31, 2023, and 2022

Assets		Note	December 31, 2023		December 31, 2022										nit: NTD Thousand	
			Amount	%	Amount	%										
Current Assets																
1100	Cash and cash equivalents	6(1)	\$ 91,238	5	\$ 87,178	5	2200	Other payables	6(11)	88,164	5	123,258	7			
1150	Net notes receivable	6(2)	5,287	-	7,269	-	2230	Current tax liabilities	6(24)	31,435	2	44,491	3			
1170	Net accounts receivable	6(2)	91,101	5	86,534	5	2280	Lease liabilities- Current	6(6)	3,811	-	3,391	-			
1200	Other receivables		39	-	403	-	2320	Current portion of long-term liabilities	6(12)	-	-	32,000	2			
130X	Inventories	6(3)	631,908	38	635,542	38	2399	Other current liabilities – others		9,387	1	2,806	-			
1410	Prepayments		7,753	1	11,199	1	21XX	Total Non-Current Liabilities		297,932	18	359,814	21			
11XX	Total Current Assets		827,326	49	828,125	49		Non-Current Liabilities								
Non-Current Assets																
1517	Non-current financial assets measured at fair value through other comprehensive income	6(4)	16,307	1	14,333	1	2540	Long-term loans	6(12)	70,000	4	-	-			
1600	Property, plant, and equipment	5(6) and 8	731,094	44	732,681	44	2570	Deferred income tax liabilities	6(24)	1,214	-	2,211	-			
1755	right-of-use asset	6(6)	33,327	2	35,092	2	2580	Lease liabilities- Non-current	6(6)	2,063	-	2,120	-			
1760	Investment property	6(7)(8)	7,400	-	7,974	1	2640	Net defined benefit liability- Non-current	6(13)	32,108	2	46,182	3			
1780	Intangible assets		3,403	-	3,885	-	2670	Other current liabilities- Others		641	-	653	-			
1840	Deferred income tax assets	6(24)	43,378	3	39,136	2	25XX	Total Non-Current Liabilities		106,026	6	51,166	3			
1900	Other non-current assets	6(9) and 7	15,379	1	19,273	1	2XXX	Total Liabilities		403,958	24	410,980	24			
15XX	Total Non-Current Assets		850,288	51	852,374	51		Equity Attributable to Owners of the Parent Company								
1XXX	Total Assets		\$ 1,677,614	100	\$ 1,680,499	100		Capital stock	6(14)							
Liabilities and Equity								3110	Capital stock - Common shares		639,657	38	581,506	35		
Current Liabilities									Capital surplus	6(15)						
2100	Short-term loans	6(10)	\$ 120,000	7	\$ 70,000	4		3200	Capital surplus		68,630	4	68,630	4		
2130	Contract liability - Current	6(18)	7,236	1	8,018	-			Retained earnings	6(16)						
2170	Accounts payable		37,899	2	75,850	5		3310	Legal reserve		189,271	11	166,762	10		
								3320	Special reserve		4,549	-	7,396	-		
								3350	undistributed earnings		376,431	23	449,774	27		
									Other equity interest	6(17)						
								3400	Other equity interest		(4,882)	-	(4,549)	-		
								31XX	Total Equity Attributable to Owners of the Parent Company		1,273,656	76	1,269,519	76		
								3XXX	Total Equity		1,273,656	76	1,269,519	76		
									Significant commitments and contingencies	9(2)						
								3X2X	Total Liabilities and Equity		\$ 1,677,614	100	\$ 1,680,499	100		

The notes to the consolidated financial statements are an integral part of these consolidated financial reports. Please refer to them together.

Chairman: Yeh, Nai-Ti

Managerial Officer: Chen, Ruei-Yu

Accounting Manager: Cheng, Pi-Yu

ICP DAS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

December 31, 2023, and 2022

Unit: NTD Thousand (Except earnings per share in NTD)

Item	Note	2023		2022	
		Amount	%	Amount	%
4000 Operating Revenue	6(18)	\$ 1,018,612	100	\$ 1,223,145	100
5000 Operating Costs	6(22)(23)	(485,723)	(47)	(502,607)	(41)
5900 Operating gross profit		<u>532,889</u>	<u>53</u>	<u>720,538</u>	<u>59</u>
Operating Expenses	6(22)(23) and 7				
6100 Marketing expenses		(128,187)	(13)	(122,034)	(10)
6200 General and administrative expenses		(104,276)	(10)	(105,056)	(8)
6300 Research and development expense		(203,404)	(20)	(216,194)	(18)
6450 Expected credit impairment gains		<u>58</u>	<u>-</u>	<u>20</u>	<u>-</u>
6000 Total operating expenses		<u>(435,809)</u>	<u>(43)</u>	<u>(443,264)</u>	<u>(36)</u>
Other Non-Operating Income and Expenses					
6500 Other non-operating income and expenses	6(8)(19)	<u>2,348</u>	<u>-</u>	<u>2,959</u>	<u>-</u>
6900 Operating Profit		<u>99,428</u>	<u>10</u>	<u>280,233</u>	<u>23</u>
Operating Income and Expenses					
7100 Interest revenue		837	-	661	-
7010 Other revenue	6(20)	7,139	1	2,744	-
7020 Other Gains and Losses	6(21)	(571)	-	7,844	1
7050 Financial costs	6(10)(12) and 7	(3,748)	(1)	(2,038)	-
7000 Total non-operating income and expenses		<u>3,657</u>	<u>-</u>	<u>9,211</u>	<u>1</u>
7900 Profit Before Tax		<u>103,085</u>	<u>10</u>	<u>289,444</u>	<u>24</u>
7950 Income tax expense	6(24)	(21,033)	(2)	(58,098)	(5)
8200 Net Profit for the Period		<u>\$ 82,052</u>	<u>8</u>	<u>\$ 231,346</u>	<u>19</u>
Other Comprehensive Income (Net)					
Items That May not Be Reclassified to Profit or Loss					
8311 Remeasurements of defined benefit plan	6(13)	\$ 9,644	1	(\$ 6,255)	-
8316 Unrealized gains (losses) from investment in equity instrument measured at fair value through other comprehensive income	6(17)	<u>1,579</u>	<u>-</u>	<u>1,273</u>	<u>-</u>
8310 Total of items that may not be reclassified to profit or loss		<u>11,223</u>	<u>1</u>	<u>(4,982)</u>	<u>-</u>
Items That May Be Subsequently Reclassified to Profit or Loss					
8361 Exchange differences on translation of foreign financial statements	6(17)	(1,912)	-	1,574	-
8360 Total items that may be subsequently reclassified to profit or loss		<u>(1,912)</u>	<u>-</u>	<u>1,574</u>	<u>-</u>
8300 Other Comprehensive Income (Net)		<u>\$ 9,311</u>	<u>1</u>	<u>(\$ 3,408)</u>	<u>-</u>
8500 Total Comprehensive Income		<u>\$ 91,363</u>	<u>9</u>	<u>\$ 227,938</u>	<u>19</u>
Net income attributable to:					
8610 Owner of the parent company		<u>\$ 82,052</u>	<u>8</u>	<u>\$ 231,346</u>	<u>19</u>
Total Comprehensive Income Belong to					
8710 Owner of the parent company		<u>\$ 91,363</u>	<u>9</u>	<u>\$ 227,938</u>	<u>19</u>
Earnings per Share	6(25)				
9750 Basic Earnings per Share Attributable to Owners of the Parent Company		<u>\$ 1.28</u>	<u>1.28</u>	<u>\$ 3.62</u>	<u>3.62</u>
9850 Net Earnings per Share Attributable to Owners of the Parent Company		<u>\$ 1.28</u>	<u>1.28</u>	<u>\$ 3.59</u>	<u>3.59</u>

The notes to the consolidated financial statements are an integral part of these consolidated financial reports. Please refer to them together.

Chairman: Yeh, Nai-Ti

Managerial Officer: Chen, Ruei-Yu

Accounting Manager: Cheng, Pi-Yu

ICP DAS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

December 31, 2023, and 2022

Unit: NTD Thousand

		Equity Attributable to Owners of the Parent Company																
		Retained Earnings					Other Equity Interest											
								Unrealized Gains (Losses) From Financial Assets Measured at Fair Value Through Other										
Note	Capital Stock - Common Shares	Capital Surplus - Share Premium	Legal Reserve	Special Reserve	Undistributed Earnings	Exchange Differences on Translation of Foreign Financial Statements	Comprehensive Income	Total Equity										
2022																		
	\$	528,642	\$	68,630	\$	149,934	\$	7,084	\$	373,983	(	\$	9,401)	\$	2,005	\$	1,120,877	
		-		-		-		-		231,346		-		-		-		231,346
	6(17)	-		-		-		-	(	6,255)		1,574		1,273	(	3,408)		
		-		-		-		-		225,091		1,574		1,273		227,938		
	6(16)																	
		-		-		16,828		-	(	16,828)		-		-		-		-
		-		-		-		312	(	312)		-		-		-		-
		-		-		-		-	(	79,296)		-		-	(	79,296)		
		52,864		-		-		-	(	52,864)		-		-		-		-
		\$	581,506	\$	68,630	\$	166,762	\$	7,396	\$	449,774	(	\$	7,827)	\$	3,278	\$	1,269,519
2023																		
	\$	581,506	\$	68,630	\$	166,762	\$	7,396	\$	449,774	(	\$	7,827)	\$	3,278	\$	1,269,519	
		-		-		-		-		82,052		-		-		-		82,052
	6(17)	-		-		-		-		9,644	(	1,912)		1,579		9,311		
		-		-		-		-		91,696	(	1,912)		1,579		91,363		
	6(16)																	
		-		-		22,509		-	(	22,509)		-		-		-		-
		-		-		-	(	2,847)		2,847		-		-		-		-
		-		-		-		-	(	87,226)		-		-	(	87,226)		
		58,151		-		-		-	(	58,151)		-		-		-		-
		\$	639,657	\$	68,630	\$	189,271	\$	4,549	\$	376,431	(	\$	9,739)	\$	4,857	\$	1,273,656

The notes to the consolidated financial statements are an integral part of these consolidated financial reports. Please refer to them together.

ICP DAS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

December 31, 2023, and 2022

Unit: NTD Thousand

	<u>Note</u>	<u>2023</u>	<u>2022</u>
<u>Cash Flows from Operating Activities</u>			
Net profit before tax for the current period		\$ 103,085	\$ 289,444
Adjustment item			
Income and expense items			
Expected credit impairment gains	6(2)	(58)	(20)
Depreciation expenses (including right-of-use assets and investment properties)	6(22)	56,558	51,254
Various amortization	6(22)	1,298	1,307
Interest revenue		(837)	(661)
Interest expense		3,748	2,038
Cost transferred from property, plant and equipment		-	1,945
Changes in operating assets/liabilities			
Net changes in liabilities relating to operating activities			
Notes receivable		1,987	2,373
Accounts receivable		(4,514)	9,441
Other receivables		364	764
Inventories		3,634	(182,825)
Prepayments		3,446	11,388
Net changes in assets relating to operating activities			
Contract liability - Current		(782)	(2,345)
Accounts payable		(37,951)	(15,152)
Other payables		(34,700)	8,064
Other current liabilities		6,581	371
Net defined benefit liability- non-current		(2,019)	(2,653)
Cash flows from operating activities		99,840	174,733
Interest charged		837	661
Interest payable		(3,748)	(2,038)
Income tax paid		(41,656)	(50,000)
Net cash inflows from operating activities		<u>55,273</u>	<u>123,356</u>
<u>Cash Flows from Operating Activities</u>			
Property, plant, and equipment	6(26)	(31,766)	(124,472)
Acquire intangible assets		(816)	(428)
Increase in refundable deposits		305	(1,227)
Increase other non-current assets		(13,736)	(10,060)
Net cash outflow from operating activities		<u>(46,013)</u>	<u>(136,187)</u>

Cash Flows from Financing Activities

Principal repayments of lease liabilities	6(27)	(	4,377	)	(	4,352)
Repayment of short-term loans		(	630,000	)	(	360,000)
Raise short-term loans			680,000			430,000	
Raise long-term loans			100,000			-	
Repayment of long-term loans		(	62,000	)	(	32,000)
Decrease in other payables – related parties			-		(	7,167)
Increase (decrease) in margin deposits		(	12	)		110	
Cash dividends	6(16)	(	87,226	)	(	79,296)
Net cash outflow from financing activities		(	3,615	)	(	52,705)
Foreign exchange adjustment amount		(	1,585	)		1,972	
Increase (decrease) in cash and cash equivalents for the current period			4,060		(	63,564)
Beginning cash and cash equivalent balances			87,178			150,742	
End of period cash and cash equivalents balance		\$	91,238		\$	87,178	

The notes to the consolidated financial statements are an integral part of these consolidated financial reports.
Please refer to them together.

Chairman: Yeh, Nai-Ti

**Managerial Officer: Chen,
Ruei-Yu**

Accounting Manager: Cheng, Pi-Yu

INDEPENDENT AUDITORS' REPORT

(113) Financial Audit Report No. 23004180.

ICP DAS Co., Ltd.

Audit Opinion

The individual balance sheets of ICP DAS Co., Ltd. as of December 31, 2023 and 2022, as well as the individual statements of comprehensive income, individual statements of changes in equity, individual statements of cash flows for the years then ended January 1 to December 31, 2023 and 2022, and notes to the individual financial statements, including a summary of significant accounting policies, have been audited by us.

In our opinion, the accompanying individual financial statements present fairly, in all material respects, the individual financial position of ICP DAS Co., Ltd. as of December 31, 2023 and 2022, and its individual financial performance and its individual cash flows for the year then ended January 1 to December 31, 2023 and 2022, in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinions

“The accountants conducted the audit in accordance with the Regulations Governing the Auditing and Certification of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China. The accountants’ responsibilities under those standards will be further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section. The personnel of the firm to which the accountants belong have remained independent of ICP DAS Co., Ltd. in accordance with the Code of Ethics for Professional Accountants in the Republic of China and have fulfilled other ethical responsibilities in accordance with the Code. The Certified Public Accountant believes that sufficient and appropriate audit evidence has been obtained to provide a basis for the audit opinion.

Key Audit Matter

Key audit matters refer to those matters that, in our professional judgment, were of most significance in the audit of the 2023 individual financial statements of ICP DAS Co., Ltd. These matters were addressed in the context of our audit of the individual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters for the 2023 individual financial statements of Transcend Information, Inc. are as follows:

Inventory Allowance for Loss on Decline in Market Value

Event Description

The accounting policies, significant accounting estimates and assumptions for inventory valuation, and the explanation of the accounting item for inventory loss allowance, please refer to Notes 4.(9), 5(2), and 6(3) of the individual financial statements. As of December 31, 2023, the balances of inventories and allowance for inventory valuation losses of ICP DAS Co., Ltd. were NT\$763,223 thousand and NT\$134,210 thousand, respectively.

ICP DAS Co., Ltd. is primarily engaged in the production and sales of industrial computer hardware, software, and peripherals. Since the market demand for industrial control, real-time monitoring, and automation products is diverse, ICP DAS Co., Ltd. needs to stock various types of products to meet the demand, resulting in a higher risk of inventory obsolescence. Moreover, as the assessment process often involves subjective judgments, it may lead to a high degree of uncertainty in accounting estimates. Therefore, the provision for inventory valuation of ICP DAS Co., Ltd. has been identified as one of the most critical audit matters for the current year.

Corresponding Audit Procedures

The auditor has performed the following audit procedures for inventories exceeding a certain aging period and individually obsolete inventories:

7. Based on our understanding of ICP DAS Co., Ltd., we assessed the reasonableness of the policies and procedures adopted for the valuation of inventory allowances, including determining the extent of inventory obsolescence using historical information, and evaluating the reasonableness of the inventory allowance policies.
8. Review its annual inventory plan and observe the annual inventory count and management status to assess the effectiveness of management's segregation and control of obsolete inventory.
9. Verify the accuracy of the inventory aging report and the information on inventory turnover, to ensure that the report information is consistent with the relevant policies.
10. Inspect and verify the accuracy of the calculation of inventory impairment losses and assess the appropriateness of the allowance for impairment losses.

Management's and Those Charged with Governance Responsibilities for the Individual Financial Statements

The responsibilities of management are to prepare individual financial statements that present fairly in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and to maintain such internal control as management determines is necessary to enable the preparation of individual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the management is responsible for assessing ICP DAS Co., Ltd.'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 the management either intends to liquidate ICP DAS Co., Ltd. or to cease operations, or has no realistic alternative but to do so.

The governance entities (including the Audit Committee) of ICP DAS Co., Ltd. are responsible for overseeing the financial reporting process.

The Responsibilities of Auditors for the Audit of Financial Statements

The purpose of our audit of the individual financial statements is to obtain reasonable assurance about whether the individual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report. Reasonable assurance is a high level of assurance, however is not a guarantee that an audit conducted in accordance with the Republic of China Auditing Standards will always be able to detect material misstatements. Misstatements can arise from fraud or error. Materiality is considered to exist if an individual amount or aggregate of misstatements can reasonably be expected to influence the economic decisions made by users of the financial statements.

In accordance with the auditing standards generally accepted in the Republic of China, the CPA exercises professional judgment and maintains professional skepticism throughout the audit. The CPA also performs the following tasks:

11. Identify and evaluate the risk of material misstatements due to fraud or error in the Parent Company Only Financial Statements; design and perform appropriate responses to the assessed risks; and obtain sufficient and appropriate audit evidence as 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.
12. 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 ICP DAS Co., Ltd.'s internal control.
13. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

14. 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 ICP DAS Co., Ltd.'s ability to continue as a going concern. If the CPA concludes that a material uncertainty exists, it is required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause ICP DAS Co., Ltd. to cease to continue as a going concern.
15. Evaluate the overall presentation, structure and content of the individual financial statements (including related notes), and whether the individual financial statements appropriately present the underlying transactions and events.
16. To obtain sufficient and appropriate audit evidence about the financial information of the entities or business activities within ICP DAS Co., Ltd. to express an opinion on the entity's financial statements. The CPA is responsible for the direction, supervision and performance of the entity audit, and remain solely responsible for the audit opinion on the entity's financial statements.

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

We also provided to the governing body a statement that the personnel of the firm to which they belong have complied with the ethical requirements regarding independence outlined in the Code of Professional Ethics for Certified Public Accountants in the Republic of China, and communicated with the governing body all relationships and other matters that may reasonably be thought to bear on their independence (including related safeguards).

From the matters communicated with those charged with governance, we determine the key audit matters in the audit of the individual financial statements of ICP DAS Co., Ltd. for the year 2023. The CPA communicates these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Wu, Wei-Hao and Cheng, Ya-Hui.

PwC Taiwan
Taipei, Taiwan
Republic of China
March 4, 2024

ICP DAS CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS

December 31, 2023 and December 31, 2022

Unit: NTD Thousand

Assets		Note	December 31, 2023		December 31, 2022		Liabilities and Equity		Note	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%				Amount	%	Amount	%
Current Assets							Current Liabilities						
1100	Cash and cash equivalents	6(1)	\$ 27,726	2	\$ 33,483	2	2100	Short-term loans	6(9)	\$ 120,000	7	\$ 70,000	4
1150	Net notes receivable	6(2)	3,708	-	4,191	-	2130	Contract liability- Current	6(17)	6,686	-	7,749	1
1170	Net accounts receivable	6(2)	84,152	5	77,707	5	2170	Accounts payable		37,217	2	74,265	4
1180	Net accounts receivable - related parties	6(2) and 7	7,381	1	9,516	-	2200	Other payables	6(10)	83,007	5	116,933	7
130X	Inventories	6(3)	629,013	38	621,573	37	2230	Current tax liabilities	6(22)	31,435	2	44,491	3
1410	Prepayments		7,120	-	9,984	1	2320	Current portion of long-term liabilities	6(11)	-	-	32,000	2
11XX	Total Current Assets		<u>759,100</u>	<u>46</u>	<u>756,454</u>	<u>45</u>	2399	Other current liabilities – Others		<u>9,387</u>	<u>1</u>	<u>2,806</u>	<u>-</u>
Non-Current Assets							21XX	Total Non-Current Liabilities		<u>287,732</u>	<u>17</u>	<u>348,244</u>	<u>21</u>
1517	Non-current financial assets measured at fair value through other comprehensive income	6(4)	16,307	1	14,333	1	Non-Current Liabilities						
1550	Investments accounted for using equity method	6(5)	103,331	6	108,829	7	2540	Long-term loans	6(11)	70,000	4	-	-
1600	Property, plant, and equipmen	6(6) and 8	724,408	43	724,853	44	2570	Deferred income tax liabilities	6(22)	1,214	-	2,211	-
1780	Intangible assets		3,403	-	3,885	-	2640	Net defined benefit liability- Non-current	6(12)	<u>32,108</u>	<u>2</u>	<u>46,182</u>	<u>3</u>
1840	Deferred income tax assets	6(22)	43,378	3	39,136	2	25XX	Total Non-Current Liabilities		<u>103,322</u>	<u>6</u>	<u>48,393</u>	<u>3</u>
1900	Other non-current assets	6(8) and 7	<u>14,783</u>	<u>1</u>	<u>18,666</u>	<u>1</u>	2XXX	Total Liabilities		<u>391,054</u>	<u>23</u>	<u>396,637</u>	<u>24</u>
15XX	Total Non-Current Assets		<u>905,610</u>	<u>54</u>	<u>909,702</u>	<u>55</u>	Equity						
1XXX	Total Assets		<u>\$ 1,664,710</u>	<u>100</u>	<u>\$ 1,666,156</u>	<u>100</u>		Capital stock	6(13)				
							3110	Capital stock - Common shares		639,657	39	581,506	35
								Capital surplus	6(14)				
							3200	Capital surplus		68,630	4	68,630	4
								Retained earnings	6(15)				
							3310	Legal reserve		189,271	11	166,762	10
							3320	Special reserve		4,549	-	7,396	-
							3350	undistributed earnings		376,431	23	449,774	27
								Other equity interest	6(16)				
							3400	Other equity interest		(4,882)	-	(4,549)	-
							3XXX	Total Equity		<u>1,273,656</u>	<u>77</u>	<u>1,269,519</u>	<u>76</u>
								Significant commitments and contingencies	9(2)				
							3X2X	Total Liabilities and Equity		<u>\$ 1,664,710</u>	<u>100</u>	<u>\$ 1,666,156</u>	<u>100</u>

The notes to the individual financial statements are an integral part of these individual financial reports. Please refer to them together.

Chairman: Yeh, Nai-Ti

Managerial Officer: Chen, Ruei-Yu

Accounting Manager: Cheng, Pi-Yu

INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME

December 31, 2023, and 2022

Unit: NTD Thousand (Except earnings per share in NTD)

Item	Note	2023		2022	
		Amount	%	Amount	%
4000 Operating Revenue	6(17) and 7	\$ 946,131	100	\$ 1,160,177	100
5000 Operating Costs	6(3)(20)(21)	(464,319)	(49)	(481,249)	(42)
5900 Operating Gross Profit		481,812	51	678,928	58
5910 Unrealized Profit on Sales		(19,618)	(2)	(26,879)	(2)
5920 Realized Profit on Sales		26,879	3	12,438	1
5950 Net Operating Gross Profit		489,073	52	664,487	57
Operating Expenses	6(20)(21) and 7				
6100 Selling and marketing expense		(87,490)	(9)	(83,049)	(7)
6200 General and administrative expenses		(87,206)	(9)	(86,351)	(7)
6300 Research and development expense		(203,404)	(22)	(216,194)	(19)
6450 Expected credit impairment gains (losses)		58	-	(58)	-
6000 Total operating expenses		(378,042)	(40)	(385,652)	(33)
6900 Operating Profit		111,031	12	278,835	24
Operating Income and Expenses					
7100 Interest revenue		417	-	204	-
7010 Other revenue	6(18) and 7	5,884	1	1,853	-
7020 Other gains or losses	6(19)	(182)	-	9,777	1
7050 Financial costs		(3,748)	(1)	(1,958)	-
7070 Share of profit or loss of subsidiaries, associates and joint ventures accounted for using the equity method	6(5)	(10,368)	(1)	765	-
7000 Total non-operating income and expenses		(7,997)	(1)	10,641	1
7900 Profit Before Tax		103,034	11	289,476	25
7950 Income tax expense	6(22)	(20,982)	(2)	(58,130)	(5)
8200 Net Profit for the Period		\$ 82,052	9	\$ 231,346	20
Other Comprehensive Income (Net)					
Items that May not Be Reclassified to Profit or Loss					
8311 Remeasurements of defined benefit plan	6(12)	\$ 9,644	1	(\$ 6,255)	-
8316 Unrealized gains (losses) from investment in equity instrument measured at fair value through other comprehensive income	6(16)	1,579	-	1,273	-
8310 Total of items that may not be reclassified to profit or loss		11,223	1	(4,982)	-
Items That May Be Subsequently Reclassified to Profit or Loss					
8380 Share of profit or loss of subsidiaries, associates and joint ventures accounted for using the equity method	6(16)	(1,912)	-	1,574	-
8360 Total items that may be subsequently reclassified to profit or loss		(1,912)	-	1,574	-
8300 Other Comprehensive Income (Net)		\$ 9,311	1	(\$ 3,408)	-
8500 Total Comprehensive Income		\$ 91,363	10	\$ 227,938	20
Basic Earnings per Share	6(23)				
9750 Total basic Earnings per Share		\$ 1.28		\$ 3.62	
Diluted Deficit per Share	6(23)				
9850 Total Diluted Deficit per Share		\$ 1.28		\$ 3.59	

The notes to the individual financial statements are an integral part of these individual financial reports. Please refer to them together.

Chairman: Yeh, Nai-Ti

Managerial Officer: Chen, Ruei-Yu

Accounting Manager: Cheng, Pi-Yu

ICP DAS CO., LTD.
PARENT COMPANY CHANGES IN EQUITY

December 31, 2023 and December 31, 2022

Unit: NTD Thousand

		Retained Earnings				Other Equity Interest		
							Unrealized Gains (Losses) From Financial Assets Measured at Fair Value Through Other Comprehensive Income	
	Note	Capital Stock - Common Shares	Capital Surplus - Share Premium	Legal Reserve	Special Reserve	Undistributed Earnings	Exchange Differences on Translation of Foreign Financial Statements	Total Equity
<u>2022</u>								
Balance as of January 1, 2022		\$ 528,642	\$ 68,630	\$ 149,934	\$ 7,084	\$ 373,983	(\$ 9,401)	\$ 1,120,877
Net income in 2022		-	-	-	-	231,346	-	231,346
Other comprehensive income in 2022	6(16)	-	-	-	-	(6,255)	1,574	(3,408)
Total comprehensive income in 2022		-	-	-	-	225,091	1,574	227,938
Appropriation and distribution of earnings	6(15)							
Legal reserve		-	-	16,828	-	(16,828)	-	-
Special reserve		-	-	-	312	(312)	-	-
Cash dividends		-	-	-	-	(79,296)	-	(79,296)
Stock dividends		52,864	-	-	-	(52,864)	-	-
Balance as of December 31, 2022		<u>\$ 581,506</u>	<u>\$ 68,630</u>	<u>\$ 166,762</u>	<u>\$ 7,396</u>	<u>\$ 449,774</u>	<u>(\$ 7,827)</u>	<u>\$ 1,269,519</u>
<u>2023</u>								
Balance as of January 1, 2023		\$ 581,506	\$ 68,630	\$ 166,762	\$ 7,396	\$ 449,774	(\$ 7,827)	\$ 1,269,519
Net income in 2023		-	-	-	-	82,052	-	82,052
Other comprehensive income in 2023	6(16)	-	-	-	-	9,644	(1,912)	9,311
Total comprehensive income in 2023		-	-	-	-	91,696	(1,912)	91,363
Appropriation and distribution of earnings	6(15)							
Legal reserve		-	-	22,509	-	(22,509)	-	-
Special reserve		-	-	-	(2,847)	2,847	-	-
Cash dividends		-	-	-	-	(87,226)	-	(87,226)
Stock dividends		58,151	-	-	-	(58,151)	-	-
Balance as of December 31, 2023		<u>\$ 639,657</u>	<u>\$ 68,630</u>	<u>\$ 189,271</u>	<u>\$ 4,549</u>	<u>\$ 376,431</u>	<u>(\$ 9,739)</u>	<u>\$ 1,273,656</u>

The notes to the individual financial statements are an integral part of these individual financial reports. Please refer to them together.

Chairman: Yeh, Nai-Ti

Managerial Officer: Chen, Ruei-Yu

Accounting Manager: Cheng, Pi-Yu

INDIVIDUAL STATEMENT OF CASH FLOWS

December 31, 2023 and December 31, 2022

Unit: NTD Thousand

	<u>Note</u>	<u>2023</u>	<u>2022</u>
<u>Cash Flows from Operating Activities</u>			
Net profit before tax of the period		\$ 103,034	\$ 289,476
Adjustment item			
Revenue and expense items			
Expected credit losses	6(2) (	58)	58
Depreciation expenses (right-of-use asset)	6(20)	48,981	43,567
Various amortization	6(20)	1,298	1,307
Share of profit or loss of subsidiaries accounted for using the equity method		10,368 (	765)
Unrealized gross profit on sales	(	7,261)	14,441
Interest revenue	(	417)	204)
Interest expense		3,748	1,958
Cost transferred from property, plant and equipment		-	1,945
Changes in operating assets/liabilities			
Net changes in liabilities relating to operating activities			
Notes Receivable		488 (	831)
Accounts receivable	(	6,392)	14,498
Accounts receivable due from related parties		2,135	5,543
Other receivables		-	758
Inventories	(	7,440)	187,854)
Prepayments		2,865	11,287
Net changes in assets relating to operating activities			
Contract liability - Current	(	1,063)	1,328)
Accounts payable	(	37,048)	13,906)
Other payables	(	33,532)	9,453
Other current liabilities		6,581	372
Net defined benefit liability - non-current	(	2,019)	2,653)
Cash flows from operating activities		84,268	187,122
Interest income		417	204
Interest payable	(	3,748)	1,958)
Income tax paid	(	41,605)	49,313)
Net cash inflow from operating activities		<u>39,332</u>	<u>136,055</u>
<u>Cash Flows from Operating Activities</u>			
Property, plant, and equipment	6(24) (	\$ 31,624)	(\$ 124,166)
Acquire intangible assets	(	816)	(428)
Decrease (increase) in refundable deposits		294 (	1,184)
Increase other non-current assets	(	13,717)	(10,060)
Net Cash outflow from operating activities	(	<u>45,863)</u>	<u>(135,838)</u>
<u>Cash Flows from Financing Activities</u>			
Raise short-term loans	6(25)	680,000	430,000
Repayment of short-term loans	(	630,000)	(360,000)
Repayment of long-term loans	(	62,000)	(32,000)
Raise long-term loans		100,000	-
Distribute cash dividends	6(15) (	87,226)	(79,296)
Net cash inflows (outflow) from financing activities		<u>774</u>	<u>(41,296)</u>
Increase (decrease) in cash and cash equivalents for the current period	(	5,757)	(41,079)
Beginning cash and cash equivalent balances		<u>33,483</u>	<u>74,562</u>
Ending cash and cash equivalents balance		<u>\$ 27,726</u>	<u>\$ 33,483</u>

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Chairman: Yeh, Nai-Ti

Managerial Officer: Chen, Ruei-Yu

Accounting Manager: Cheng, Pi-Yu

ICP DAS Co., Ltd.
Earnings Distribution Table
2023

Unit: Unit: NTD

Item		Amount	
		Subtotal	Total
①	Undistributed earnings at the beginning of the period	284,735,422	
②	Plus: Net profit after tax for the period	82,052,336	
③	Plus:Adjustment to retained earnings for 2023 (Note 1)	9,643,766	
④	Less: Appropriation of legal reserve ((④)=(②+③)*10%)	9,169,610	
⑤	Less: Appropriation of special reserve (Note 2)	333,222	
⑥	Subtotal of earnings available for distribution for 2023 ((⑥)=②+③-④-⑤)	82,193,270	
⑦	Accumulated earnings available for distribution as of the current year ((⑦)=①+⑥)		366,928,692
	Items for earnings distribution for 2023		
	Distribution of dividends and bonuses to shareholders (Note 3)		
	Cash dividends to shareholders (NT\$1.0 distributed per share)	63,965,653	
⑧	Total amount distributed for the current year		63,965,653
⑨	Undistributed earnings at the end of the period ((⑨)=⑦-⑧)		302,963,039

- Note 12023 adjustment to retained earnings due to actuarial gains and losses on defined benefit plans.
- Note 22023 appropriation of special reserve in the same amount as the debit balance of other equity items.
- Note 3The amount of earnings distribution is from the earnings of 2023.

Chairman: Yeh, Nai-Ti

Managerial Officer: Chen, Ruei-Yu

Accounting Manager: Cheng, Pi-Yu

ICP DAS Co., Ltd.

Articles of Incorporation (before amendment)

Article	Before The Revision	After The Revision	Reason for Amendment
Article 20	With regard to the business operations of the Company, as the Company's business is currently in the growth stage, the dividend distribution policy shall take into account the current and future operational plans, investment projects, capital budgets, changes in internal and external environments, as well as the interests of shareholders and the balance of dividends. Each year, the Board of Directors shall propose a distribution proposal in accordance with the law and submit it to the shareholders' meeting for approval. The Company's shareholder dividend distribution may be made in the form of stock dividends, and the proportion of cash dividends distributed to shareholders shall not be less than 10% of the total shareholder dividends.	With regard to the business operations of the Company, as the Company's business is currently in the growth stage, the dividend distribution policy shall take into account the current and future operational plans, investment projects, capital budgets, changes in internal and external environments, as well as the interests of shareholders and the balance of dividends. Each year, the Board of Directors shall propose a distribution proposal in accordance with the law and submit it to the shareholders' meeting for approval. <u>The principle of dividend distribution is that at least 20% of the current year's distributable surplus shall be distributed as cash dividends.</u> The Company's shareholder dividend distribution may be made in the form of stock dividends, and the proportion of cash dividends distributed to shareholders shall not be less than 10% of the total shareholder dividends.	Revision of Dividend Policy
Article 22	These Articles of Incorporation were established on July 27, 1993. The first amendment was made on March 27, 1997. The second amendment was made on December 16, 2002. The third amendment was made on December 27, 2002. The fourth amendment was made on September 24, 2003. The fifth amendment was made on September 20, 2005. The sixth amendment was made on December 6, 2005. The seventh amendment was made on June 28, 2007. The eighth amendment was made on June 13, 2008. The ninth amendment was made on June 16, 2009. The tenth amendment was made on June 18, 2010. The eleventh amendment was made on June 18, 2012. The twelfth amendment was made on June 22, 2015. The thirteenth amendment was made on June 13, 2016. The fourteenth amendment was made on June 12, 2020. The fifteenth amendment was made on June 14, 2022. The sixteenth amendment was made on June 9, 2023	These Articles of Incorporation were established on July 27, 1993. The first amendment was made on March 27, 1997. The second amendment was made on December 16, 2002. The third amendment was made on December 27, 2002. The fourth amendment was made on September 24, 2003. The fifth amendment was made on September 20, 2005. The sixth amendment was made on December 6, 2005. The seventh amendment was made on June 28, 2007. The eighth amendment was made on June 13, 2008. The ninth amendment was made on June 16, 2009. The tenth amendment was made on June 18, 2010. The eleventh amendment was made on June 18, 2012. The twelfth amendment was made on June 22, 2015. The thirteenth amendment was made on June 13, 2016. The fourteenth amendment was made on June 12, 2020. The fifteenth amendment was made on June 14, 2022. The sixteenth amendment was made on June 9, 2023 <u>The seventeenth amendment was made on June 13, 2024</u>	Addition of amendment number and date