

**Advanced Ceramic X Corporation**  
**2023 Annual General Shareholders' Meeting Minutes**  
**(English Translation for Reference Only)**

**Time:** 9:00 a.m., June 7, 2023

**Place:** No.16, Tzu Chiang Road, Hsinchu Industrial District, Hsinchu Hsien, Taiwan

**The number of shares of attendance:**

Total outstanding ACX shares: 69,016,200 shares

Total shares represented by shareholders present in person or by proxy: 50,181,586 shares (including 13,904,421 shares casted electronically)

Percentage of shares held by shareholders present in person or by proxy: 72.70%

**Chairman:** Shuang De Investment Corporation (Rep.: Chien-Wen Kuo), the chairman of the Board of Directors

**Recorder:** Ching-Yao Peng

**Directors present:**

Shuang De Investment Corporation (Rep.: Chien-Wen Kuo), Yu-Hui Ning

**Other present:** Mei-Yu Tseng (KPMG CPA)

**1. Call the Meeting to Order:**

The aggregate shareholding of the shareholders present constituted a quorum. The Chairman called the meeting to order.

**2. Chairman's Address:** Omitted.

**3. Report Items:**

- (1) 2022 Business Report (see Attachment 1)
- (2) Audit Committee's Review Report of 2022 (see Attachment 2)
- (3) Distribution of directors' and employees' compensation in 2022.

Explanation:

Distribution of NT\$5,596,187 and NT\$18,653,960 in cash as compensation to directors and employees, respectively, have been approved by the meeting of Board of Directors held on February 21, 2023.

#### 4. Approval Items

##### Approval Items (1):

Subject: To accept 2022 Business Report and Financial Statements (Proposed by the Board of Directors)

Explanation:

- (1) The 2022 Financial Statements were audited by KPMG CPAs, Chien-Hui Lu and Mei-Yu Tseng. The aforementioned and 2022 Business Report have been approved by the Audit Committee.
- (2) 2022 Business Report, Independent Auditors' Report and the Financial Statements are attached hereto as Attachments 1 and 3.

Voting Results: 50,160,586 shares were represented at the time of voting

Voting Results	% of the total represented at the time of voting
Votes in favor: 49,511,127 votes (including 13,892,962 shares casted electronically)	98.70%
Votes against: 5,034 votes (including 5,034 shares casted electronically)	0.01%
Votes invalid: 0 votes (including 0 shares casted electronically)	0%
Votes abstained: 644,425 votes (including 6,425 shares casted electronically)	1.28%

RESOLVED, that the 2022 Business Report and Financial Statements be and hereby were accepted as submitted.

##### Approval Items (2):

Subject: To approve the proposal for distribution of 2022 earnings (Proposed by the Board of Directors)

Explanation:

- (1) The proposal for distribution of 2022 earnings of the Company has been submitted by the Board of Directors, in accordance with Company Act and the Articles of Incorporation of the Company. The 2022 Earnings Distribution Proposal is attached hereto as Attachment 4.
- (2) The Company plans to distribute dividends of NT\$247,768,158 to shareholders (Cash dividend NT\$3.59 per share).
- (3) The cash dividend distribution will be calculated to the nearest NT dollar, and the total amount of cash dividends less than NT\$1 was adjusted in accordance with the total amount of cash dividends.
- (4) The record date will be decided by the Chairman of the Board of Directors.
- (5) If the dividend distribution ratio is adjusted due to change of the Company's total number of outstanding common shares it is proposed that the Chairman of Board of Directors is authorized to adjust the ratio of dividend to be distributed to each common share based on the total amount approved by the 2023 Annual

General Shareholders' Meeting to be distributed and the actual number of common shares outstanding on the record date for distribution.

Voting Results: 50,160,586 shares were represented at the time of voting

Voting Results	% of the total represented at the time of voting
Votes in favor: 49,505,128 votes (including 13,886,963 shares casted electronically)	98.69%
Votes against: 11,034 votes (including 11,034 shares casted electronically)	0.02%
Votes invalid: 0 votes (including 0 shares casted electronically)	0%
Votes abstained: 644,424 votes (including 6,424 shares casted electronically)	1.28%

RESOLVED, that the above proposal be and hereby was approved as proposed.

**5. Extraordinary Motions:** None.

**6. Meeting Adjournment:** The meeting was adjourned at 9:13 a.m.

There were no shareholders' speeches at the shareholders' meeting.

### **2022 Business Report**

ACX is the first design and manufacturing company in Taiwan dedicated to RF front-end devices and modules, providing advanced value-added solutions for wireless communications products using advanced ceramic and circuit design techniques and module packaging technologies. The communication industry went through a volatile year in 2022. The macroeconomic uncertainties and slow economic growth in smart phone market led to weaker user demand. Looking back at the performance for 2022, ACX's revenue was NT\$1,465,282 thousand, and net profit after tax was NT\$275,353 thousand, with a basic earnings per share of NT\$3.99. The overall operating results are mainly attributed with the joint efforts of the management team and all staff, so that ACX still maintained a stable profit trend.

Looking back over the past year, almost every element of society was touched by the upheaval of the COVID-19 pandemic occurring around the world, despite the global economic slowdown due to COVID-19, and ACX has continued insisting on product innovation and technology upgrades. As transmission volume and transmission rates continue to increase, ACX continues to tap into Internet of Things, wearable and automotive and mmWave related applications in broadband applications, and has successfully developed multi-frequency multi-mode integration components that meet customer needs. In addition, ACX can provide the solutions needed for LTE smart phones due to the continuous upgrade of handsets in China and emerging markets. Furthermore, ACX continues to actively develop a variety of WiFi, NBIoT, mobile-related RF front-end (FEM) modules, system-in-package (SiP) modules, high-power device for base station, and advanced LTCC antenna substrate and filter for 5G mmWave to complement the product portfolio and significantly improve product technology. In this way, ACX hopes to further enhance ACX's long-term competitive advantage.

The world's fifth-generation mobile communication technology (5G) still keeps constantly evolving and 6G could be ready to take off soon. They are expected to bring huge economic benefits. The future demand for automotive networks, Internet of Things, self driving cars, smart cities and Low-Earth Orbit will also drive the development of 5G and 6G. In the future, ACX will continue to invest in research and development resources and widely deploy wireless communication applications. With advanced core technologies in RF circuit design, material development, process design and product testing, ACX can provide customers with diverse, miniaturized and modular products and services as well as new products from new technology applications in response to the communications market for future development.

Looking forward, the application of wireless products will be more diversified and popularized, and the rapid growth of transmission rate specifications, coupled with the miniaturization of terminal products and the trend of component integration, etc., the market demand of communication applications for RF integrated components and modules required will increase. ACX will continue to focus on the wireless communications arena, developing new technologies solutions, providing customers with high value-added integrated services by accelerating technological innovation and product upgrades. With the joint efforts of the team, we will actively develop domestic and foreign customers based on advance R&D technology and production strength, strengthen strategic partnerships, and comprehensively expand the company's operating scale and market share in order to create new business achievements.

With our moderate and pragmatic business philosophy, every colleague will do our best to maximize the company's overall value. And finally, we would like to appreciate for your supporting as usually.

Advanced Ceramic X Corporation  
Chairman: Shuang De Investment Corporation  
Representative: Chien-Wen Kuo  
President: Chien-Wen Kuo  
CFO: Ching-Yao Peng

## Attachment 2

### **Audit Committee's Review Report**

The Board of Directors has prepared the Company's 2022 business report, financial statements and earnings distribution proposal. The financial statements were audited by independent auditors, Chien-Hui Lu and Mei-Yu Tseng, of KPMG with independent auditors' reports issued.

The above-mentioned business report, financial statements and earnings distribution proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of Advanced Ceramic X Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Advanced Ceramic X Corporation  
Chairman of the Audit Committee: Shiu-Kao Chiang  
February 21, 2023

## Attachment 3

### Independent Auditors' Report

To the Board of Directors of Advanced Ceramic X Corporation:

#### Opinion

We have audited the financial statements of Advanced Ceramic X Corporation (“the Company”), which comprise the balance sheets as of December 31, 2022 and 2021, and the statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2022 and 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and 2021, and its financial performance and its cash flows for each of the years then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards, International Accounting Standards, interpretations as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China.

#### Basis for Opinion

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

#### Key Audit Matters

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

##### 1. Revenue recognition

Please refer to note 4(11) “Revenue” for accounting principles, and note 6(11) “Operating revenue from contracts with customers” for significant accounts to the financial statements.

##### Description of key audit matter:

Revenue is recognized when the risks and rewards specified in each individual contract with customers are transferred. The Company recognizes revenue depending on the various sales terms in each individual contract with customers to ensure the significant risks and rewards of ownership have been transferred. Therefore, the accuracy and appropriateness of revenue recognition is a key matter when conducting our audit.

### **How the matter was addressed in our audit:**

In relation to the key audit matter above, our principal audit procedures included testing the Company's controls surrounding revenue recognition; assessing whether appropriate revenue recognition policies are applied through comparison with accounting standards and understandings the Company's main revenue types, shipping terms, its related sales agreements, and sales terms; on a sample basis, inspecting customers' orders and sales terms and assessing whether the accounting treatment of the sales terms is applied appropriately; performing a test of details of sales revenue for any identified significant sales fluctuations and any significant reversals of revenue through sales discounts and sales returns which incurred within a certain period before and after the balance sheet date; assessing the adequacy of the Company's disclosures of its revenue recognition policy and other related disclosures.

## **2. Evaluation of inventory**

Please refer to note 4(7) "Inventories" for accounting principles, note 5 for valuation of inventories, and note 6(3) "Inventories" for significant accounts to the financial statements.

### **Description of key audit matter:**

The inventories are measured at the lower of cost or net realizable value at the reporting date; therefore, the Company needs to use judgments and estimates to determine the net realizable value of the inventory on the financial reporting date. With the rapid development of technology and introduction of new products, these may significantly impact market demand, as well as the products themselves, which can lead to product obsolescence that may result in the cost of inventory to be higher than the net realizable value. Therefore, the impairment of inventory is one of the key areas in our audit.

### **How the matter was addressed in our audit:**

Our audit procedures included: evaluating the reasonableness of the assessment policy including data basis, assumptions, functions, and verifying whether it is properly applied; inspecting the assessment on supporting documentation whether the estimation of provision for inventory obsolescence and devaluation loss is accurate; using sampling skills to verify inventory aging or testing age report; assessing whether the inventory allowance rate is reasonable and accurate, And assessing the reasonableness of the provision based on erosion and disposal of the obsolescence inventory.

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

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in 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 financial statements.



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

1. Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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. Obtained 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. Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Concluded 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 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 the Company to cease to continue as a going concern.
5. Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated 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 identified during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicated 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 determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG

Taipei, Taiwan (Republic of China)

February 21, 2023

#### **Notice to Readers**

The accompanying financial statements are intended only to present the financial position, financial performance, and cash flows in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards, International Accounting Standards, interpretations as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China. The standards, procedures and practices to review such financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English version and Chinese version, the Chinese-language independent auditors' report and financial statements shall prevail.

**Advanced Ceramic X Corporation**  
**Balance Sheets**  
**December 31, 2022 and 2021**  
(Expressed in Thousands of New Taiwan Dollars)

Assets	December 31, 2022		December 31, 2021			December 31, 2022		December 31, 2021			
Amount	%	Amount	%		Amount	%	Amount	%			
<b>Current Assets :</b>					<b>Liabilities and Equity</b>						
1100	Cash and Cash Equivalents (Note 6(1))	\$ 596,367	14	452,010	10	2170	Accounts Payable	\$ 30,109	1	32,774	1
1170	Notes and Accounts Receivable, Net (Note 6(2) and (11))	216,164	5	251,712	6	2201	Salary and Bonus Payable	135,251	3	174,719	4
1180	Receivables from Related Parties (Note 6(2), (11) and 7)	66,209	2	304,524	7	2213	Payables to Contractors and Equipment	32,535	1	103,550	2
1310	Inventories (Note 6(3))	186,008	5	318,947	7	2230	Income Tax Payable (Note 6(8))	130,392	3	157,289	3
1476	Other Current Financial Assets (Note 6(1))	322,836	8	215,875	5	2399	Other Current Liabilities (Note 6(6) and (11))	164,858	4	209,431	5
1479	Other Current Assets	15,679	-	21,741	-			<u>493,145</u>	<u>12</u>	<u>677,763</u>	<u>15</u>
		<u>1,403,263</u>	<u>34</u>	<u>1,564,809</u>	<u>35</u>	<b>Noncurrent Liabilities :</b>					
<b>Noncurrent Assets :</b>					2560	Current Tax Liabilities- Noncurrent (Note 6(8))	80,499	2	-	-	
1600	Property, Plant and Equipment (Note 6(4) and 8)	2,707,740	65	2,931,883	65	2600	Other Noncurrent Liabilities	19,333	-	18,049	-
1780	Intangible Assets (Note 6(5))	2,941	-	2,788	-			<u>99,832</u>	<u>2</u>	<u>18,049</u>	<u>-</u>
1840	Deferred Tax Assets (Note 6(8))	17,687	1	10,727	-	<b>Total Liabilities</b>					
1900	Other Noncurrent Assets	7,847	-	9,478	-			<u>592,977</u>	<u>14</u>	<u>695,812</u>	<u>15</u>
1980	Other Noncurrent Financial Assets	1,210	-	1,246	-	<b>Equity (Note 6(9)) :</b>					
1975	Net Defined Benefit Asset- Noncurrent (Note 6(7))	6,514	-	850	-	3100	Capital Stock	690,162	17	690,162	15
		<u>2,743,939</u>	<u>66</u>	<u>2,956,972</u>	<u>65</u>	3200	Capital Surplus	573,532	14	573,532	13
		<u>2,743,939</u>	<u>66</u>	<u>2,956,972</u>	<u>65</u>	3300	Retained Earnings	2,290,531	55	2,562,275	57
		<u>2,743,939</u>	<u>66</u>	<u>2,956,972</u>	<u>65</u>	<b>Total Equity</b>					
		<u>2,743,939</u>	<u>66</u>	<u>2,956,972</u>	<u>65</u>			<u>3,554,225</u>	<u>86</u>	<u>3,825,969</u>	<u>85</u>
<b>Total Assets</b>		<u><b>\$ 4,147,202</b></u>	<u><b>100</b></u>	<u><b>4,521,781</b></u>	<u><b>100</b></u>	<b>Total Liabilities and Equity</b>					
		<u><b>\$ 4,147,202</b></u>	<u><b>100</b></u>	<u><b>4,521,781</b></u>	<u><b>100</b></u>			<u><b>\$ 4,147,202</b></u>	<u><b>100</b></u>	<u><b>4,521,781</b></u>	<u><b>100</b></u>

**Advanced Ceramic X Corporation**  
**Statements of Comprehensive Income**  
**Years Ended December 31, 2022 and 2021**  
**(Expressed in Thousands of New Taiwan Dollars)**

	<u>2022</u>		<u>2021</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4100 <b>Net Revenue</b> (Note 6(11) and 7)	\$ 1,465,282	100	2,846,304	100
5000 <b>Cost of Sales</b> (Note 6(3), (7), (13) and 7)	<u>933,242</u>	<u>64</u>	<u>1,211,435</u>	<u>43</u>
<b>Gross Profit</b>	<u>532,040</u>	<u>36</u>	<u>1,634,869</u>	<u>57</u>
<b>Operating Expenses</b> (Note 6(7), (13) and 7) :				
6100 Selling and Distribution Expenses	27,843	2	45,673	1
6200 General and Administrative Expenses	113,228	8	137,268	5
6300 Research and Development Expenses	94,447	6	150,171	5
6450 Losses (Gains) on Expected Credit Impairment (Note 6(2))	<u>(2,766)</u>	<u>-</u>	<u>1,790</u>	<u>-</u>
	<u>232,752</u>	<u>16</u>	<u>334,902</u>	<u>11</u>
<b>Gross Profit from Operations</b>	<u>299,288</u>	<u>20</u>	<u>1,299,967</u>	<u>46</u>
<b>Non-Operating Income and Expenses :</b>				
7101 Interest Income	6,518	1	3,717	-
7190 Other Income (Note 6(12))	392	-	5,735	-
7230 Foreign Exchange Gains (Losses), Net	41,911	3	(24,448)	(1)
7610 Gains on Disposal of Property, Plant and Equipment, Net	<u>720</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>49,541</u>	<u>4</u>	<u>(14,996)</u>	<u>(1)</u>
7900 <b>Profit Before Income Tax</b>	348,829	24	1,284,971	45
7950 <b>Less : Income Tax Expense</b> (Note 6(8))	<u>73,476</u>	<u>5</u>	<u>258,146</u>	<u>9</u>
8200 <b>Net Income</b>	<u>275,353</u>	<u>19</u>	<u>1,026,825</u>	<u>36</u>
8300 <b>Other Comprehensive Income :</b>				
8310 <b>Components of Other Comprehensive Income that Will Not Be Reclassified to Profit or Loss</b>				
8311 Gains (Losses) on Remeasurements of Defined Benefit Plans (Note 6(7))	<u>5,032</u>	<u>-</u>	<u>(113)</u>	<u>-</u>
8300 <b>Other Comprehensive Income, Net of Tax</b>	<u>5,032</u>	<u>-</u>	<u>(113)</u>	<u>-</u>
8500 <b>Total Comprehensive Income</b>	<u><u>\$ 280,385</u></u>	<u><u>19</u></u>	<u><u>1,026,712</u></u>	<u><u>36</u></u>
<b>Earnings Per Share (Expressed in Dollars)</b> (Note 6(10))				
9750 Basic Earnings Per Share	<u><u>\$ 3.99</u></u>		<u><u>14.88</u></u>	
9850 Diluted Earnings Per Share	<u><u>\$ 3.98</u></u>		<u><u>14.84</u></u>	

**Advanced Ceramic X Corporation**  
**Statements of Changes in Equity**  
**Years Ended December 31, 2022 and 2021**  
**(Expressed in Thousands of New Taiwan Dollars)**

	Common Stock	Capital Surplus	Retained Earnings			Capital Surplus
			Legal Reserve	Undistributed Earnings	Subtotal	
<b>Balance at January 1, 2021</b>	\$ 690,162	573,532	780,854	1,500,084	2,280,938	3,544,632
Net income in 2021	-	-	-	1,026,825	1,026,825	1,026,825
Other Comprehensive Income, Net of Tax	-	-	-	(113)	(113)	(113)
Total Comprehensive Income for the Year	-	-	-	1,026,712	1,026,712	1,026,712
Appropriation and Distribution of 2020 Earnings :						
Legal Reserve	-	-	82,840	(82,840)	-	-
Cash Dividends	-	-	-	(745,375)	(745,375)	(745,375)
<b>Balance at December 31, 2021</b>	<b>\$ 690,162</b>	<b>573,532</b>	<b>863,694</b>	<b>1,698,581</b>	<b>2,562,275</b>	<b>3,825,969</b>
Net income in 2022	-	-	-	275,353	275,353	275,353
Other Comprehensive Income, Net of Tax	-	-	-	5,032	5,032	5,032
Total Comprehensive Income for the Year	-	-	-	280,385	280,385	280,385
Appropriation and Distribution of 2021 Earnings :						
Legal Reserve	-	-	102,671	(102,671)	-	-
Cash Dividends	-	-	-	(552,129)	(552,129)	(552,129)
<b>Balance at December 31, 2022</b>	<b>\$ 690,162</b>	<b>573,532</b>	<b>966,365</b>	<b>1,324,166</b>	<b>2,290,531</b>	<b>3,554,225</b>

**Advanced Ceramic X Corporation**  
**Statements of Cash Flows**  
**Years Ended December 31, 2022 and 2021**  
**(Expressed in Thousands of New Taiwan Dollars)**

	<b>2022</b>	<b>2021</b>
<b>Cash Flows from Operating Activities :</b>		
Income Before Income Tax	\$ 348,829	1,284,971
Adjustments for :		
Depreciation Expense	362,017	277,435
Amortization Expense	3,774	3,006
Expected Credit Loss (Gain)	(2,766)	1,790
Interest Income	(6,518)	(3,717)
Gain on Disposal of Property, Plant and Equipment, Net	(720)	-
Provision for Inventory Obsolescence and Devaluation Loss	31,713	21,550
Total Adjustments to Reconcile Profit	387,500	300,064
Changes in Operating Assets and Liabilities :		
Notes and Accounts Receivable	35,907	(18,715)
Receivables from Related Parties	240,722	(160,327)
Inventories	101,226	(166,975)
Other Operating Current Assets	6,062	12,298
Net Defined Benefit Assets	(632)	(670)
Accounts Payable	(2,665)	(78,508)
Other Operating Current Liabilities (Including Salary Payable and Other Current Liabilities)	(84,041)	47,191
Other Noncurrent Liabilities	1,284	1,266
Total Net Changes in Operating Assets and Liabilities	297,863	(364,440)
Cash Inflow Generated from Operations	1,034,192	1,220,595
Interest Received	6,157	3,817
Income Taxes Paid	(26,834)	(229,028)
<b>Net Cash Flows from Operating Activities</b>	<b>1,013,515</b>	<b>995,384</b>
<b>Cash Flows from Investing Activities :</b>		
Acquisition of Property, Plant and Equipment	(208,889)	(842,449)
Proceeds from Disposal of Property, Plant and Equipment	720	-
Decrease (Increase) in Guarantee Deposits	36	(614)
Acquisition of Intangible Assets	(1,000)	(900)
Increase in Other Noncurrent Assets	(106,600)	-
Increase in Prepaid of Equipment	(1,296)	(4,525)
<b>Net Cash Flows Used in Investing Activities</b>	<b>(317,029)</b>	<b>(848,488)</b>
<b>Cash Flows from Financing Activities :</b>		
Cash Dividends	(552,129)	(745,375)
<b>Net Cash Flows Used in Financing Activities</b>	<b>(552,129)</b>	<b>(745,375)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	144,357	(598,479)
<b>Cash and Cash Equivalents at the Beginning of Period</b>	452,010	1,050,489
<b>Cash and Cash Equivalents at the End of Period</b>	<b>\$ 596,367</b>	<b>452,010</b>

Attachment 4

Advanced Ceramic X Corporation  
Earnings Distribution Proposal  
Year 2022

(Unit: New Taiwan Dollars)

Unappropriated retained earnings of previous	\$ 1,043,780,783
Net income of 2022	275,352,770
Less: Adjustments to remeasurement on the net defined benefit liability	5,032,719
Adjusted comprehensive income of 2022	<u>280,385,489</u>
Less: 10% provision as legal reserve	(28,038,549)
Retained earnings available for distribution	1,296,127,723
Less: Cash Dividends to Shareholders (Cash dividend NT\$3.59 per share)	(247,768,158)
Unappropriated retained earnings	<u>\$ 1,048,359,565</u>
Note: Earnings in 2022 are distributed first.	