

Compal Broadband Networks, Inc.

2023 Annual Shareholder's Meeting Minutes

Time and Date of Meeting : June 30, 2023(Friday) at 9:00 am

Location of Meeting : 10F., No. 6, Taiyuan 1st Street, Zhubei City, Hsinchu County (Conference room of Compal Broadband Networks, Inc.)

Meeting type : Physical shareholders' meeting

Total outstanding shares : 67,653,659 shares
Total shares represented by shareholders present in person or by proxy: 58,045,615 shares
(among them, 4,513,171 shares voted via electronic transmission and E-Meeting) Percentage of shares held by shareholders present in person or by proxy: 85.79%

Directors present : Director : Weng, Tsung-Bing 、 Director : Wang, Yu-He 、 Independent Director : Chen, Miao-Ling , 3 directors present ◦

Attendance : Chien, Szu Chuan (KPMG) 、 Jerry Cho (KPMG Law Firm)

Chairman : Weng, Tsung-Bing Recorder : Liu, Yi-Hsuan

The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.

A 、 Chairman Address (omitted)

B 、 Report Items

- 1 、 2022 business report (please see Attachment 1) ◦
- 2 、 2022 Audit Committee's Audit Report(please see Attachment 2 & 3) ◦
- 3 、 Report on the 2022 profit sharing remuneration to employees and directors and the distribution status ◦

Explanation :

- (1) Pursuant to Article 24 of the Articles of Incorporation.
- (2) The 2022 employees' and directors' remunerations have been approved upon the resolutions of the Remuneration Committee and the board of directors, and no employees' and directors' remunerations will be distributed.

4 、 Report on the 2022 cash dividend distributed from earnings.

Explanation :

1. Pursuant to the Articles of Incorporation, the board of directors is authorized to resolve the earning distribution as the 2022 shareholders' dividends, for total NT\$33,826,830 or NT\$0.5 per share, paid in cash only. The cash dividends are paid to each shareholder until NT\$ (rounded off). The sum of fractional amount will be included in the Company's other incomes.
2. The board of directors determined the base date of cash dividend is May 6, 2023, and the payment date is May 26, 2023.

C 、 Ratification Items

Motion 1

[Proposed by Board of Directors]

Subject : please ratify the Company's 2022 business report and financial statements.

Description :

1. The 2022 financial statements have been audited by Kuo, Kuan-Ying, CPA and Chien, Szu-Chuan, CPA from KPMG Taiwan with the auditor's report issued. The business report has also been audited by the Audit Committee with the audit report issued.
2. Attached please find the business report (please see Attachment 1) and the financial statements (please see Attachment 4) ; please ratify.

Resolution : Approved, the voting result of this proposal had reached the standard by the law

Voting Results:

Voting Results *	Share represented at the time of voting	Votes in favor	Votes against	Votes invalid	abstained
Shares	58,045,615	57,441,217	1,009	0	603,389
%	100%	98.95%	0.00%	0.00%	1.03%

*including votes casted electronically and e-meeting (numbers in brackets)

Motion 2

[Proposed by Board of Directors]

Subject : please ratify the Company's earnings distribution proposal for 2022

Description :

1. The 2022 earning distribution is approved by the Audit Committee and the resolved by the board of directors
2. Attached please find the 2022 Earning Distribution Table (please see Attachment 5), and please ratify

Resolution : Approved, the voting result of this proposal had reached the standard by the law

Voting Results:

Voting Results *	Share represented at the time of voting	Votes in favor	Votes against	Votes invalid	abstained
Shares	58,045,615	57,441,217	1,009	0	603,389
%	100%	98.95%	0.00%	0.00%	1.03%

*including votes casted electronically and e-meeting (numbers in brackets)

D、Discussion Items

Motion 1

[Proposed by Board of Directors]

Subject : please vote for the proposal to release directors from the non-compete restrictions.

Description :

1. As the directors of the Company may invest or engage in other companies with identical or similar business as the Company; with the premise that no harm to the Company's interests, it is intended to release the directors from the non-compete restrictions pursuant to Article 209 of the Company Act.
2. Attached please find the table detailing the new concurrent positions held by the directors in other companies. Please vote. (please see Attachment 6)

Resolution : Approved, the voting result of this proposal had reached the standard by the law

Voting Results:

Voting Results *	Share represented at the time of voting	Votes in favor	Votes against	Votes invalid	abstained
Shares	58,045,615	57,441,217	1,009	0	603,389
%	100%	98.95%	0.00%	0.00%	1.03%

*including votes casted electronically and e-meeting (numbers in brackets)

E 、Extraordinary Motions : NA.

F 、Meeting close (at 09:31 am on 6/30/2023)

(This English version of the AGM Minutes has been translated from the Chinese version of the AGM Minutes, in which the meeting's content and procedures were audio-video recorded.)



Compal Broadband Networks, Inc.

Business Report

I. 2022 business results

(I) Results of the business plans implemented.

Under the impact of numerous uncertain factors such as the shortage of raw materials, the Russia-Ukraine War, and global inflationary pressures, and to respond to the China-US trade war and the requirements of customers in Europe and the North America, the OEM plants were relocated to Vietnam. The mass production of new products in the Vietnamese OEM plants was hindered, and unexpected problems incurred, resulting in revenue decline since the end of the third quarter, and thus the revenue slumped from the previous year. Under the impact of ordeals in the overall environment, the Company has continuously been developing innovative application products to drive new growth momentum. Although the benefits of new products have not yet reflected in profits immediately, all employees are still making efforts to focus on core products and actively expand new products and expansion market share; the future results are promising.

(II) Financial position, profitability, and budget execution

In 2022, due to the declining sales of major niche products and the unsmooth mass production of new products, the consolidated net operating revenue was NT\$2,514,695 thousand, a decrease of 13.5% year-on-year; the gross operating profit was NT\$369,589 thousand, decreased by 35.5% from the previous year. Due to the increase in expenses related to the introduction of new products, there was a net loss after tax of NT\$63,146 thousand, and the after-tax loss per share of NT\$0.94. Regarding the financial operation, the principle of being robust is insisted, and the utilization of long and short-term funds are well planned to cope with the Company's needs of operation growth. The current ratio was 216% and the debt ratio was 43%; the financial structure was sound.

The Company did not disclose the financial forecast, so there is no execution of budget.

(III) R&D status

1. The shipment proportion of the Company's DOCSIS 3.1 gateways continuously increases, and the household gateways equipped with Wi-Fi 5 at the operator's end in the early stage have been gradually replaced by Wi-Fi 6; the DOCSIS 3.1 Wi-Fi 6 gateways developed by the Company have also passed the CableLabs certification and are in mass production and shipment smoothly. It is expected that the new product of the next-generation standards are DOCSIS 4.0 ultra-high-speed gateways, and the Company will also launch new products in the fourth quarter of 2023 for operator customers to test.
2. The trend of smart homes and the high demand for Wi-Fi wireless network coverage in the household environment have brought more market attentions to Wi-Fi Mesh applications. The Wi-Fi 5/6 extender launched by the Company integrates the Mesh function with the household wireless gateway to build a complete Wi-Fi wireless signal coverage, and eliminates the trouble to switch frequency bands or change accounts and password for Wi-Fi base stations in different areas at home, and the issues of inconsistent services, to improve users' experience when using wireless networks. The Company's Wi-Fi Mesh extenders paired with home wireless gateways have begun to be supplied to major customers in Americas and Taiwan.
3. The market trends show that the technical specification upgrade of Wi-Fi wireless chips are compressed from three years to two years. Since Wi-Fi 6E is generally deemed as a transitional product, the next-generation Wi-Fi 7 chips from major chip manufacturers are being launched one after another. The Company has been monitoring industry trends for a

long time and has invested the R&D resources, while closely working with mainstream chip manufacturers and customers in the new product development projects of Wi-Fi 7. Currently, the flagship household wireless gateways supporting quad-band Wi-Fi 7 and integrating DOCSIS 3.1. have entered the testing stage of brand customers in the North American market.

4. As telecom operators invest heavily in the construction of 5G network services, the last mile to adopt the fixed wireless access network (FWA) service for household broadband services has gradually become clear, and has become a promising profit-earning model. The Company's 5G FWA products have achieved remarkable results in the strategic partnership projects with customers, and will be shipped in 2023 successively.
5. The Company's 10G optical fiber products, developed through strategic cooperation with customers, continuously increase their maturity. Through the comprehensiveness and integrity of the products, the Company's competitive advantage are enhanced.

II. Overview of 2023 business plan

(I) Operating guidelines

In this year, the Company will insist the policies of sustainable operation with continuous growth. The major operating guidelines are as below:

1. Continual launches of Smart Cable Gateway (DOCSIS 3.1+ Wi-Fi 6/7), to maintain the leadership in the Smart Cable Gateway industry. Cope with the customers' demands, to enhance the network security and the Mesh function of other home routers.
2. Actively develop new product lines, including XGS-PON, LTE/5G FWA, and Wi-Fi 6, and Wi-Fi 7 AP/Router, to catch the opportunities of technology upgrade in the network communication industry.
3. Monitor the new technology standards in the industry, and engage in the early stage test of DOCSIS 4.0 and planning of product blueprint.
4. Based on the current advantageous products, the new markets are expanded to improve the business scale.
5. Focused on the added values of products, enhance the management capability, and develop with customers, strategic partners, and key suppliers together, for better competitive edges.
6. Build the production bases and supply chain system out of China, to effectively diverse the operational risk of over-concentration in China.
7. Comply with the laws and regulations of environmental protection and corporate social responsibility, fulfill the responsibilities as a corporate citizen, and feedback the operating results to the society.

(II) Key production and sales policies

1. Build the production bases and supply chain system out of China, to reduce the regional risks resulted from natural disasters or changes in international conditions or national policies, and provide the competitive production and sales support.
2. Conduct the raw material supply and QC strategy adjustment and control more effectively, to shorten the production cycle, increase the production momentum, for reducing the operating risks while enhancing the utilization of the working funds.
3. With the demand-oriented product design, the simplification of process and better production effectiveness are achieved, while lowering the inventory costs with the common parts and components.
4. Full-ranged quality management and the customer-oriented market strategy, and enhance the communication and coordination between the up- and downstream, to achieve the goal of profit sharing.

III. Future development strategies and external competition, and the effects of regulatory and macro operating environments

(I) Future development strategies of the Company

Expand the new market and the develop the new product mixes with full forces, to catch the great opportunities of technology upgrade in the network communication industry; be committed to the technological innovations, and provide the customized products and services with high added-values, to deepen the values and position in customers' eco-system, while raising the entrance barriers to competitors; the global logistic system is built actively to serve customers while diversifying risks, for seeking the sustainable operation and continuous growth.

(II) Effects of regulatory and macro operating environments

After two years of material shortage, the issue of material shortage in the netcom industry in 2023 will be completely addressed in the first half of 2023; nonetheless, it has become an industry consensus to monitor the changes in demands. Be it the netcom manufacturer of wireless broadband or network switches, they have the cautiously optimistic view toward 2023. Although the overall environment is poor and the momentum of new orders from customers shows signs of slowdown, the basic demand has not disappeared. As long as the pace of customers' procurement is normalized again, the contribution will be made to the overall operation in 2023. Looking to 2023, the business network equipment specifications will be upgraded; 5G CPE shipments are amplified, Wi-Fi 6/6E penetration rate is expected to increase, and cable modem will be upgraded to 3.0/3.1. resulting in promising continuous growth, but operations will become cautious, including the enhanced strength of controls over capital expenditures and inventory level.

IV. Conclusion

Finally, we'd like to express our most sincere appreciations to each shareholder for your support. All employees of Compal Broadband Networks will insist the foundation of existing technological core capabilities and competitive edges, to continuously enhance the R&D capacity and market development, while effectively integrate and exploit resources, to strive for the Company's growth and strength, as well as the maximum benefits of the Company and shareholders. And we look forward to the encourage and advices the management from each shareholders. Thank you very much, and wish you

Your truly,

Chairman Wong, Chung-Pin



President Wang, Yu-Ho



Accounting Officer Lee, Shu-Cheng





安侯建業聯合會計師事務所

KPMG

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Independent Auditor's

To the Board of Director, Compal Broadband Networks, Inc.

Opinion

We have audited the accompanying consolidated financial statements of Compal Broadband Networks, Inc. (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters, based on our judgement, shall be communicated in the Auditor's Report are the follows:

I. Inventory valuation

Please refer to Note 4(8) of the consolidated financial statements, Inventory; for the uncertainty of the inventory valuation, please refer to Note 5 of the consolidated financial statements; for the description of the inventory, please refer to Note 6(5) of the consolidated financial statements, Inventory.



Description of Key Audit Matters:

Inventory is measured between the costs and net realizable value, whichever is lower. As the main products of the Group are the communication products including smart gateway, digital set top boxes, and wireless broadband routers, as well as R&D and sales thereof, the selling prices of products fluctuate due to the supplies from the upstream suppliers and market competitive conditions, and thus there is the risk where the book value of the inventory may exceed the net realizable value; therefore, the inventory valuation is one of the key evaluation when we audited.

Responding Audit Procedures:

Our major audit procedures for the aforesaid key audit matter include to evaluate the reasonableness of the policy to provide allowance for inventory valuation and obsolescence losses, executing the random audit procedures to check the accuracy of the inventory age statement, and analyze the changes of inventory age for each period and assess if the inventory valuation complies with the existing account policies. Conduct the random audit procedures to check the sales prices adopted by the Group, to evaluate the reasonableness of the inventory net realizable value. Finally, the disclosure of the inventory is evaluated for the fairness.

Other Matters

We have also audited the parent company only financial statements of Compal Broadband Networks, Inc. as of and for the years ended December 31, 2022 and 2021, on which we have issued the audit report with unqualified opinion for the reference.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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



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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2022, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Taiwan

Certified Public Accountants:

鄧 慧 嫻
胡 恩 娟



Approval No. for the Certification by the
Competent Authority of Securities

Jin-Guan-Zheng-Sheng-Zhi No.
: 1010004977
Jin-Guan-Zheng-Sheng-Zhi No.
1070304941

March 15, 2023



安侯建業聯合會計師事務所
KPMG

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Independent Auditor's

To the Board of Director, Compal Broadband Networks, Inc.

Opinion

We have audited the accompanying consolidated financial statements of Compal Broadband Networks, Inc., which comprise the parent-only balance sheets as of December 31, 2022 and 2021, and the parent-only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent-Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent-only financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the parent-only 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, based on our judgement, shall be communicated in the Auditor's Report are the follows:

I. Inventory valuation

Please refer to Note 4(7) of the consolidated financial statements, Inventory; for the uncertainty of the inventory valuation, please refer to Note 5 of the consolidated financial statements; for the description of the inventory, please refer to Note 6(5) of the consolidated financial statements, Inventory.

Description of Key Audit Matters:

Inventory is measured between the costs and net realizable value, whichever is lower. As the main products of the Company are the communication products including smart gateway, digital set top boxes, and wireless broadband routers, as well as R&D and sales thereof, the selling prices of products fluctuate due to the supplies from the upstream suppliers and market competitive conditions, and thus there is the risk where the book value of the inventory may exceed the net realizable value; therefore, the inventory valuation is one of the key evaluation when we audited.



Responding Audit Procedures:

Our major audit procedures for the aforesaid key audit matter include to evaluate the reasonableness of the policy to provide allowance for inventory valuation and obsolescence losses, executing the random audit procedures to check the accuracy of the inventory age statement, and analyze the changes of inventory age for each period and assess if the inventory valuation complies with the existing account policies. Conduct the random audit procedures to check the sales prices adopted by the Group, to evaluate the reasonableness of the inventory net realizable value. Finally, the disclosure of the inventory is evaluated for the fairness.

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

Management is responsible for the preparation and fair presentation of the parent-only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent-only 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, (including the audit committee), are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent-Only Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent-only financial statements for the year ended December 31, 2022, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes



public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Taiwan

Certified Public Accountants:

鄧 慧 總



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Approval No. for the Certification : Jin-Guan-Zheng-Sheng-Zhi No. 1010004977
by the Competent Authority of Jin-Guan-Zheng-Sheng-Zhi No. 1070304941
Securities
March 15, 2023



Audit Report of the Audit Committee

The 2022 financial statements of Compal Broadband Networks, Inc. (hereafter “the Company”) have been approved by the Audit Committee and resolved by the board of directors, as well as audited by Kuo, Kuan-Ying, CPA and Chien, Szu-Chuan, CAP from KPMG Taiwan with the auditor’s report issued. Additionally, the board of directors also prepared and submit the 2022 Business Report and Proposal of Earning Distribution; after audit by the Audit Committee, it found no inconsistency to the related regulations including the Company Act. Pursuant to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, it is reported as above, for your review.

To

2023 Regular Shareholders’ Meeting

Compal Broadband Networks, Inc.



Convener of the Audit Committee:



March 15, 2023

Compal Broadband Networks, Inc. and subsidiaries

Consolidated balance sheet

December 31, 2022 and 2021

Unit: NT\$ thousand

Asset	December 31, 2022		December 31, 2021			Liabilities and equity	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%			Amount	%	Amount	%
Current assets						Current liabilities:				
1100 Cash and cash equivalents (Note 6(1))	\$ 660,964	25	1,046,514	32		Financial liabilities FVTPL - current	8,006	-	-	-
1110 Financial assets FVTPL - current (Note 6(2))	-	-	8,476	-	2120	Contractual liabilities - current (Note 6(17))	1,926	-	1,099	-
1170 Accounts receivable, net (Note 6(3) and (17))	488,778	19	895,538	28	2130	Accounts payable	550,823	21	669,572	21
1200 Other receivables, net (Note 6(4) and 7)	381,840	14	275,703	8	2170	Accounts payable - related parties (Note 7)	259,331	10	540,601	17
1310 Inventories (Note 6(5))	738,905	28	612,848	19	2180	Other payables (Note 7)	121,419	5	133,784	4
1410 Advances	45,431	2	55,789	2	2200	Income tax liabilities of the period	-	-	3,524	-
1470 Other current assets	7,853	-	25,808	1	2230	Liability reserves - current (Note 6(10))	117,404	4	179,577	6
	2,323,771	88	2,920,676	90	2250	Lease liabilities - current (Note 6(11))	14,702	1	15,253	-
					2280	Other current liabilities	1,620	-	1,524	-
Non-current assets					2300		1,075,231	41	1,544,934	48
1550 Investments accounted for using equity method (Note 6(6))	7,140	-	9,706	-		Non-current liabilities:				
1600 Property, plant and equipment (Note 6(7))	158,344	6	138,261	4		Deferred income tax liabilities (Note 6(13))	-	-	1,695	-
1755 Right-of-use asset (Note 6(8))	67,945	3	83,203	3	2570	Lease liabilities - non-current (Note 6(11))	53,777	2	68,158	2
1780 Intangible assets (Note 6(9))	3,997	-	6,810	-	2580		53,777	2	69,853	2
1840 Deferred income tax assets (Note 6(13))	76,787	3	76,656	3		Total liabilities	1,129,008	43	1,614,787	50
1900 Other non-current assets (Note 8)	4,201	-	4,192	-		Equity (Note 6(14) and (15)):				
	318,414	12	318,828	10	3110	Common share capital	680,021	26	684,704	21
					3200	Capital reserve	379,939	14	389,633	12
					3300	Retained earnings	465,018	17	596,583	18
					3410	Exchange difference from conversion the financial statements of foreign operating organization	(588)	-	(984)	-
					3491	Unearned remuneration by employees	(11,213)	-	(45,219)	(1)
						Total equity	1,513,177	57	1,624,717	50
Total assets	\$ 2,642,185	100	3,239,504	100		Total liabilities and equity	\$ 2,642,185	100	3,239,504	100

Chairman: Weng, Tsung-Bing



Managerial Officer: Wang, Yu-He



Accounting Officer: Lee, Shucheng




Compal Broadband Networks, Inc. and subsidiaries
Consolidated comprehensive income statement
December 31, 2022 and 2021

Unit: NT\$ thousand

	2022		2021	
	Amount	%	Amount	%
4000 Operating revenue	\$ 2,514,695	100	2,906,921	100
5000 Operating costs	2,145,106	85	2,334,286	80
Gross profit	<u>369,589</u>	<u>15</u>	<u>572,635</u>	<u>20</u>
Operating expenses				
6100 Promotion expenses	123,460	5	166,987	6
6200 Management expenses	103,684	4	105,464	4
6300 R&D expenses	242,424	10	216,351	7
Total operating expenses	<u>469,568</u>	<u>19</u>	<u>488,802</u>	<u>17</u>
Net operating profit (loss)	<u>(99,979)</u>	<u>(4)</u>	<u>83,833</u>	<u>3</u>
Non-operating income and expense				
7010 Other income	6,262	-	3,254	-
7020 Other profit and loss (Note 6(19))	18,825	1	(52,482)	(2)
7100 Interest incomes	10,686	-	2,727	-
7510 Interest expense (Note 6(11))	(994)	-	(410)	-
7770 Share of loss in affiliates and joint venture recognized by using equity method (Note 6(6))	(2,566)	-	(294)	-
	<u>32,213</u>	<u>1</u>	<u>(47,205)</u>	<u>(2)</u>
7900 Net profit (loss) before tax	<u>(67,766)</u>	<u>(3)</u>	<u>36,628</u>	<u>1</u>
7950 Less: Income tax (gains) expenses (Note 6(13))	<u>(4,620)</u>	<u>-</u>	<u>3,884</u>	<u>-</u>
Net (loss) profit of the period	<u>(63,146)</u>	<u>(3)</u>	<u>32,744</u>	<u>1</u>
8300 Other comprehensive loss and profit:				
8360 Items may be reclassified to profit and loss later				
8361 Exchange difference from conversion the financial statements of foreign operating organization	495	-	(1,342)	-
8399 Less: income tax related to the possibly reclassified item (Note 6(13))	99	-	(268)	-
Total items may be reclassified to profit and loss later	<u>396</u>	<u>-</u>	<u>(1,074)</u>	<u>-</u>
8300 Other comprehensive loss and profit of the period	<u>396</u>	<u>-</u>	<u>(1,074)</u>	<u>-</u>
Total comprehensive loss and profit of the period	<u>\$ (62,750)</u>	<u>(3)</u>	<u>31,670</u>	<u>1</u>
Earning (loss) per share (Note 6(16))				
9750 Basic earning (loss) per share (NT\$)	<u>\$ (0.94)</u>		<u>0.49</u>	
9850 Diluted EPS (NT\$)			<u>0.49</u>	

Chairman:
Weng, Tsung-Bing



Managerial Officer:
Wang, Yu-He



Accounting Officer:
Lee, Shucheng




Compal Broadband Networks, Inc. and subsidiaries
Consolidated change in equity statement
December 31, 2022 and 2021

Unit: NTS thousand

	Retained earnings						Other equity item				Total equity
	Common share capital	Share capital in advance	Capital reserve	Legal reserve	Special reserve	Undistributed earnings	Total	Exchange difference from conversion the financial statements of foreign operating organization	Unearned remuneration by employees	Total	
Balance at January 1, 2021	\$ 669,324	350	378,674	139,063	309	471,346	610,718	90	-	90	1,659,156
Net profit of the period	-	-	-	-	-	32,744	32,744	-	-	-	32,744
Other comprehensive loss and profit of the period	-	-	-	-	-	-	-	(1,074)	-	(1,074)	(1,074)
Total comprehensive loss and profit of the period	-	-	-	-	-	32,744	32,744	(1,074)	-	(1,074)	31,670
Earning appropriation and distribution											
Legal reserve set aside	-	-	-	4,672	-	(4,672)	-	-	-	-	-
Reversal of special reserve	-	-	-	-	(309)	309	-	-	-	-	-
Distribution of shareholder's dividends (cash)	-	-	-	-	-	(46,879)	(46,879)	-	-	-	(46,879)
Distribution of cash dividends from capital reserve	-	-	(20,091)	-	-	-	-	-	-	-	(20,091)
New share issuance for exercised warrants by employees	380	(350)	-	-	-	-	-	-	-	-	30
Issuance of restricted stock for employees	15,000	-	31,050	-	-	-	-	-	(46,050)	(46,050)	-
Transaction of share-based payment	-	-	-	-	-	-	-	-	831	831	831
Balance at December 31, 2021	684,704	-	389,633	143,735	-	452,848	596,583	(984)	(45,219)	(46,203)	1,624,717
Net loss of the period	-	-	-	-	-	(63,146)	(63,146)	-	-	-	(63,146)
Other comprehensive loss and profit of the period	-	-	-	-	-	-	-	396	-	396	396
Total comprehensive loss and profit of the period	-	-	-	-	-	(63,146)	(63,146)	396	-	396	(62,750)
Earning appropriation and distribution											
Legal reserve set aside	-	-	-	3,275	-	(3,275)	-	-	-	-	-
Special reserve set aside	-	-	-	-	984	(984)	-	-	-	-	-
Distribution of shareholder's dividends (cash)	-	-	-	-	-	(68,419)	(68,419)	-	-	-	(68,419)
Transaction of share-based payment	(4,683)	-	(9,694)	-	-	-	-	-	34,006	34,006	19,629
Balance at December 31, 2022	\$ 680,021	-	379,939	147,010	984	317,024	465,018	(588)	(11,213)	(11,801)	1,513,177

Chairman: Weng, Tsung-Bing



Managerial Officer: Wang, Yu-He



Accounting Officer: Lee, Shucheng




Compal Broadband Networks, Inc. and subsidiaries
Consolidated cash flow statement
December 31, 2022 and 2021

Unit: NT\$ thousand

	2022	2021
Cash flow from operating activities:		
Net profit (net loss) before tax for the period	\$ (67,766)	36,628
Adjustment items		
Income and expense item		
Depreciation and amortization item	64,058	52,390
Expected credit losses	836	987
Interest expense	994	410
Interest incomes	(10,686)	(2,727)
Remuneration costs of share-based payment	19,629	831
Share of loss in affiliates and joint venture recognized by using equity method	2,566	294
Gains from disposal of property, plant and equipment	(13)	-
Total income and expense item	77,384	52,185
Changes in assets/liabilities related to operating activities:		
Decrease (increase) in financial assets FVTPL mandatorily	8,476	(8,476)
Decrease (increase) in accounts receivable	405,181	(374,593)
Increase in other receivables	(105,277)	(149,145)
Increase in inventories	(126,057)	(304,208)
Decrease (increase) in advances	10,358	(23)
Decrease (increase) in other current assets	(3,298)	2,531
Increase (decrease) in financial asset or liability held for trading	8,006	(9,701)
Increase (decrease) in contract liability	827	(20,563)
Increase (decrease) in accounts payable	(400,019)	485,328
Increase (decrease) in other payables	(12,365)	24,027
Decrease in liability reserve	(62,173)	(21,273)
Increase (decrease) in other current liabilities	96	(2,675)
Total net changes in assets/liabilities related to operating activities:	(276,245)	(378,771)
Total adjustment items	(198,861)	(326,586)
Cash outflow from operations	(266,627)	(289,958)
Interests collected	10,569	2,881
Interests paid	(994)	(410)
Refunded (paid) income tax	20,424	(115)
Net cash outflow from operating activities	(236,628)	(287,602)
Cash flow from investing activities		
Acquired investments accounted for using equity method	-	(10,000)
Acquired property, plant and equipment	(62,097)	(90,275)
Consideration from disposal of property, plant and equipment	888	3
Increase in refundable deposits	(9)	(26)
Acquired intangible assets	(4,294)	(5,741)
Net cash outflow from investing activities	(65,512)	(106,039)
Cash flow from financing activities		
Repayment of lease principal	(15,486)	(16,099)
Cash dividend payment	(68,419)	(66,970)
Exercised warrants by employees	-	30
Net cash outflow from financing activities	(83,905)	(83,039)
Effects on cash and cash equivalents from exchange rate changes	495	(1,342)
Decrease in cash and cash equivalents of the period	(385,550)	(478,022)
Beginning cash and cash equivalents of the period	1,046,514	1,524,536
Ending cash and cash equivalents of the period	\$ 660,964	1,046,514

Chairman:
Weng, Tsung-Bing



Managerial Officer:
Wang, Yu-He



Accounting Officer:
Lee, Shucheng



Compal Broadband Networks, Inc.

Balance sheet

December 31, 2022 and 2021

Unit: NT\$ thousand

Asset	December 31, 2022		December 31, 2021			Liabilities and equity	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%			Amount	%	Amount	%
Current assets						Current liabilities:				
1100 Cash and cash equivalents	\$ 649,430	25	\$ 649,430	25	2120	Financial liabilities FVTPL - current	\$ 8,006	-	\$ 8,006	-
1110 Financial assets FVTPL - current	-	-	-	-	2130	Contractual liabilities - current	1,926	-	1,926	-
1170 Accounts receivable, net	488,778	18	488,778	18	2170	Accounts payable	550,823	21	550,823	21
1200 Other receivables, net	381,820	14	381,820	14	2180	Accounts payable - related parties	259,331	10	259,331	10
1310 Inventory	738,905	28	738,905	28	2200	Other payables	121,419	5	121,419	5
1410 Advances	45,431	2	45,431	2	2230	Income tax liabilities of the period	-	-	-	-
1470 Other current assets	7,853	-	7,853	-	2250	Liability reserves - current	117,404	4	117,404	4
	2,312,217	87	2,312,217	87	2280	Lease liabilities - current	14,702	1	14,702	1
					2300	Other current liabilities	1,620	-	1,620	-
							1,075,231	41	1,075,231	41
Non-current assets						Non-current liabilities:				
1550 Investments accounted for using equity method	18,694	1	21,138	1		Deferred income tax liabilities	-	-	1,695	-
1600 Property, plant and equipment	158,344	6	138,261	4	2570	Lease liabilities - non-current	53,777	2	68,158	2
1755 Right-of-use assets	67,945	3	83,203	3	2580		53,777	2	69,853	2
1780 Intangible assets	3,997	-	6,810	-			1,129,008	43	1,614,787	50
1840 Deferred income tax assets	76,787	3	76,656	2		Total liabilities				
1900 Other non-current assets	4,201	-	4,192	-		Equity:				
	329,968	13	330,260	10	3100	Share capital	680,021	26	684,704	21
					3200	Capital reserve	379,939	14	389,633	12
					3300	Retained earnings	465,018	17	596,583	18
					3410	Exchange difference from conversion the financial statements of foreign operating organization	(588)	-	(984)	-
					3491	Unearned remuneration by employees	(11,213)	-	(45,219)	(1)
						Total equity	1,513,177	57	1,624,717	50
Total assets	\$ 2,642,185	100	3,239,504	100		Total liabilities and equity	\$ 2,642,185	100	3,239,504	100

Chairman: Weng, Tsung-Bing



Managerial Officer: Wang, Yu-He



Accounting Officer: Lee, Shucheng




Compal Broadband Networks, Inc.
Comprehensive income statement
December 31, 2022 and 2021

		Unit: NT\$ thousand			
		2022		2021	
		Amount	%	Amount	%
4000	Operating revenue	\$ 2,514,695	100	2,906,921	100
5000	Operating costs	2,145,106	85	2,334,286	80
	Gross profit	369,589	15	572,635	20
	Operating expenses				
6100	Promotion expenses	123,460	5	166,987	6
6200	Management expenses	103,311	4	105,069	4
6300	R&D expenses	242,424	10	216,351	7
	Total operating expenses	469,195	19	488,407	17
	Net operational profit	(99,606)	(4)	84,228	3
	Non-operating income and expense				
7010	Other income	6,262	-	3,254	-
7020	Other profit and loss	18,825	1	(52,482)	(2)
7100	Interest incomes	10,686	-	2,727	-
7510	Interest expense	(994)	-	(410)	-
7775	Share of loss in subsidiaries, affiliates and joint venture recognized by using equity method	(2,939)	-	(689)	-
		31,840	1	(47,600)	(2)
7900	Net profit (loss) before tax	(67,766)	(3)	36,628	1
7950	Less: income tax expense (income)	(4,620)	-	3,884	-
	Net profit of the period	(63,146)	(3)	32,744	1
8300	Other comprehensive loss and profit:				
8360	Items may be reclassified to profit and loss later				
8361	Exchange difference from conversion the financial statements of foreign operating organization	495	-	(1,342)	-
8399	Less: income tax related to the possibly reclassified item	99	-	(268)	-
	Total items may be reclassified to profit and loss later	396	-	(1,074)	-
8300	Other comprehensive loss and profit of the period	396	-	(1,074)	-
	Total comprehensive loss and profit of the period	<u>\$ (62,750)</u>	<u>(3)</u>	<u>31,670</u>	<u>1</u>
	EPS				
9750	Basic EPS (NT\$)	<u>\$ (0.94)</u>		<u>0.49</u>	
9850	Diluted EPS (NT\$)			<u>0.49</u>	

Chairman:
Weng, Tsung-Bing



Managerial Officer:
Wang, Yu-He



Accounting Officer:
Lee, Shucheng





Compal Broadband Networks, Inc.
Change in equity statement
December 31, 2022 and 2021

Unit: NT\$ thousand

	Retained earnings							Other equity item			Total equity
	Common share capital	Share capital in advance	Capital reserve	Legal reserve	Special reserve	Undistributed earnings	Total	Exchange difference from conversion the financial statements of foreign operating organization	Unearned remuneration by employees	Total	
Balance at January 1, 2021	\$ 669,324	350	378,674	139,063	309	471,346	610,718	90	-	90	1,659,156
Net profit of the period	-	-	-	-	-	32,744	32,744	-	-	-	32,744
Other comprehensive loss and profit of the period	-	-	-	-	-	-	-	(1,074)	-	(1,074)	(1,074)
Total comprehensive loss and profit of the period	-	-	-	-	-	32,744	32,744	(1,074)	-	(1,074)	31,670
Earning appropriation and distribution											
Legal reserve set aside	-	-	-	4,672	-	(4,672)	-	-	-	-	-
Special reserve set aside	-	-	-	-	(309)	309	-	-	-	-	-
Distribution of shareholder's dividends (cash)	-	-	-	-	-	(46,879)	(46,879)	-	-	-	(46,879)
Distribution of cash dividends from capital reserve	-	-	(20,091)	-	-	-	-	-	-	-	(20,091)
New share issuance for exercised warrants by employees	380	(350)	-	-	-	-	-	-	-	-	30
Issuance of restricted stock for employees	15,000	-	31,050	-	-	-	-	-	(46,050)	(46,050)	-
Transaction of share-based payment	-	-	-	-	-	-	-	-	831	831	831
Balance at December 31, 2021	684,704	-	389,633	143,735	-	452,848	596,583	(984)	(45,219)	(46,203)	1,624,717
Net loss of the period	-	-	-	-	-	(63,146)	(63,146)	-	-	-	(63,146)
Other comprehensive loss and profit of the period	-	-	-	-	-	-	-	396	-	396	396
Total comprehensive loss and profit of the period	-	-	-	-	-	(63,146)	(63,146)	396	-	396	(62,750)
Earning appropriation and distribution											
Legal reserve set aside	-	-	-	3,275	-	(3,275)	-	-	-	-	-
Special reserve set aside	-	-	-	-	984	(984)	-	-	-	-	-
Distribution of shareholder's dividends (cash)	-	-	-	-	-	(68,419)	(68,419)	-	-	-	(68,419)
Transaction of share-based payment	(4,683)	-	(9,694)	-	-	-	-	-	34,006	34,006	19,629
Balance at December 31, 2022	\$ 680,021	-	379,939	147,010	984	317,024	465,018	(588)	(11,213)	(11,801)	1,513,177

Chairman: Weng, Tsung-Bing



Managerial Officer: Wang, Yu-He



Accounting Officer: Lee, Shucheng



Compal Broadband Networks, Inc.
Cash flow statement
December 31, 2022 and 2021

	Unit:	NT\$ thousand
	<u>2022</u>	<u>2021</u>
Cash flow from operating activities:		
Net profit before tax of the period	\$ (67,766)	36,628
Adjustment items		
Income and expense item		
Depreciation and amortization item	64,058	52,390
Expected credit impairment loss (reversal of income)	836	987
Interest expense	994	410
Interest incomes	(10,686)	(2,727)
Remuneration costs of share-based payment	19,629	831
Share of loss in subsidiaries, affiliates and joint venture recognized by using equity method	2,939	689
Other	(13)	-
Total income and expense item	<u>77,757</u>	<u>52,580</u>
Changes in assets/liabilities related to operating activities:		
Increase in financial assets FVTPL mandatorily	8,476	(8,476)
Increase of accounts receivable	405,181	(374,593)
Decrease (increase) in other receivables	(105,276)	(149,133)
Decrease (increase) in inventory	(126,057)	(304,208)
Increase in advances	10,358	(23)
Decrease in other current assets	(3,298)	2,531
Decrease (increase) in financial assets held for transaction	8,006	(9,701)
Decrease (increase) in lease liabilities	827	(20,563)
Increase in accounts payable	(400,019)	485,328
Decrease (increase) in other payables	(12,365)	24,027
Decrease in liability reserve	(62,173)	(21,273)
Decrease (increase) in other current liabilities	96	(2,675)
Total net changes in assets/liabilities related to operating activities:	<u>(276,244)</u>	<u>(378,759)</u>
Total adjustment items	<u>(198,487)</u>	<u>(326,179)</u>
Cash (outflow) inflow generated from operation	(266,253)	(289,551)
Interests collected	10,569	2,881
Interests paid	(994)	(410)
Income tax paid	20,424	(115)
Net cash (outflow) inflow generated from operation	<u>(236,254)</u>	<u>(287,195)</u>
Cash flow from investing activities		
Acquired investments accounted for using equity method	-	(10,000)
Acquired property, plant and equipment	(62,097)	(90,275)
Consideration from disposal of property, plant and equipment	888	3
(Increase) decrease in refundable deposits	(9)	(26)
Acquired intangible assets	(4,294)	(5,741)
Net cash outflow from investing activities	<u>(65,512)</u>	<u>(106,039)</u>
Cash flow from financing activities		
Repayment of lease principal	(15,486)	(16,099)
Cash dividend payment	(68,419)	(66,970)
Exercised warrants by employees	-	30
Net cash outflow from financing activities	<u>(83,905)</u>	<u>(83,039)</u>
(Decrease) increase in cash and cash equivalents of the period	(385,671)	(476,273)
Beginning cash and cash equivalents of the period	1,035,101	1,511,374
Ending cash and cash equivalents of the period	<u>\$ 649,430</u>	<u>1,035,101</u>

Chairman:
Weng, Tsung-Bing



Managerial Officer:
Wang, Yu-He



Accounting Officer:
Lee, Shucheng



Compal Broadband Networks, Inc.
Earning Distribution Table



Attachment 5

	Unit: NT\$
	Amount
Beginning undistributed earnings	380,169,969
Plus: net profit after tax for 2022	(63,146,401)
Add: Special reserve, as the deduction of equity, reversed	395,745
Distributable earnings	317,419,313
Distribution items:	
Less: shareholders' dividends distributed - cash (cash dividend NT\$0.5 per share)	(33,826,830)
Ending accumulated undistributed earning	283,592,483

Chairman:
Wong, Chung-Pin



Managerial Officer:
Wang, Yu-Ho



Accounting Officer:
Lee, Shu-Cheng



Compal Broadband Networks, Inc.

Table Detailing the New Concurrent Positions Held by the Directors in other Companies

Title	Name	Positions currently held in other companies	
Chairman	Weng, Tsung-Bing (Representative of the corporate shareholder, Compal Electronics, Inc.)	Chairman	Poindus Systems Corp.
Director	Chen, Jui-Tsung (Representative of the corporate shareholder, Compal Electronics, Inc.)	Director	NCKUEE ALUMNI ASSOCIATION 、Compal Americas (US) Inc. 、Compal Electronics N.A. Inc.
Director	Tsai, Rong-Jin (Representative of the Rui Xin Investment Co., Ltd.)	Chairman	Integrity Technology Co., Ltd.