



ACTER GROUP CORPORATION LIMITED
2022 Annual General Shareholders' Meeting Minutes

Time : 09:00 a.m on Thursday, 26 May, 2022

Method : Visual communication assisted shareholders meeting

Place : B2F, No.201, Sec. 2, Wenxin Rd., Xitun Dist., Taichung City 407, Taiwan
(SWEETEN PLAZA's international hall)

Platform of virtual meeting : The e-Meeting platform of TDCC

(<https://www.stockvote.com.tw/evote/index.html>)

Total outstanding Acter shares : 57,268,618 shares

Total shares represented by shareholders present in person or by proxy : 42,146,391 shares (9,487,599 votes casted electronically and 31,162 votes casted through the e-Meeting platform)

Percentage of shares held by shareholders present in person or by proxy : 73.59%

Chairman : Yang, Jung-Tang (proxy)

Recorder : He, Sin-Wen

Attendee : Liang, Chin-Li, the board chairman (Member of Nominating Committee, attendance via videoconferencing)

Hu, Tai-Tsen, Director

Yeh, Hui-Hsin, Independent Director (Convener of Audit Committee and member of Remuneration Committee and Nominating Committee, attendance via videoconferencing)

Wang, Mao-Rong, Independent Director (Member of Audit Committee, Remuneration Committee and Nominating Committee, attendance via videoconferencing)

Yang, Qian (Convener of Remuneration Committee and Nominating Committee and member of Audit Committee, attendance via videoconferencing)

Attending as Delegates :

Lai, Ming-Kun, President, attendance via videoconferencing

Wang, Chun-Sheng, President

Tsao, Yun-Han, CFO & Chief corporate governance officer

Chen, Cheng-Hsueh, CPA

Wang, Shu-Rong, Attorney

1. Call the Meeting to Order : The aggregate shareholders of shareholders present in person or by proxy constituted a quorum. The chairman called the meeting to order.

2. Chairperson Remarks : (omitted)

3. Report Items

Report No. 1 : To report the distribution of 2021 employee and director compensation. (Proposed by the Board of Directors)

Explanation :

- (1) The Board of Directors resolved that when distributing the surplus profits for each fiscal year, the company shall first offset its losses of previous years and set not less than three percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to employees; and then set not more than five percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to directors. Independent directors shall be excluded from distribution.
- (2) The company proposed to allocate 6% for employee compensation (not less than 3%) in the amount of NTD 91,748,100. It also planned to allocate 3% for the compensation of directors (not higher than 5%) in the amount of NTD 45,874,050.

Report No. 2 : 2021 Business Report. (Proposed by the Board of Directors)

Explanation : The 2021 Business Report is attached as Attachment 1 and Attachment 2.

Report No. 3 : Audit Committee’s Review Report of 2021 Financial Statements.
(Proposed by the Board of Directors)

Explanation : The 2021 Audit Committee’s Review Report is attached as Attachment 3.

Report No. 4 : The distribution of 2021 cash dividends. (Proposed by the Board of Directors)

Explanation : On February 24, 2022, board of directors approved to distribute 2021 cash dividends of NT\$15 per share, with a total amount of NT\$ 859,029,270. When distributing cash dividends, the total amount paid to each shareholder shall be in whole NT dollars and any fractional amount less than one NT dollar shall be rounded up to the next NT dollar. The resulting difference shall be recognized as a company expense.

Report No. 5 : 2021 Corporate governance report. (Proposed by the Board of Directors)

Explanation: The 2021 Corporate governance report is attached as Attachment 4.

Report No. 6 : To report the 2021 annual operation of Audit Committee and its communication with the company’s chief internal auditor. (Proposed by the Board of Directors)

Explanation: The 2021 annual operation report of Audit Committee and its communication with the company’s chief internal auditor is attached as Attachment 5.

Report No. 7 : To report the connection and reasonableness between the compensation policy of the directors and managerial officers and performance assessment results in 2021. (Proposed by the Board of Directors)

Explanation :

- (1) The company's compensation procedures for directors and managerial officers are based on the "Rules for Performance Evaluation of Board of Directors and Functional Committees" and "Employee appraisal guidelines." In addition to referring to the company's business performance, future risks, development strategies and industry trends, it also considers individual's contribution made to the company and provides reasonable compensation. Director's compensation policy and individual's compensation is attached as Attachment 6.
- (2) According to the correlation analysis between the average compensation and performance assessment of the directors in the industry, it is shown that the company's compensation level of directors is within a reasonable range and is proposed to maintain the current allocation ratio of not higher than 5% in 2021.
- (3) According to the analysis of the annual reports in the industry, the company's compensation for managerial officers is positively correlated with the overall performance contribution and future risks. It is proposed to maintain the current allocation ratio of not less than 3% in 2021.

4. Proposals

Proposal No. 1 : Adoption of the 2021 Business Report and Financial Statements.

(Proposed by the Board of Directors)

Explanation :

- (1) Acter Company's Financial Statements, including the balance sheet, statement of comprehensive income, statement of change in equity, and statement of cash flows, were audited by independent auditors, Chen, Cheng-Hsueh CPA and Huang, Hai-Ning CPA of KPMG Firm. Also Business Report and Financial Statements have been approved

by the Board held on Feb. 24, 2022 and examined by the Audit Committee of Acter Company.

- (2) The 2021 Business Report, independent auditors' report, and the above-mentioned Financial Statements are attached in the Meeting Agenda as Attachment 1 and Attachment 2.

Voting Results : Sharers represented at the time of voting : 42,146,391 votes

Voting Results	% of the total represented shares present
40,501,171 votes in favor (including 7,873,541 votes casted electronically and 0 votes casted through the e-Meeting platform)	96.09%
870 votes against (including 870 votes casted electronically and 0 votes casted through the e-Meeting platform)	0.00%
0 votes invalid	0.00%
1,644,350 votes abstained (including 1,613,188 votes casted electronically and 31,162 votes casted through the e-Meeting platform)	3.90%

Resolved : The above proposal be and hereby was approved as proposed.

Proposal No. 2 : Adoption of the Proposal for Distribution of 2021 Profits.
(Proposed by the Board of Directors)

Explanation : Please refer to the 2021 Profit Distribution Table as follows.

ACTER GROUP CORPORATION LIMITED
PROFIT DISTRIBUTION TABLE
Year 2021

Unit : NTD

Beginning retained earnings	1,211,382,467
Add: net profit after tax	1,204,410,150
Less: remeasurements of defined benefit plans	6,283,013
Less: 10% legal reserve(2021)	119,812,714
Less: Special reserve appropriated	31,923,785
Distributable net profit	2,257,773,105
Distributable items:	
Cash Dividend to shareholders (15 per share)(Note1)	859,029,270
Stock Dividend to shareholders (0 per share)	0
Unappropriated retained earnings	1,398,743,835

Note1:Pursuant to Article 26-1 of the Articles of Incorporation of the Company, it has been resolved by the board of directors and reported to this shareholder’s meeting. Please refer to Report No. 4.

Voting Results : Sharers represented at the time of voting : 42,146,391 votes

Voting Results	% of the total represented shares present
40,584,576 votes in favor (including 7,956,946 votes casted electronically and 0 votes casted through the e-Meeting platform)	96.29%
8,465 votes against (including 8,465 votes casted electronically and 0 votes casted through the e-Meeting platform)	0.02%
0 votes invalid	0.00%
1,553,350 votes abstained (including 1,522,188 votes casted electronically and 31,162 votes casted through the e-Meeting platform)	3.68%

Resolved : The above proposal be and hereby was apporved as proposed.

5. Discussion

Proposal No. 1 : Discussion on the proposal to amend “Articles of Incorporation.”
(Proposed by the Board of Directors)

Explanation : In order to conform to the amendments of related commercial laws and the needs of business development, the company hereby proposes to amend “Articles of Incorporation.” Please refer to Attachment 7 for details.

Voting Results : Sharers represented at the time of voting : 42,146,391 votes

Voting Results	% of the total represented shares present
38,075,022 votes in favor (including 5,447,392 votes casted electronically and 0 votes casted through the e-Meeting platform)	90.33%
2,091,362 votes against (including 2,091,362 votes casted electronically and 0 votes casted through the e-Meeting platform)	4.96%
0 votes invalid	0.00%
1,980,007 votes abstained (including 1,948,845 votes casted electronically and 31,162 votes casted through the e-Meeting platform)	4.69%

Resolved : The above proposal be and hereby was apporved as proposed.

Proposal No. 2 : Discussion on the proposal to amend “Rules of Procedure for Shareholder Meetings.” (Proposed by the Board of Directors)

Explanation : In order to conform to the amendments of related commercial laws, the company hereby proposes to amend “Rules of Procedure for Shareholder Meetings.” Please refer to Attachment 8 for details.

Voting Results : Sharers represented at the time of voting : 42,146,391 votes

Voting Results	% of the total represented shares present
40,515,767 votes in favor (including 7,888,137 votes casted electronically and 0 votes casted through the e-Meeting platform)	96.13%
75,131 votes against (including 75,131 votes casted electronically and 0 votes casted through the e-Meeting platform)	0.17%
0 votes invalid	0.00%
1,555,493 votes abstained (including 1,524,331 votes casted electronically and 31,162 votes casted through the e-Meeting platform)	3.69%

Resolved : The above proposal be and hereby was apporved as proposed.

Proposal No. 3 : Discussion on the proposal to amend “Procedures for Election of Directors.” (Proposed by the Board of Directors)

Explanation : In order to conform to the needs of corporate governance practice, the company hereby proposes to amend “Procedures for Election of Directors.” Please refer to Attachment 9 for details.

Voting Results : Sharers represented at the time of voting : 42,146,391 votes

Voting Results	% of the total represented shares present
40,582,679 votes in favor (including 7,955,049 votes casted electronically and 0 votes casted through the e-Meeting platform)	96.28%
9,078 votes against (including 9,078 votes casted electronically and 0 votes casted through the e-Meeting platform)	0.02%
0 votes invalid	0.00%
1,554,634 votes abstained (including 1,523,472 votes casted electronically and 31,162 votes casted through the e-Meeting platform)	3.68%

Resolved : The above proposal be and hereby was approved as proposed.

Proposal No. 4 : Discussion on the proposal to amend “Procedure for Acquisition or Disposal of Assets.” (Proposed by the Board of Directors)

Explanation : In order to conform to the amendments of related commercial laws, the company hereby proposes to amend “Procedure for Acquisition or Disposal of Assets.” Please refer to Attachment 10 for details.

Voting Results : Sharers represented at the time of voting : 42,146,391 votes

Voting Results	% of the total represented shares present
40,583,739 votes in favor (including 7,956,109 votes casted electronically and 0 votes casted through the e-Meeting platform)	96.29%
9,078 votes against (including 9,078 votes casted electronically and 0 votes casted through the e-Meeting platform)	0.02%
0 votes invalid	0.00%
1,553,574 votes abstained (including 1,522,412 votes casted electronically and 31,162 votes casted through the e-Meeting platform)	3.68%

Resolved : The above proposal be and hereby was approved as proposed.

6. Questions and Motions : None.

7. Adjournment : The meeting adjourned at 9:33 a.m.

(This meeting minutes records only the essential points of the proceedings and the results of the meeting in accordance with paragraph 4, Article 183 of the Company Act. The meeting audio recording shall prevail regarding the meeting content, proceedings, and shareholders’ statements.)

Chairman : Yang, Jung-Tang



Recorder : He, Sin-Wen



Attachment 1: Business Report

ACTER GROUP CORPORATION LIMITED

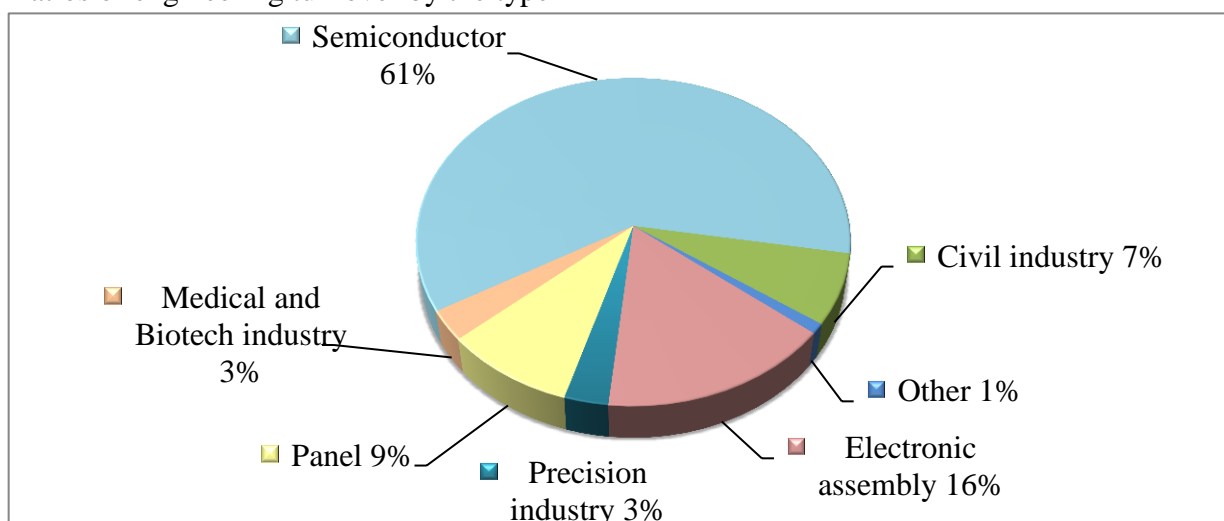
2021 Business Report

1. 2021 Business results

(1). Business plan implementation results

Although Acter group's performance of 2021 was affected by COVID-19 and the shortage of material and human resource in recent years, the expansion needs has created a good order visibility for Acter, which has contributed to the growth of the overall revenue performance. Consolidated revenue of 2021 achieves NTD 20.2 billion, hitting a record-high, and has an increase of 44.65% compared to last year. In terms of profitability, the net profit after tax reached NTD 1,550 million, attaining 29.62% growth compared to last year.

Ratios of engineering turnover by the type



Unit : In thousands of New Taiwan Dollars

Items	2021	2020	%
Operating revenue	20,217,225	13,977,010	44.65
Operating cost	16,934,426	11,458,504	47.79
Gross profit	3,282,799	2,518,506	30.35
Operating expenses	1,143,540	817,444	39.89
Operating income	2,139,259	1,701,062	25.76
Non-Operating income and expenses	39,242	(6,956)	(664.15)
Income before income taxes	2,178,501	1,694,106	28.59

(2). State of budget implementation

This item is not applicable since Acter has not disclosed any financial forecasts.

(3). Financial structure and profitability

Items		2021	
Financial structure	Ratio of liabilities to assets (%)	60.99	
	Ratio of long-term capital to fixed assets (%)	1557.90	
Solvency	Current ratio (%)	176.59	
	Quick ratio (%)	112.23	
Profitability	Return on total assets (%)	9.30	
	Return on stockholders' equity (%)	22.86	
	Ratio to issued capital (%)	Operating income	374.08
		Pre-tax income	380.94

Items		2021
	Profit ratio (%)	7.68
	Earnings per share (\$)	21.08

(4).Research and development

The department in charge of technology, research, and development continued to develop different innovative techniques for different industries and projects taking advantage of value-added engineering in order to strengthen our competitive advantages. Descriptions are provided as follows:

I. Solvent Recycling Outsourcing Business

The Company cooperates with the overseas company and research institutions of domestic universities and colleges to develop high purity distillation as the core technology, in order to realizing the high purity and reusing of chemicals.

II. Concentration Control System for Chemical Liquid

It is a composite application of on-line distillation equipment and high precision meter and the precision will be assured by erasing the errors results from temperature and measurement according to temperature characteristics and moving average for data processing method.

III. New Type Electronic-grade Chemicals Supply System

We adopt different design manners such as flow-line design for avoiding transporting with higher efficiency, controlling the cleanliness of cleaning area, utilizing vertical type auto titling cleaning design and new style cleaning nozzle for better cleaning effect, employing visual determination system to distinguish the cleaning effect within a bucket. Besides, we also design clean parameter to be editable and recordable for building up product tracing system.

IV. Biotech Industry

The innovation, research, and development efforts in the implementation of biotech pharmaceutical projects were mainly reflected in the system impact assessment (SIA). Modern biotech pharmaceutical companies must comply with the PIC/S GMP requirements and GEP (Good Engineering Practice) is the cornerstone of PIC/S GMP while SIA is at the core of GEP.

The standard SIA operating procedure researched and developed by the Quality Control Department applies to projects during the design stage. Quality control engineers and system engineers apply the standard SIA operating procedure while performing internationally approved assessments of all systems involved in biotech pharmaceutical projects comprehensively. By successfully implementing the standard SIA operating procedure, it helps set a clear goal while biotech pharmaceutical projects are being qualified, which not only saves the manpower and time needed for a project but also perfects the qualification logic for biotech pharmaceutical projects.

We will proactively establish the standard operating procedures for critical component assessments (CCAs) of air-conditioning, water purification, distillation, steam purification, compressed air, partition, power, firefighting, drainage, and automatic control systems in order to more effectively, economically, and completely fulfill the needs of biotech pharmaceutical projects.

V. Continued Developments in Respective Engineering Aspects

- Electrical and mechanical engineering:
 - a. The BIM (Building Information Modeling) technology is employed to enhance technical capacity for space management, solve engineering pipeline construction collision problems, improve accuracy of construction, and reduce the loss of construction materials and manpower waste caused by repeated pipeline modifications. This will help improve project quality and achieve shorter construction period.
 - b. A research and development cooperation between the industry and universities was formed for the production of aseptic wet stencils. To reduce micro-contamination of clean production line products caused by large amounts of air outside the plant, high-tech facilities adopt wet template rinsing systems to remove or reduce damage. However, general wet template can easily cause a large amount of bacteria to breed and survive in an environment with high temperature and high humidity. The research and development of a rinsing mechanism for sterile wet template can simultaneously solve the problem of micro-molecular contamination on the product and reduce risks for operators.
 - c. Taking advantage of night-time off-peak hours to run the refrigerant compressor and produce ice. When the compressor is running and the brine water temperature is below 0°C, water inside the tank and container will experience phase changes and freeze in order to store lots of latent heat. The stored ice will then melt to release cold energy during the day when power utilization reaches the peak to satisfy the air-conditioning load demand and accomplish the goal of reducing the uptime of the compressor. By shifting air-conditioning power consumption from peak hours to off-peak ones, it successfully transfers peak air-conditioning load during the day and reduce electricity bills accordingly.
 - d. The heat pump air-conditioning system is used in places where both cold and heat sources are required. In addition to the usual air-conditioning requirements, high-efficiency hot water sources can also be provided for use. In places such as restaurants, hotels, slaughterhouses, etc., this feature can improve the efficiency of energy use, reduce the amount of energy used, and achieve the best energy-saving design.
- Special engineering: Taking advantage of air pressure differences between outdoors and indoors; the surrounding outdoor air will only flow toward the negative pressure area indoors because of the characteristic that air is flowing from a high pressure area to a lower one. Negative pressure is an important protection mechanism that blocks an area from an outside environment; it is often used as a means to control air dispersion as it helps ensure that air flows toward an anticipated direction. ACTER successfully applied the negative pressure technology to help hospitals configure isolated negative-pressure patient wards.
- Bio-tech engineering: PIC/S GMP standards have more rigid requirements for clean rooms configured in pharmaceutical manufacturing facilities; they differ from existing cGMP standards in Taiwan the most in facilities and operations that help prevent against cross contamination.
- Clean room engineering: ACTER helps businesses complete clean room engineering by controlling the temperature, humidity, airflow, air pressure, applying CFD (Computational Fluid Dynamics), detecting AMC (Airborne Molecular Contamination) technique and particles of indoor air along with indoor illumination and dust-free building materials.

- Ultra-high building engineering: Taking advantage of separation through the turn layer to successfully reduce the pressure resistance level of pipeline, increase operation stability and security, and significantly cut the overall engineering cost.
- Heat recovery system for air conditioner: The air conditioner needs to be cooled by cooling tower. A heat recovery pipe system is designed to recover the heat as a heat source for the temperature and humidity control of industrial plants. Using this system can reduce the environmental pollution caused by waste heat and reduce the equipment expenditure for temperature and humidity control as well. While doing our best to be friendly to the environment, it can also reduce customer's costs.
- Manufacturing process engineering: It is merging cold source supply system through deeply understanding the manufacturing process system to effectively elevate the system utilization rate.
- Green engineering: Selected systems with high performance and low energy-consumption and applied them in the production environment. Using methods such as installing variable-frequency drives and special insulation designs, the demand for electricity was reduced. Renewable energy is used to assist customers in achieving the effect of saving energy.
- Construction automation: The adoption of steel reinforcement cages enhances structural accuracy as well as construction quality and shortens construction period.

2. Summary of business plan for 2022

(1).Business strategy

This year, Acter has set up its growth goals for various divisions and subsidiaries and implemented action plans for each unit. It also implemented the following business policies:

- I. Strengthen corporate governance, enhance enterprise culture and sustainable development
- II. Rooting deeply in this industry, continuously optimize engineering capabilities, provide a diverse, multi-project integrated engineering service, and strive to use core skills to help companies achieve carbon neutrality, focus on and invest in ESG
- III. Maintain constant contact with current customers from mainland China and Southeast Asia, develop new customers, create multi-regional business, improve investment efficiency, and expand industrial integration
- IV. Cooperate with international partners and continuously expand the scope of its professional service in biological, pharmaceutical, medical industries and desalination, and deepening of the professional technical capabilities such as green energy and environmental protection.
- V. Combine the professional manufacturing processes of gas and chemical supply systems in the treatment of liquid waste and solvent waste to create a new generation engineering integration technology and Earth-friendly technology
- VI. Recruiting more diverse talents and actively training management teams

(2).Expected sales volume and basis for estimates

Acter is a professional manufacturer that applies system integration. For over 40 years, it has provided services which cover cleanrooms, air conditioning, electrical machinery, chemical engineering as well as control and instrument, equipment installation, etc., with the support of its strong and reliable multi-disciplinary and elite engineering team. Aside from its strength and advantage, Acter aims to keep pace with the request of customers. It caters to the needs of clients through constant communication and by establishing brand value and competitive advantage via innovative technology and high quality services.

In addition to serving its existing customers, Acter is aggressively expanding its domestic and overseas markets by identifying new industries and new customers, satisfying the demand for a cross-disciplinary project service with integration system, and expanding industrial integration. As for internal operations, managing the company's integral resources is vital in providing the best and efficient solutions for customers.

(3).Major production and sales policies

Acter provides rapid and flexible integration of services specializing in engineering and technology. It is a comprehensive turnkey service company that handles design and planning, construction, engineering supervision, maintenance after completion and transfer. Acter services offer horizontal integration and sustainable intensification of industry value-chain across various technologies that impact people's livelihood, biotechnology, green energy and the medical field as well as the photovoltaic industry, semiconductor industry, biotechnology industry, energy industry, energy engineering, railway stations, high-end housing, hotels, electromechanical solutions for air conditioning systems, biopharmaceutical, medical institutes, etc.

With respect to its manufacturing-retail policy, while considering the needs of its customers, the company shall maintain existing clients, acquire new ones, and enter new industries in order to maintain business volume and achieve stable growth and profit. With regard to engineering, the company shall continuously improve and manage all kinds of projects and energy-saving and green eco-friendly economical engineering in order to create value and provide comprehensive solutions for its customers. As for financial considerations, it shall apply proper financial risk control strategies in handling customers and accelerate the collection rate of accounts receivable.

3. Future development strategies

The company is deeply committed to every project which represents and embodies Acter. It has been a long time since the company focused on the improvement and development of engineering technology. Currently, it has become a diversified engineering technology company through horizontal integration and continuous development. The content of service and professional engineering method were improved to keep pace with progress. It has continued to expand its service stations given the increasing demand of customers. In order to approach its customers and provide real-time service, Acter service stations are situated all over Taiwan, Mainland China and Southeast Asia.

Engineering system integration service is the core business of Acter. Therefore, when facing the challenges by climate change and industrial transformation, Acter will dedicate to the research and development of innovative green technology. Not only provides customers energy-saving and green eco-friendly economical engineering solutions from the technology end, but also integrates our professional skills, knowledge and experiences to, through cooperation with our subcontractors, build "high value, low power consumption and low pollution" quality spaces. We commit more effort to bring customers more general ideas of green sustainability and responsible services. In the global promotion of ESG and carbon neutrality, with the role of the driver of green project, Acter assists customers to achieve carbon neutrality, and together towards prospects of sustainability.

4. Effect of the external competitive environment, legal and regulatory environment, and overall business environment

Large-scale construction suppliers offered turnkey solutions that enabled them to gain control of the electricity and machine engineering market, which led to greater competition in the electricity, machine and cleanroom engineering industry. Acter is committed to creating valuable

projects and reduces the financial burden of its clients through innovative technologies and special engineering methods. In addition, it reduces overhead expense and engineering construction risks. It also forms a stable and cooperative relationship with suppliers for effective cost control and improvement of price competition in construction engineering. Meanwhile, it develops related business of energy-saving which will not only provide better services for its customers but also contribute to the overall environment.

As far as the regulatory environment is concerned, the company periodically reviews changes made to laws and regulations to ensure compliance with requirements of the competent authority and adheres to its belief of legitimate management. Generally speaking, changes to the regulatory environment will not have a major impact on the company.

In the macro business environment, according to the estimation of S&P Global Market Intelligence, the capital expenditure of large global enterprises in 2022 is expected to increase by 6.1% compared with 2021. In addition, China's 14th five-years plan makes an all-out effort to develop the third generation semiconductor and brings enormous factory expansion business opportunities. Those trends are beneficial to Acter's performance. However, the overall industrial prosperity is affected by the trend of the epidemic and remains uncertain.

5. Sustainability

Acter pursues corporate sustainability, strives to use core skills to help companies achieve carbon neutrality, focus on and invest in ESG and takes "Protecting the Earth, Reducing Energy Consumption" as the appeals. From needs assessment survey, concept design, benefit analysis, spatial planning, material evaluation, valuation, lean engineering, system debugging, and operations to concern, we implement each at every one of the steps so as to achieve the demands and targets and to fulfill the duty as a global citizen, providing the optimum balance for the teams, customers, environment, and suppliers.

Acter conducts industry-university cooperative projects to cultivate young talents and provide opportunities for students. It also participates in socially relevant activities such as emergency support and campaign to encourage reading which can benefit society and the community.

As Acter promotes engineering safety in accordance with government regulations, every project adheres to standard operating procedures to ensure safety management and zero accident at the construction site. It holds daily toolbox meetings before work begins and strictly implements security measures at the construction site. It conducts random inspection of safety equipment and practices to ensure smooth and safe completion of projects.

Whatever we take from the society shall be used for the society: We plant the trees, hope for next generation can get the shade. With our core competence, Acter is doing our best to care for the society and sow the seeds for future generations. Acter encourages our staffs to join the line to do something that is really meaningful. This will surely continue generation after generation and we will become better year after another year.

It deeply appreciates the support of shareholders. Acter hopes to create greater value for the entire organization and its shareholders.

Attachment 2: 2021 Independent Auditors' Report and Financial Statements

Independent Auditors' Report

To the Board of Directors of Acter Group Corporation Limited:

Opinion

We have audited the financial statements of Acter Group Corporation Limited (the "Company"), which comprise the balance sheets as of December 31, 2021 and 2020, the statement of comprehensive income, changes in equity and cash flows for the years then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

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

1. Revenue recognition

Please refer to Note 4(o) "Revenue", Note 5(a) "Significant accounting assumptions and judgments, and major sources of estimation uncertainty: Revenue recognition", and Notes 6(r) "Revenue from contracts with customers" to the financial statements.

Description of key audit matter

The Company assesses its construction revenue by measuring the proportion that the contract costs incurred for work performed to date bear to the estimated total contract costs; the estimated total contract cost involves judgment and estimation uncertainty of the Company's management. Consequently, revenue recognition is one of the key matters for our audit.

How the matter was addressed in our audit

Our principal audit procedures included: testing the Company's internal control of sales and receipt cycle to assess whether there is any defects and irregularities of internal control systems; reviewing major contracts to understand the specific terms and risks of the contracts; comparing the actual construction costs incurred with the estimated construction costs to evaluate rationality of the estimation method; assessing whether the Company's accounting policy on revenue recognition is in accordance with the related accounting standards.

2. Assessment of impairment of receivables

Please refer to Note 4(f) “Financial instruments”, Note 5(b) “Significant accounting assumptions and judgments, and major sources of estimation uncertainty: Impairment of receivables”, and Note 6(d) “The net of notes and accounts receivable” to the financial statements.

Description of key audit matter

The recoverability of the Company’s receivables is closely related to its business cycle and its customers’ operating situation. The Company’s management estimates the impairment for receivables by assessing each customer’s financial status and historical collection record. Impairment of receivables involves judgment and estimation uncertainty of the Company’s management. Consequently, impairment of receivables is one of the key matters for our audit.

How the matter was addressed in our audit

Our principal audit procedures included: testing related internal control of accounts receivable; reviewing the collection of notes and accounts receivable during the subsequent period; evaluating the Company’s assumption of impairment by performing receivables aging analysis and reviewing the historical collection record, comparing the allowance for impairment and actual unrecoverable receivables to assess the adequacy of allowance for impairment in order to assess whether the impairment is fairly presented.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and 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 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 exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude 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 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. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investments accounted for using equity method to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore 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.

The engagement partners on the audit resulting in this independent auditors' report are Tzu-Hsin Chang and Hai-Ning Huang.

KPMG

Taipei, Taiwan (Republic of China)
February 24, 2022

Notes to Readers

The accompanying financial statements are intended only to present the statement of financial position, financial performance and its cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying parent company only 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 and Chinese language independent auditors' report and financial statements, the Chinese version shall prevail.

(English Translation of Financial Statements Originally Issued in Chinese.)

ACTER GROUP CORPORATION LIMITED

Balance Sheets

December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2021		December 31, 2020		Liabilities and Equity		December 31, 2021		December 31, 2020	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 1,062,933	11	1,660,258	20	2120	Current financial liabilities at fair value through profit or loss(note 6(b),(j))	\$ -	-	1,440	-
1110	Current financial assets at fair value through profit or loss (note 6(b))	363,468	4	35,694	-	2130	Current contract liabilities (note 6(r) and 7)	214,039	2	541,658	7
1140	Current contract assets (note 6(r) and 7)	1,534,825	16	997,207	12	2150	Notes payable	716	-	5,410	-
1150	Notes receivable, net (note 6(d))	202,709	2	48,947	1	2170	Accounts payable	1,880,009	20	1,202,292	14
1170	Accounts receivable, net (note 6(d)and(r))	1,338,979	14	1,181,915	14	2180	Accounts payable to related parties (note 7)	61,784	1	1,167	-
1180	Accounts receivable to related parties, net (note 6(d),(r) and 7)	-	-	40,822	-	2201	Accrued salaries and bonuses	162,015	2	113,846	1
1200	Other receivables (note 6(e))	1,193	-	201	-	2230	Current income tax liabilities	80,854	1	60,560	1
1210	Other receivables to related parties (note 6(e)and7)	15,345	-	12,437	-	2250	Current provisions (note 6(l))	26,569	-	27,883	-
1476	Other current financial assets (note 6(h))	17,057	-	48,008	1	2280	Current lease liabilities (note 6(k))	10,941	-	11,888	-
1479	Other current assets	246,341	3	113,583	1	2399	Other current liabilities and accrued expenses	162,600	2	162,478	2
		<u>4,782,850</u>	<u>50</u>	<u>4,139,072</u>	<u>49</u>			<u>2,599,527</u>	<u>28</u>	<u>2,128,622</u>	<u>25</u>
Non-current assets:						Non-Current liabilities:					
1517	Non-current financial assets at fair value though other comprehensive income (note 6(c))	133,805	2	132,848	2	2530	Bonds payable(note 6(j))	779,527	8	770,519	9
1550	Investments accounted for using equity method (note 6(f))	4,152,107	44	3,787,513	44	2570	Deferred tax liabilities (note 6(n))	427,432	5	384,951	5
1600	Property, plant and equipment (note 6(g))	95,895	1	96,308	1	2580	Non-current lease liabilities (note 6(k))	29,338	-	40,389	-
1755	Right-of-use assets (note 6(h))	39,734	-	51,842	1	2640	Non-current provisions for employee benefits (note 6(m))	20,459	-	21,100	-
1760	Investment property, net (note 6(i))	235,793	3	238,280	3	2645	Guarantee deposits	152	-	152	-
1840	Deferred tax assets (note 6(n))	40,008	-	35,265	-			<u>1,256,908</u>	<u>13</u>	<u>1,217,111</u>	<u>14</u>
1990	Other non-current assets	10,783	-	10,751	-		Total liabilities	<u>3,856,435</u>	<u>41</u>	<u>3,345,733</u>	<u>39</u>
		<u>4,708,125</u>	<u>50</u>	<u>4,352,807</u>	<u>51</u>						
Total assets		<u>\$ 9,490,975</u>	<u>100</u>	<u>8,491,879</u>	<u>100</u>		Equity attributable to owners of parent (note 6 (o)):				
						3100	Ordinary shares	571,868	6	541,868	7
						3140	Advance receipts for ordinary share	54	-	450,544	5
						3200	Capital surplus	1,866,632	20	1,437,710	17
						3300	Retained earnings	3,367,371	35	2,855,485	34
						3400	Other equity interest	(171,385)	(2)	(139,461)	(2)
							Total equity	<u>5,634,540</u>	<u>59</u>	<u>5,146,146</u>	<u>61</u>
							Total liabilities and equity	<u>\$ 9,490,975</u>	<u>100</u>	<u>8,491,879</u>	<u>100</u>

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese.)

ACTER GROUP CORPORATION LIMITED

Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2021		2020	
		Amount	%	Amount	%
Operating Revenues:					
4521	Construction revenue (note 6(r) and 7)	\$ 5,995,710	100	4,568,561	100
4529	Less: allowances	(9,229)	-	(1,304)	-
		5,986,481	100	4,567,257	100
4800	Other operating revenue (note 6(r) and 7)	7,831	-	1,505	-
		5,994,312	100	4,568,762	100
Operating costs:					
5520	Construction cost (note 6 (m),(p),(s)and7)	5,323,804	89	3,970,292	87
Gross profit from operations		670,508	11	598,470	13
Operating expenses (note 6(m),(p)and(s)):					
6100	Selling expenses	22,157	-	21,334	-
6200	Administrative expenses	204,592	3	179,686	4
6450	Expected credit loss (note 6(d))	(15,489)	-	9,768	-
		211,260	3	210,788	4
Net operating income		459,248	8	387,682	9
Non-operating income and expenses:					
7050	Finance costs (note 6(j), (k) and (t))	(10,441)	-	(2,110)	-
7100	Interest revenue (note 6(t))	4,916	-	1,736	-
7010	Other income and expense (note 6(j),(t)and7)	34,865	-	17,648	-
7070	Shares of gain of associates accounted for using equity method, net	895,678	15	727,603	16
7020	Other gains and losses, net (note 6(t))	5,895	-	4,345	-
		930,913	15	749,222	16
Profit before income tax		1,390,161	23	1,136,904	25
Less: Income tax expense (note 6(n))		185,751	3	166,822	4
Profit		1,204,410	20	970,082	21
8300	Other comprehensive income (loss):				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurements effects on defined benefit plans (note 6(m))	(406)	-	(1,418)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	957	-	2,848	-
8330	Share of (loss) profit of associates and joint ventures accounted for using equity method though other comprehensive income, net, that may not be reclassified to profit or loss	(5,877)	-	841	-
8349	Income tax related to components of other comprehensive income that may not be reclassified to profit or loss	-	-	-	-
		(5,326)	-	2,271	-
8360	Items that will be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign operations	(33,819)	(1)	(16,405)	-
8367	Unrealized gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	(5,826)	-	-	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(n))	6,764	-	3,281	-
		(32,881)	(1)	(13,124)	-
8300	Other comprehensive income, net of tax	(38,207)	(1)	(10,853)	-
8500	Total comprehensive income profit for the years	\$ 1,166,203	19	959,229	21
Earnings per share (note 6(q))					
9750	Basic earnings per share(In new Taiwan dollars)	\$ 21.08		17.90	
9850	Diluted earnings per share(In new Taiwan dollars)	\$ 19.55		16.55	

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese.)

ACTER GROUP CORPORATION LIMITED

Statements of Changes in Equity

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings						Exchange difference on translation of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total Other equity interest	Total equity	
	Ordinary stock	Advance capital	Capital Surplus	Legal reserve	Special reserve	Unappropriated retained earnings					Total retained earnings
Balance, January 1, 2020	\$ 541,868	-	1,392,119	617,840	68,809	2,012,132	2,698,781	(123,035)	(6,150)	(129,185)	4,503,583
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	-	103,609	-	(103,609)	-	-	-	-	-
Special reserve	-	-	-	-	60,377	(60,377)	-	-	-	-	-
Cash dividends	-	-	-	-	-	(812,801)	(812,801)	-	-	-	(812,801)
Changes in ownership interests in subsidiaries	-	-	(268)	-	-	-	-	-	-	-	(268)
Cash capital increase	-	450,544	-	-	-	-	-	-	-	-	450,544
Share-based payment transaction	-	-	12,162	-	-	-	-	-	-	-	12,162
Due to recognition of equity components due to issuance of convertible bonds	-	-	33,697	-	-	-	-	-	-	-	33,697
Profit for the years ended December 31,2020	-	-	-	-	-	970,082	970,082	-	-	-	970,082
Other comprehensive income for the years ended December 31,2020	-	-	-	-	-	(577)	(577)	(13,124)	2,848	(10,276)	(10,853)
Total comprehensive income	-	-	-	-	-	969,505	969,505	(13,124)	2,848	(10,276)	959,229
Balance, December 31, 2020	\$ 541,868	450,544	1,437,710	721,449	129,186	2,004,850	2,855,485	(136,159)	(3,302)	(139,461)	5,146,146
Balance, January 1, 2021	\$ 541,868	450,544	1,437,710	721,449	129,186	2,004,850	2,855,485	(136,159)	(3,302)	(139,461)	5,146,146
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	-	96,951	-	(96,951)	-	-	-	-	-
Special reserve	-	-	-	-	10,275	(10,275)	-	-	-	-	-
Cash dividends	-	-	-	-	-	(686,241)	(686,241)	-	-	-	(686,241)
Changes in ownership interests in subsidiaries	-	-	(37,898)	-	-	-	-	-	-	-	(37,898)
Cash capital increase	30,000	(450,544)	465,900	-	-	-	-	-	-	-	45,356
Convertible corporate bonds	-	54	920	-	-	-	-	-	-	-	974
Profit for the years ended December 31,2021	-	-	-	-	-	1,204,410	1,204,410	-	-	-	1,204,410
Other comprehensive income for the years ended December 31,2021	-	-	-	-	-	(6,283)	(6,283)	(27,055)	(4,869)	(31,924)	(38,207)
Total comprehensive income	-	-	-	-	-	1,198,127	1,198,127	(27,055)	(4,869)	(31,924)	1,166,203
Balance, December 31 2021	\$ 571,868	54	1,866,632	818,400	139,461	2,409,510	3,367,371	(163,214)	(8,171)	(171,385)	5,634,540

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese.)

ACTER GROUP CORPORATION LIMITED

Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	<u>2021</u>	<u>2020</u>
Cash flows from (used in) operating activities:		
Profit before tax	\$ 1,390,161	1,136,904
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expenses (including investment property)	16,546	17,460
Amortization expenses	5,210	4,397
Excepted credit impairment loss or (gain) on reversal	(15,489)	9,768
Net (gain)loss from current financial liabilities at fair value through profit or loss	(1,440)	240
Interest expense	10,441	2,110
Interest income	(4,916)	(1,736)
Dividend income	(4,768)	(3,905)
Share-based payments	-	12,162
Lease modification benefits	(4)	-
Shares of profit of associates and joint ventures accounted for using equity method	(895,678)	(727,603)
Total adjustments to reconcile profit (loss)	<u>(890,098)</u>	<u>(687,107)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in current financial assets at fair value through profit or loss	(327,774)	(15,063)
Increase in current contract assets	(537,618)	(542,933)
(Increase) decrease in notes receivable	(153,762)	224,579
Increase in accounts receivable	(100,753)	(389,361)
(Increase) decrease in other operating assets	(104,681)	168,537
Total changes in operating assets	<u>(1,224,588)</u>	<u>(554,241)</u>
Changes in operating liabilities:		
(Decrease) increase in current contract liabilities	(327,619)	124,461
(Decrease) increase in notes payable	(4,694)	1,882
Increase in accounts payable	738,334	367,687
Decrease in provisions	(1,314)	(5,909)
Increase (decrease) in other current liabilities	47,244	(31,662)
Total changes in operating liabilities	<u>451,951</u>	<u>456,459</u>
Total adjustments	<u>(1,662,735)</u>	<u>(784,889)</u>
Cash inflow generated from operations	(272,574)	352,015
Interest received	3,890	1,537
Interest paid	(459)	(1,284)
Income taxes paid	(120,955)	(61,436)
Net cash flows from operating activities	<u>(390,098)</u>	<u>290,832</u>
Cash flows from (used in) investing activities:		
Acquisition of associate accounted for using equity method	(72,091)	-
Proceeds from disposal of non-current assets held for sale	7,824	-
Acquisition of property, plant and equipment	(1,798)	(1,110)
Decrease (increase) guarantee deposits paid	185	(281)
Acquisition of intangible assets	(5,427)	(5,406)
Increase in other non-current assets	-	(301)
Dividends received	516,699	349,669
Net cash flows used in investing activities	<u>445,392</u>	<u>342,571</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	-	460,000
Decrease short-term loans	-	(460,000)
Issuance of corporate bonds	-	804,590
Increase in guarantee deposits received	-	2
Payment of lease liabilities	(11,734)	(11,958)
Cash dividends paid	(686,241)	(812,801)
Capital increase by cash	45,356	450,544
Net cash flows from (used in) financing activities	<u>(652,619)</u>	<u>430,377</u>
Net increase (decrease) in cash and cash equivalents	<u>(597,325)</u>	<u>1,063,780</u>
Cash and cash equivalents at beginning of period	<u>1,660,258</u>	<u>596,478</u>
Cash and cash equivalents at end of period	<u>\$ 1,062,933</u>	<u>1,660,258</u>

See accompanying notes to financial statements.

Representation Letter

The entities that are required to be included in the combined financial statements of Acter Group Corporation Limited as of and for the year ended December 31, 2021 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10, "Consolidated Financial Statements." endorsed by the Financial Supervisory Commission of the Republic of China. In addition, the information required to be disclosed in the combined financial statements are included in the consolidated financial statements. Consequently, Acter Group Corporation Limited and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: Acter Group Corporation Limited

Chairman: Liang, Chin-Li

Date: February 24, 2022

Independent Auditors' Report

To the Board of Directors of Acter Group Corporation Limited:

Opinion

We have audited the consolidated financial statements of Acter Group Corporation Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, 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.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2021 and 2020, 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 with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), endorsed and issued into effect 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 Attestation of Financial Statements by Certificated Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

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

1. Revenue recognition

Please refer to Note 4(p) "Revenue", Note 5(a) "Significant accounting assumptions and judgments, and major sources of estimation uncertainty: Revenue recognition", and Notes 6(w) "Revenue from contracts with customers" to the consolidated financial statements.

Description of key audit matter

The Group assesses its construction revenue by measuring the proportion that the contract costs incurred for work performed to date bear to the estimated total contract costs; the estimated total contract cost involves judgment and estimation uncertainty of the Group's management. Consequently, revenue recognition is one of the key matters for our audit.

How the matter was addressed in our audit

Our principal audit procedures included: testing the Group's internal control of sales and receipt cycle to assess whether there is any defects and irregularities of internal control systems; reviewing major contracts to understand the specific terms and risks of contracts; comparing the actual construction costs incurred with the estimated construction costs to evaluate rationality of the estimation method; assessing whether the Group's accounting policy on revenue recognition is in accordance with the related accounting standards.

2. Assessment of impairment of receivables

Please refer to Note 4(g) "Financial instruments", Note 5(b) "Significant accounting assumptions and judgments, and major sources of estimation uncertainty: Impairment of receivables", and Note 6(d) "The net of notes and accounts receivable" to the consolidated financial statements.

Description of key audit matter

The recoverability of the Group's receivables is closely related to its business cycle and its customers' operating situation. The Group's management estimates the impairment for receivables by assessing each customer's financial status and historical collection record. Impairment of receivables involves judgment and estimation uncertainty of the Group's management. Consequently, impairment of receivables is one of the key matters for our audit.

How the matter was addressed in our audit

Our principal audit procedures included: testing related internal control of accounts receivable; reviewing the collection of notes and accounts receivable during the subsequent period; evaluating the Group's assumption of impairment by performing receivables aging analysis and reviewing the historical collection record, comparing the allowance for impairment and actual unrecoverable receivables to assess the adequacy of allowance for impairment in order to assess whether the impairment is fairly presented.

3. Accrual of construction contract losses

Please refer to Note 4(p) "Revenue (Cost from contracts with customers)", Note 5(c) "Significant accounting assumptions and judgments, and major sources of estimation uncertainty: Accrual of construction contract losses", and Note 9 "Commitments and Contingencies" to the consolidated financial statements.

Description of key audit matter

If the Group assesses that the contract cost that has been incurred is "unlikely to be recovered" then will make an accrual for the loss and recognize it as an expense immediately. The accrual of the losses involves management judgment so that the estimation of construction contract losses is one of the key matters for our audit.

How the matter was addressed in our audit

Our principal audit procedures included: Comparing the actual amount of construction contract losses and loss provisions accrued in the past assessing and understanding how the management estimates the losses, including the method of assessment, whether the source of the information is appropriate, and the possibility to correct the accounting estimates; evaluating the appropriateness of accounting principles and related disclosures. In addition, if the completion of the contract is subject to the outcome of pending litigation or legislation, the construction contract losses will also be evaluated in accordance with IAS 37.

Other Matter

The Company has prepared its parent-company-only financial statements as of and for the years ended December 31, 2021 and 2020, on which we have issued an unmodified opinion.

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

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

Auditor's 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 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 consolidated financial statements.

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

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

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore 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.

The engagement partners on the audit resulting in this independent auditors' report are Cheng-Hsueh Chen and Hai-Ning Huang.

KPMG

Taipei, Taiwan (Republic of China)
February 24, 2022

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated statement of financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying consolidated 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 and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese.)

ACTER GROUP CORPORATION LIMITED AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2021		December 31, 2020				December 31, 2021		December 31, 2020	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 3,698,831	20	5,165,884	34	2100	Short-term borrowings (note 6(n))	\$ 650,766	3	666,870	5
1110	Current financial assets at fair value through profit or loss (note 6(b))	737,191	4	370,145	3	2120	Current financial liability at fair value through profit or loss (note 6(b))	-	-	1,440	-
1120	Current financial assets at fair value through other comprehensive income (note 6(c))	271,423	2	-	-	2130	Current contract liabilities (note 6(w))	1,627,278	9	1,761,020	12
1140	Current contract assets (note 6(w))	4,733,526	25	2,935,250	19	2150	Notes payable	170,304	1	95,853	1
1150	Notes receivable, net (note 6(d))	447,966	2	197,443	1	2170	Trade payables	5,924,273	32	3,536,546	23
1170	Trade receivables, net (note 6(d) and (w))	5,566,559	30	3,930,281	26	2180	Trade payables to related parties (note 7)	441	-	654	-
1200	Other receivables (note 6(e))	12,588	-	8,689	-	2201	Accrued salaries and bonuses	473,115	3	323,816	2
1220	Current income tax assets	9,211	-	4,014	-	2230	Current income tax liabilities	285,482	1	198,335	1
1310	Inventories, net (note 6(f))	551,735	3	229,827	2	2250	Current provisions (note 6(q))	259,896	1	270,772	2
1410	Prepayments	733,375	4	482,720	3	2280	Current lease liabilities (note 6(p))	41,365	-	41,401	-
1476	Other current financial assets (note 8)	224,156	1	297,554	2	2399	Other current liabilities and accrued expenses (note 9)	339,682	2	371,801	2
1479	Other current assets	271,044	1	174,146	1			9,772,602	52	7,268,508	48
		<u>17,257,605</u>	<u>92</u>	<u>13,795,953</u>	<u>91</u>						
Non-current assets:						Non-Current liabilities:					
1517	Non-current financial assets at fair value through other comprehensive income (note 6(c))	136,051	1	135,094	1	2530	Bonds payable (note 6(o))	779,527	5	770,519	5
1550	Investments accounted for using equity method (note 6(g))	20,492	-	122,755	1	2570	Deferred tax liabilities (note 6(s))	725,120	4	657,380	5
1600	Property, plant and equipment (note 6(j))	573,294	3	466,402	3	2580	Non-current lease liabilities (note 6(p))	63,253	-	64,348	-
1755	Right-of-use assets (note 6(k))	128,378	1	131,184	1	2640	Net defined benefit liabilities, non-current (note 6(r))	67,205	-	59,208	-
1760	Investment property, net (note 6(l))	239,397	1	238,280	2	2645	Guarantee deposits	262	-	152	-
1780	Intangible assets (note 6(h) and (m))	108,183	1	22,729	-			1,635,367	9	1,551,607	10
1840	Deferred tax assets (note 6(s))	187,793	1	182,457	1		Total liabilities	11,407,969	61	8,820,115	58
1990	Other non-current assets (note 8)	52,774	-	23,741	-		Equity attributable to owners of parent (note 6 (t)):				
		<u>1,446,362</u>	<u>8</u>	<u>1,322,642</u>	<u>9</u>	3100	Ordinary shares	571,868	3	541,868	4
		<u>\$ 18,703,967</u>	<u>100</u>	<u>15,118,595</u>	<u>100</u>	3140	Advance receipts	54	-	450,544	3
						3200	Capital surplus	1,866,632	10	1,437,710	9
						3300	Retained earnings	3,367,371	18	2,855,485	19
						3400	Other equity	(171,385)	(1)	(139,461)	(1)
							Total equity attributable to owners of parent	5,634,540	30	5,146,146	34
						36XX	Non-controlling interests	1,661,458	9	1,152,334	8
							Total equity	7,295,998	39	6,298,480	42
							Total liabilities and equity	\$ 18,703,967	100	15,118,595	100

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

ACTER GROUP CORPORATION LIMITED AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		2021		2020	
		Amount	%	Amount	%
Operating Revenues:					
4521	Construction revenue (note 6(w))	\$ 19,241,728	95	13,586,228	97
4529	Less: allowances	(12,554)	-	(14,383)	-
		<u>19,229,174</u>	<u>95</u>	<u>13,571,845</u>	<u>97</u>
4110	Sales and other	988,051	5	405,165	3
		<u>20,217,225</u>	<u>100</u>	<u>13,977,010</u>	<u>100</u>
Operating costs:					
5520	Construction cost (note 6(p), (r) and 7(b))	16,155,767	80	11,154,624	80
5110	Costs of goods sold and other (note 6(e))	778,659	4	303,880	2
		<u>16,934,426</u>	<u>84</u>	<u>11,458,504</u>	<u>82</u>
Gross profit from operations					
		<u>3,282,799</u>	<u>16</u>	<u>2,518,506</u>	<u>18</u>
Operating expenses (note 6(p), (r) and 7(b)):					
6100	Selling expenses	150,545	-	112,500	1
6200	Administrative expenses	741,346	4	574,237	4
6300	Research and development expenses	207,367	1	181,177	1
6450	Impairment loss (reversal of impairment loss) (note 6(d))	44,282	-	(50,470)	-
		<u>1,143,540</u>	<u>5</u>	<u>817,444</u>	<u>6</u>
Net operating income					
		<u>2,139,259</u>	<u>11</u>	<u>1,701,062</u>	<u>12</u>
Non-operating income and expenses (note 6(y))					
7050	Finance costs	(24,460)	-	(7,168)	-
7100	Interest income	33,405	-	31,674	-
7010	Other income	41,284	-	25,044	-
7070	Shares of profit (loss) of associates accounted for using equity method, net (note 6(g))	16,623	-	(999)	-
7020	Other gains and losses, net	(27,610)	-	(55,507)	-
		<u>39,242</u>	<u>-</u>	<u>(6,956)</u>	<u>-</u>
Profit before income tax					
		<u>2,178,501</u>	<u>11</u>	<u>1,694,106</u>	<u>12</u>
7950	Less: Income tax expenses (note 6(s))	624,629	3	495,293	3
Profit					
		<u>1,553,872</u>	<u>8</u>	<u>1,198,813</u>	<u>9</u>
8300	Other comprehensive income (loss):				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurements effects on defined benefit plans	(9,064)	-	619	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	957	-	2,848	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
		<u>(8,107)</u>	<u>-</u>	<u>3,467</u>	<u>-</u>
8360	Items that will be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign operations	(39,666)	-	(11,746)	-
8367	Unrealized gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	(5,826)	-	-	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(s))	8,617	-	809	-
		<u>(36,875)</u>	<u>-</u>	<u>(10,937)</u>	<u>-</u>
8300	Other comprehensive income, net of tax	<u>(44,982)</u>	<u>-</u>	<u>(7,470)</u>	<u>-</u>
8500	Total comprehensive income	<u>\$ 1,508,890</u>	<u>8</u>	<u>1,191,343</u>	<u>9</u>
Profit, attributable to:					
8610	Owners of parent	\$ 1,204,410	6	970,082	7
8620	Non-controlling interests	349,462	2	228,731	2
		<u>\$ 1,553,872</u>	<u>8</u>	<u>1,198,813</u>	<u>9</u>
Comprehensive income attributable to:					
8710	Owners of parent	\$ 1,166,203	6	959,229	7
8720	Non-controlling interests	342,687	2	232,114	2
		<u>\$ 1,508,890</u>	<u>8</u>	<u>1,191,343</u>	<u>9</u>
Earnings per share (Expressed in New Taiwan Dollars) (note 6(v))					
9750	Basic earnings per share	<u>\$ 21.08</u>		<u>17.90</u>	
9850	Diluted earnings per share	<u>\$ 19.55</u>		<u>16.55</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

ACTER GROUP CORPORATION LIMITED AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent								Other equity			
	Retained earnings								Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income			
	Ordinary shares	Advance receipts	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign operations	Total Other equity	Non-controlling interests	Total equity	
Balance at January 1, 2020	\$ 541,868	-	1,392,119	617,840	68,809	2,012,132	2,698,781	(123,035)	(6,150)	(129,185)	1,045,459	5,549,042
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	-	103,609	-	(103,609)	-	-	-	-	-	-
Special reserve	-	-	-	-	60,377	(60,377)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(812,801)	(812,801)	-	-	-	-	(812,801)
Changes in ownership interest in subsidiaries	-	-	(268)	-	-	-	-	-	-	-	-	(268)
Cash Capital increase	-	450,544	-	-	-	-	-	-	-	-	-	450,544
Share-based payment	-	-	12,162	-	-	-	-	-	-	-	-	12,162
Due to recognition of equity component of convertible bonds issued	-	-	33,697	-	-	-	-	-	-	-	-	33,697
Profit for the year ended December 31, 2020	-	-	-	-	-	970,082	970,082	-	-	-	228,731	1,198,813
Other comprehensive income for the year ended December 31, 2020	-	-	-	-	-	(577)	(577)	(13,124)	2,848	(10,276)	3,383	(7,470)
Total comprehensive income	-	-	-	-	-	969,505	969,505	(13,124)	2,848	(10,276)	232,114	1,191,343
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(125,239)	(125,239)
Balance at December 31, 2020	\$ 541,868	450,544	1,437,710	721,449	129,186	2,004,850	2,855,485	(136,159)	(3,302)	(139,461)	1,152,334	6,298,480
Balance at January 1, 2021	\$ 541,868	450,544	1,437,710	721,449	129,186	2,004,850	2,855,485	(136,159)	(3,302)	(139,461)	1,152,334	6,298,480
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	-	96,951	-	(96,951)	-	-	-	-	-	-
Special reserve	-	-	-	-	10,275	(10,275)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(686,241)	(686,241)	-	-	-	-	(686,241)
Change in ownership interests in subsidiaries	-	-	(37,898)	-	-	-	-	-	-	-	-	(37,898)
Cash capital increase	30,000	(450,544)	465,900	-	-	-	-	-	-	-	-	45,356
Conversion of convertible bonds	-	54	920	-	-	-	-	-	-	-	-	974
Profit for the year ended December 31, 2021	-	-	-	-	-	1,204,410	1,204,410	-	-	-	349,462	1,553,872
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	-	(6,283)	(6,283)	(27,055)	(4,869)	(31,924)	(6,775)	(44,982)
Total comprehensive income	-	-	-	-	-	1,198,127	1,198,127	(27,055)	(4,869)	(31,924)	342,687	1,508,890
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	166,437	166,437
Balance at December 31, 2021	\$ 571,868	54	1,866,632	818,400	139,461	2,409,510	3,367,371	(163,214)	(8,171)	(171,385)	1,661,458	7,295,998

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

ACTER GROUP CORPORATION LIMITED AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	2021	2020
Cash flows from (used in) operating activities:		
Profit before tax	\$ 2,178,501	1,694,106
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expenses (including investment property)	94,004	76,333
Amortization expenses	28,501	10,824
Impairment loss (reversal of impairment loss)	44,282	(50,470)
Interest expense	24,460	7,168
Interest income	(33,405)	(31,674)
Dividend income	(5,010)	(3,905)
Compensation cost arising from employee stock options	-	12,162
Shares of (profit) loss of associates accounted for using equity method	(16,623)	999
Net (gain) loss on financial liability at fair value through profit or loss	(1,440)	240
(Gain) Loss from disposal, property plant, equipment	(160)	217
Loss on remeasurements of investing	13,793	-
Lease modification benefits	(12)	(7)
Total adjustments to reconcile profit (loss)	<u>148,390</u>	<u>21,887</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in current financial assets at fair value through profit or loss	(367,046)	(197,745)
Increase in current contract assets	(1,598,239)	(1,438,481)
(Increase) decrease in notes receivable	(250,393)	255,706
Increase in trade receivables	(1,387,125)	(399,937)
(Increase) decrease in inventories	(274,082)	254,904
Increase in other financial assets	(212,506)	(122,119)
Total changes in operating assets	<u>(4,089,391)</u>	<u>(1,647,672)</u>
Changes in operating liabilities:		
(Decrease) increase in current contract liabilities	(264,771)	536,839
Increase in notes payable	69,962	32,216
Increase in trade payables	2,273,299	426,498
Decrease in provisions	(10,301)	(53,339)
Increase in other current liabilities	89,614	28,578
Total changes in operating liabilities	<u>2,157,803</u>	<u>970,792</u>
Total adjustments	<u>(1,783,198)</u>	<u>(654,993)</u>
Cash inflow generated from operations	395,303	1,039,113
Interest received	29,594	30,962
Interest paid	(14,898)	(6,212)
Income taxes paid	(489,805)	(393,948)
Net cash flows (used in) from operating activities	<u>(79,806)</u>	<u>669,915</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(280,054)	(2,246)
Acquisition of investments accounted for using equity method	-	(116,980)
Acquisition of property, plant and equipment	(24,322)	(29,425)
Proceeds from disposal of property, plant and equipment	1,059	28
Acquisition of intangible assets	(16,297)	(15,148)
Acquisition of right-of-use assets	(1,007)	(356)
Increase in other non-current assets	(23,647)	(2,236)
Dividends received	5,010	3,905
Net cash flow from acquisition of subsidiaries	162,911	-
Net cash flows used in investing activities	<u>(176,347)</u>	<u>(162,458)</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	1,657,948	1,979,881
Decrease in short-term loans	(1,810,910)	(1,434,827)
Issuance of corporate bond	-	804,590
Repayment of long-term borrowing	(66,693)	-
Decrease in short-term notes payable	(11,200)	-
Decrease in guarantee deposits	110	2
Payment of lease liabilities	(51,488)	(41,458)
Cash dividends paid	(686,241)	(812,801)
Capital increase by cash	45,356	450,544
Change in non-controlling interests	(205,001)	(133,734)
Net cash flows (used in) from financing activities	<u>(1,128,119)</u>	<u>812,197</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(82,781)</u>	<u>(28,723)</u>
Net (decrease) increase in cash and cash equivalents	<u>(1,467,053)</u>	<u>1,290,931</u>
Cash and cash equivalents at beginning of period	<u>5,165,884</u>	<u>3,874,953</u>
Cash and cash equivalents at end of period	<u>\$ 3,698,831</u>	<u>5,165,884</u>

See accompanying notes to consolidated financial statements.

Attachment 3: Audit Committee's Review Report

ACTER GROUP CORPORATION LIMITED

Audit Committee's Review Report

This company's 2021 financial statements have been approved by the Audit Committee and resolved by the board of directors. The foregoing financial statements have been audited by CPA of KPMG under commission to the board, and the auditor has issued an audit report relating to the financial statements.

This company's 2021 business report and earnings distribution proposal have been prepared and issued by the board of directors. The foregoing business report and earnings distribution proposal have been reviewed and determined to be correct and accurate by the Audit Committee. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit this report.

2022 shareholders meeting of ACTER GROUP CORPORATION LIMITED

ACTER GROUP CORPORATION LIMITED

Chairman of the Audit Committee: Yeh, Hui-Hsin

February 24, 2022

Attachment 4: Corporate Governance Report

In order to continue to deepen corporate governance, enhance the sustainable development of enterprises, create a sound ESG ecosystem, and strengthen the international competitiveness of the capital market, the FSC promotes Corporate Governance 3.0 since 2021. A total of 39 specific promotion measures are centered on the five major axes of “strengthen the functions of the board of directors and enhance the sustainable value of the enterprise,” “improve information transparency and promote sustainable management,” “strengthen stakeholder communication and create good interaction channels,” “align with international norms and guide due diligence governance,” and “deepen the company’s sustainable governance culture and provide diversified products.” The summary of the key points and the implementation of the company are as follows. Other relevant corporate governance operations have been disclosed in iv.Implementation of Corporate Governance, III.Corporate Governance Report of the company’s 2021 Annual Report.

Five major axes	Key points	Specific promotion measures	Implementation of Acter
Strengthen the operation of the board of directors and the functions of directors	Requirements for the number of independent directors	Independent directors of a company applying for IPO, a TWSE/TPEX listed company with paid-in capital of more than NT\$10 billion, and a TWSE/TPEX listed company in the financial and insurance industry must exceed one-third of the total director seats since 2024.	Independent directors exceed one-half of the total director seats.
	Expanding the mandatory establishment of the chief corporate governance officer and strengthening their functions	TWSE/TPEX listed company with paid-in capital of less than NT\$2 billion shall set up the chief corporate governance officer since 2023.	The company has appointed the chief corporate governance officer in April 2019.
	Provide a diversified training program for directors		Suggested training programs for directors every year and provided information on training courses every month.
	Introduce enterprise risk management mechanism		Amend the company’s “Risk Management Rules” and report the implementation to the board of directors at least once a year.
	Promote TWSE/TPEX listed company to set up nomination committees		The company has set up the Nominating Committee.

Five major axes	Key points	Specific promotion measures	Implementation of Acter
Strengthen information disclosure	Strengthening disclosure of Sustainability Reports	Require TWSE/TPEX listed company with paid-in capital of more than NT\$2 billion to prepare and file a sustainability report since 2023, and expand the scope of third-party verification for the current sustainability report.	The company has prepared CSR reports for seven consecutive years and obtained third-party verification.
	The timeliness of financial information disclosure to enhance the transparency	TWSE/TPEX listed company with a paid-in capital of more than NT\$10 billion are required to announce the self-closing financial information and financial report of the previous year within 75 days after the end of the year in 2022 and 2023 respectively, while TWSE/TPEX listed company with a paid-in capital of more than NT\$2 billion should implement it from 2023. And since 2024, all TWSE/TPEX listed company should announce the self-closing financial information of the previous year within 75 days after the end of the year.	Every year, the company announces the financial information of the previous year within 60 days after the end of the year.
Strengthen stakeholder communication	Strengthen the operation of the company's shareholders meeting Improve transparency of electronic voting results	It is not allowed for any company to take back the shareholder services matters, and if there is a company handles its own shareholder services, it shall be subject to evaluation and review. Announce the electronic voting results one day before the date of the shareholders meeting.	The company engage a professional shareholder services agent to handle shareholder services. It is expected that the electronic voting results will be announced one day before the 2022 shareholders meeting.
	Decrease the number of companies that hold regular shareholder meetings every day	Decrease the number of companies that hold regular shareholder meetings every day from 90 to 80.	Convenes before the end of May every year.
Guide due diligence governance	Due Diligence for Institutional Investors	The Stock Exchange introduces the mechanism of "Institutional Investor Due Diligence Information Disclosure Evaluation Standards" Strengthening the quality of financial institution investor due diligence reports	Not application.

Five major axes	Key points	Specific promotion measures	Implementation of Acter
Enterprises voluntarily implement governance and sustainable development	OTC sustainable board and TIP TPEX ESG Index	Guiding funds to invest in sustainable development through market mechanisms is an important driving force for companies to voluntarily focus on sustainability issues, build a sustainable board, and promote sustainable development-related commodities such as sustainable development bonds, social responsibility bonds and green bonds; Continue to improve the validity of corporate governance evaluation, and increase announcement of the evaluation ranking of small and medium-sized companies, and further encourage the TWSE/TPEX listed companies to voluntarily improve their corporate governance quality	Ranked in the top 5% of corporate governance for six consecutive years. Won Medium-Size Enterprises of corporate CSR Citizen Award for six consecutive years. Received a CG6012 (2019) Corporate Governance System Assessment Certificate with a Top Rating in 2020.

Plan of 2022 :

The company attaches great importance to corporate governance, open and transparent, and will continue to improve. The following items are implementable or optimizable and be included in the plan of 2022.

1. Continue to provide diversified training programs for directors.
2. Arrange for independent directors to communicate individually with accountants and audit units.
3. Announce the electronic voting results one day before the date of the shareholders meeting.
4. Continuously review corporate governance evaluation indicators, review and strengthen them in a timely manner
5. Disclose the operation of each committee
6. Report the annual corporate governance implementation to the shareholders meeting
7. Strengthen the powers of the chief corporate governance officer to assist directors in the execution of business, and strengthen the effective operation of the board of directors and compliance with laws and regulations.

Attachment 5: Annual operation report of Audit Committee and its communication with the company's chief internal auditor

The Company's Audit Committee is composed of all independent directors. After the re-election in 2021, members of the committee changes from three to four members. It holds regularly meetings before the board of directors to review the implementation of the company's internal control system and internal audit, major financial business behaviors, and appropriate communicate with CPAs to supervise company's operations and risk control.

1. Audit Committee's main responsibilities is to review the following matters:
 - (1) The adoption of or amendments to the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
 - (2) Assessment of the effectiveness of the internal control system.
 - (3) The procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others in accordance with Article 36-1 of the Securities and Exchange Act.
 - (4) Matters in which a director is an interested party.
 - (5) Asset transactions or derivatives trading of a material nature.
 - (6) Loans of funds, endorsements, or provision of guarantees of a material nature.
 - (7) The offering, issuance, or private placement of equity-type securities.
 - (8) The hiring or dismissal of a certified public accountant, or their compensation.
 - (9) The appointment or discharge of a financial, accounting, or internal audit officer.
 - (10) Annual financial reports and second quarter financial reports.
 - (11) Business report and proposal for earnings distribution or offsetting of deficit.
 - (12) Other material matters as may be required by the company or by the competent authority.
2. Audit Committee's work of 2021 :
 - (1) Review the financial reports.
 - (2) Review the amendments to the internal control system and assessment of the effectiveness of the internal control system.
 - (3) Review the endorsements or guarantees for others.
 - (4) Review the hiring of a certified public accountant and their compensation.
 - (5) Review the acquisition of material assets.
 - (6) Review the amendments to the "Risk and Crisis Management Rules."
3. If any of the following circumstances exists, specify the Audit Committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of Audit Committee resolutions, and the measures taken by the company based on the opinions of the Audit Committee:
 - (1) Circumstances referred to in Article 14-5 of the Securities and Exchange Act.
 - (2) Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors.

Resolutions of the company are as follows, and there are no resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors.

Audit Committee Meetings	Major resolutions	Circumstances referred to in Article 14-5 of the Securities and Exchange Act	Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors
Feb. 25, 2021	1. Resolved to approve the company's 2020 business report and financial statements.	✓	None
	2. Resolved to approve the company's 2020 statement of internal control system.	✓	None
	3. Resolved to approve the evaluation of qualification and independence, and remuneration of the Certified Public Accountants.	✓	None

Audit Committee Meetings	Major resolutions	Circumstances referred to in Article 14-5 of the Securities and Exchange Act	Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors
	Independent director's dissenting or qualified opinion or significant recommendation: None.		
	Resolutions of the Audit Committee: Approved by all attending members without objection.		
	Measures taken by the company based on the opinions of the Audit Committee: None.		
Aug. 05, 2021	1. Approved to amend the company's "Internal Audit Implementation Rules."	✓	None
	Independent director's dissenting or qualified opinion or significant recommendation: None.		
	Resolutions of the Audit Committee: Approved by all attending members without objection.		
	Measures taken by the company based on the opinions of the Audit Committee: None.		

4. There is no independent directors' avoidance of motions in conflict of interest in 2021.

5. Communications between the independent directors, the Company's chief internal auditor and CPAs

CPAs and internal auditors report to the independent directors the results of the annual or semi-annual audited (reviewed) financial statements, or the functioning of internal controls through the Audit Committee meetings. In the meetings, independent directors are given sufficient opportunities to communicate with the CPAs and internal auditors face by face, which provide independent directors with sufficient overview of the company's operations and helps them to supervise appropriately. In addition to holding Audit Committee meetings quarterly, the independent directors also maintain regular e-mail contact with the CPAs and internal auditors in order to stay informed of the company's operations.

The results of communication between the independent directors, the internal auditors and the CPAs in 2021 are listed in the table below and have been revealed on the company's website.

(1) Communications between the independent directors and the internal auditors

Date	Communication matters	Execution results
Feb. 25, 2021 Audit committee meeting	<ul style="list-style-type: none"> Internal audit activities report (2020/10~2020/12) 2020 Statement of the internal control system 	<ol style="list-style-type: none"> No comments Submit to the board of directors after approval
May 06, 2021 Audit committee meeting	<ul style="list-style-type: none"> Internal audit activities report (2021/01~2021/03) 	No comments
Aug. 05, 2021 Audit committee meeting	<ul style="list-style-type: none"> Internal audit activities report (2021/04~2021/06) To amend the company's Internal Audit Implementation Rules. 	<ol style="list-style-type: none"> No comments Submit to the board of directors after approval
Nov. 05, 2021 Audit committee meeting	<ul style="list-style-type: none"> Internal audit activities report (2021/07~2021/09) 2022 Annual audit plans 	<ol style="list-style-type: none"> No comments Submit to the board of directors after approval
Aug. 04, 2021 Communication via e-mail or phone call	<ul style="list-style-type: none"> What is the basis and scope of the amendment of Internal Audit Implementation Rules? The Internal Audit Implementation Rules specified the responsibilities of auditors are to compare and analyze the operating performance of the company, review the operating results, and take effective countermeasures to improve operating efficiency. However, reviewing the operating results and taking effective countermeasures should be the responsibility of the "managerial 	<ol style="list-style-type: none"> The Rules is amended with reference to the control directions of each operating activity of the internal control system, and is the basis for the implementation of audit. In practice, the audit unit regularly provides "performance index details" before the meeting for the managerial officers to refer to, as a reference for their countermeasure implementation and improvement. Therefore, the content is amended to "Compare and analyze the company's operating

Date	Communication matters	Execution results
	officers,” and it is recommended to revise the statement of this article.	performance indicators for each unit to review operating results and take effective countermeasures.”
Nov. 01, 2021 Communication via e-mail or phone call	<ul style="list-style-type: none"> Whether climate risk should be included in the risk assessment scale? Because there is a global consensus on the topic of climate crisis, in the ESG annual report, climate risk is an essential item that must be disclosed, and major factories such as TSMC have required third-party manufacturers to save energy by 20%. It has become an operation-related risk that manufacturers must face. If they fail to meet the standard, they will be disqualified as a supplier. In the initial stage, it may only be for the manufacturing industry. Sooner or later, the service industry will also be included. <p>It is suggested that Acter can also incorporate this risk management into its normative projects. Homeopathically review the current and follow-up energy use status, including self-use (electricity and oil used by offices or subsidiaries, etc.) or providing customer (energy efficiency of projects), formulate regulations of energy conservation, carbon reduction and environmental protection, as an internal basis for the company to follow and cope with the next wave of ESG.</p>	<ol style="list-style-type: none"> The environmental protection issue has been disclosed in the CSR report, and the TCFD framework is used to identify climate risks and opportunities. Measurement indicators and target management has been established based on the identification results. The quality insurance & safety department is the management unit, responsible for promoting the ISO 14001. In accordance with PDCA, a systematic management method was set up to maintain the consistency of environmental protection goals and implementation strategies, and to establish pollution prevention and improvement mechanisms. At the same time, promote ISO 50001 to improve energy and resource efficiency. The general administration division regularly reports on climate change results to the board of directors.

(2) Communications between the independent directors and the CPAs

Date of Audit Committee Meeting	Communication matters	Execution results
Feb. 04, 2021 (KAM Meeting)	• 2020 Key Audit Matters of the financial report	No comments
Feb. 25, 2021	• 2020 Annual audited financial statements	No comments
Aug. 05, 2021	• 2021 Semi-annual reviewed financial statements	No comments

6. Audit Committee’s attendance in 2021

A total of 6 Audit Committee meetings were held in 2021 and all independent directors attended in person as follows:

Title	Name	Attendance in Person	By Proxy	Attendance rate (%)	Remarks
Independent Director	Yeh, Hui-Hsin	6	0	100%	Was appointed on Jul. 23, 2021
Independent Director	Yang, Qian	6	0	100%	Was appointed on Jul. 23, 2021
Independent Director	Wang, Mao-Rong	6	0	100%	Was appointed on Jul. 23, 2021
Independent Director	Huang, Tzu-Pei	2	0	100%	Was newly appointed on Jul. 23, 2021. A total of 2 meetings were held during active duty.

Attachment 6: Director's compensation policy and individual's compensation

Compensation for directors includes the transportation and attendance fare for directors attending the board meetings, attendance fare for members of functional committee attending the committee, executive business expense, and the annual compensation for directors in accordance with the Articles of Incorporation. According to Article 26-1 of the Articles of Incorporation, when distributing the surplus profits for each fiscal year, the company shall first offset its losses of previous years and set not more than five percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to directors. The "surplus profits" here refers to the balance of pre-tax profit before deducting the employees' and directors' compensation. Total compensation paid to directors are reviewed by the Remuneration Committee in consideration of the company's business performance, the general pay levels in the industry and be submitted to the board of directors for approval. Compensation for individual director is determined in accordance with the "Regulations governing remuneration paid to directors and functional committee." The company takes into account the results of the performance evaluation of directors to calculate the points of each director. Such as the degree of participation in the company's operations, the attendance rate for the year, whether to serve as the chairman and other items. Then distributes the total amount approved by the board of directors according to the proportion.

Independent directors receive a fixed amount of compensation per month and do not participate in the distribution of annual compensation for directors. If an independent director is appointed as a member of any functional committee by the board of directors of the company, he/she will receive additional compensation paid to members of functional committee.

Unit: NT\$ thousand, Thousand Shares

Title	Name	Compensation								Sum of A+B+C+D and ratio to net income				Relevant compensation received by directors who are also employees								Sum of A+B+C+D+E+F+G and ratio to net income				Compensation paid to directors from an invested company other than the company's subsidiary
		Base Compensation (A)		Severance Pay (B)		Compensation to Directors (C)		Allowances (D)						Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)								
		The company	(Note 1)	The company	(Note 1)	The company	(Note 1)	The company	(Note 1)	The company	(Note 1)	The company	(Note 1)	The company	(Note 1)	Cash	Stock	Cash	Stock	The company	(Note 1)	The company	(Note 1)			
		Sum	%	Sum	%	Sum	%	Sum	%	Sum	%	Sum	%	Sum	%	Sum	%	Sum	%	Sum	%	Sum	%			
Chairman	Liang, Chin-Li	1,346	1,946	0	0	25,486	27,690	78	179	26,910	2.23	29,815	2.48	9,975	12,213	0	0	3,800	0	3,800	0	40,685	3.38	45,828	3.81	12
Director	Yang, Jung-Tang	70	70	0	0	10,194	10,255	96	96	10,360	0.86	10,421	0.87	0	0	0	0	0	0	0	0	10,360	0.86	10,421	0.87	None
Director	Hu, Tai-Tsen	0	0	0	0	10,194	10,255	96	96	10,290	0.85	10,351	0.86	0	0	0	0	0	0	0	0	10,290	0.85	10,351	0.86	None
Independent Director	Yeh, Hui-Hsin	840	840	0	0	0	0	78	78	918	0.08	918	0.08	0	0	0	0	0	0	0	0	918	0.08	918	0.08	None
Independent Director	Yang, Qian	840	840	0	0	0	0	78	78	918	0.08	918	0.08	0	0	0	0	0	0	0	0	918	0.08	918	0.08	None
Independent Director	Wang, Mao-Rong	840	840	0	0	0	0	78	78	918	0.08	918	0.08	0	0	0	0	0	0	0	0	918	0.08	918	0.08	None
Independent Director	Huang, Tzu-Pei	350	350	0	0	0	0	24	24	374	0.03	374	0.03	0	0	0	0	0	0	0	0	374	0.03	374	0.03	None

Note1: Refers to all companies in the consolidated financial statements

Attachment 7: Comparison Table of the Articles of Incorporation

Article	After The Revision	Before The Revision
Article 7	The company's total capital is fixed at NT\$720,000,000, divided into 72 <u>144</u> million shares, at NT\$ 10.5 <u>5</u> per share, to be issued in several batches. The board of directors may pass resolutions to issue the unissued shares in accordance with actual needs.	The company's total capital is fixed at NT\$720,000,000, divided into 72 million shares, at NT\$10 per share, to be issued in several batches. The board of directors may pass resolutions to issue the unissued shares in accordance with actual needs.
Article 10	Shareholder meetings are divided into regular meetings and special meetings. Regular meetings shall be convened once a year within 6 months from the end of each accounting year. Special meetings shall be convened in accordance with the law as required. The rules for convening shareholder meetings shall be in accordance with relevant legislations. <u>After the resolution of the board of directors, shareholder meetings can be held by means of visual communication assisted shareholders meeting, visual communication shareholders meeting or other methods promulgated by the central competent authority. The company shall comply with the conditions, procedures and other matters made by the securities competent authority.</u>	Shareholder meetings are divided into regular meetings and special meetings. Regular meetings shall be convened once a year within 6 months from the end of each accounting year. Special meetings shall be convened in accordance with the law as required. The rules for convening shareholder meetings shall be in accordance with relevant legislations.
Article 16-1	The company may <u>shall</u> purchase liability insurance during the terms of directors to cover the liability for compensation borne by them in accordance with the law within the scope of their duties.	The company may purchase liability insurance during the terms of directors to cover the liability for compensation borne by them in accordance with the law within the scope of their duties.
Article 16-2	The company may have independent directors among the above-mentioned number of directors in accordance with Article 14-2 of the Securities Transaction Act. The number of independent directors will not less than three in number and not less than one- fifth <u>third</u> of the total number of directors. They shall be elected under the candidate nomination system under Article 192-1 of the Company Law. The professional qualifications, shareholding, restrictions on serving other functions, determination of independence and other compliance matters with regard to independent directors shall be in accordance with relevant rules of the securities competent authority.	The company may have independent directors among the above-mentioned number of directors in accordance with Article 14-2 of the Securities Transaction Act. The number of independent directors will not less than three in number and not less than one-fifth of the total number of directors. They shall be elected under the candidate nomination system under Article 192-1 of the Company Law. The professional qualifications, shareholding, restrictions on serving other functions, determination of independence and other compliance matters with regard to independent directors shall be in accordance with relevant rules of the securities competent authority.

Article	After The Revision	Before The Revision
Article 26-1	<p>When distributing the surplus profits for each fiscal year, the company shall first offset its losses of previous years and set not less than three percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to employees; and then set not more than five percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to directors. The "surplus profits" here refers to the balance of pre-tax profit before deducting the employees' and directors' compensation. The distribution of dividends and bonuses in whole or in part that be paid in cash or compensation to employees and directors shall be resolved with a majority vote of directors attended by at least two-thirds of total directors and reported to the shareholder's meeting.</p>	<p>When distributing the surplus profits for each fiscal year, the company shall first offset its losses of previous years and set not less than three percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to employees; and then set not more than five percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to directors. The "surplus profits" here refers to the balance of pre-tax profit before deducting the employees' and directors' compensation. The distribution of dividends and bonuses in whole or in part that be paid in cash or compensation to employees and directors shall be resolved with a majority vote of directors attended by at least two-thirds of total directors and reported to the shareholder's meeting.</p>
Article 27	<p><u>The company's surplus earning distribution or loss off-setting proposal may be proposed after the end of each half fiscal year.</u></p> <p><u>When distributing the surplus earnings for each half fiscal year, the company shall first estimate and reserve the taxes to be paid, offset its losses, estimate and reserve the amount of employees' and directors' compensation, set aside or reverse a legal capital reserve at 10% of the remaining earnings provided that the amount of accumulated legal capital reserve has not reached the amount of the paid-in capital of the company, then set aside a special capital reserve in accordance with law and the competent authority.</u></p> <p><u>If there is a balance left over, the balance, together with the accumulated undistributed surplus in the previous period, shall be drafted by the board of directors for a distribution proposal. When the company distributes its surplus by issuing new shares, it shall follow the Article 240 of the Company Act; if such surplus is distributed in the form of cash, it shall be resolved by a majority vote at a board of directors meeting attended by at least two-thirds of the total number of directors.</u></p>	

Article	After The Revision	Before The Revision
	<p>The company's profit after tax <u>If there is a surplus earning</u> following annual closing, if any, the company shall first pay the taxes and offset its losses, then be distributed <u>it</u> in the following order:</p> <p>1. Compensate loss;</p> <p>2.1. Set aside a 10% legal reserve, unless the amount of legal reserve has reached the total capital amount. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply;</p> <p>3.2. Special reserve in accordance with law and the competent authority.</p> <p><u>3. If there is a balance left over, the balance, together with the accumulated undistributed surplus in the previous period, shall be drafted by the board of directors for a distribution proposal. When the company distributes its surplus by issuing new shares, it shall be resolved at the shareholders' meeting; if such surplus is distributed in the form of cash, it shall be resolved by a majority vote at a board of directors meeting attended by at least two-thirds of the total number of directors and shall be reported to the shareholders' meeting.</u></p> <p><u>In accordance with the Article 241 of the Company Act, when the company distributes its legal reserve and the capital reserve, in whole or in part, by issuing new shares or by cash distribution which shall be distributed as dividend shares to its original shareholders in proportion to the number of shares being held by each of them, it shall be distributed in accordance with the resolution in the preceding paragraph.</u></p> <p><u>The company reserves a portion of the surplus depending on its current environment, growth stage and long term financial planning. The remaining amount will be distributed by the board of directors as shareholder dividend based on the capital situation and economic development of the current year and cash dividend shall account for 10% or more of the total shareholder dividend.</u></p> <p>4. Certain parts of the balance shall be</p>	<p>The company's profit after tax following annual closing, if any, shall be distributed in the following order:</p> <ol style="list-style-type: none"> 1. Compensate loss; 2. 10% legal reserve, unless the amount of legal reserve has reached the total capital amount; 3. Special reserve in accordance with law and the competent authority. <p>4. Certain parts of the balance shall be</p>

Article	After The Revision	Before The Revision
	<p>included into accumulated undistributed profit from previous year based on the company's current environment, growth stage and long term financial planning. The board of directors will distribute the remaining amount as shareholder dividend based on the capital situation and economic development of the current year. Cash dividend shall account for 10% or more of the total shareholder dividend and shall be proposed by the board of directors and submitted to the shareholder meeting for resolution.</p>	<p>included into accumulated undistributed profit from previous year based on the company's current environment, growth stage and long term financial planning. The board of directors will distribute the remaining amount as shareholder dividend based on the capital situation and economic development of the current year. Cash dividend shall account for 10% or more of the total shareholder dividend and shall be proposed by the board of directors and submitted to the shareholder meeting for resolution.</p>
<p>Article 30</p>	<p>These articles of association were established on 10 February, 1979... Twenty seventh amendment was made on 29 May, 2019. <u>Twenty eighth amendment was made on 26 May, 2022.</u></p>	<p>These articles of association were established on 10 February, 1979... Twenty seventh amendment was made on 29 May, 2019.</p>

Attachment 8: Comparison Table of the Rules of Procedure for Shareholder Meetings

Article	After The Revision	Before The Revision
Article 3	Shareholders referred to in these rules mean the shareholders themselves, solicitors and the holders of proxies issued by shareholders proxies .	Shareholders referred to in these rules mean the shareholders themselves and the holders of proxies issued by shareholders.
Article 5	<p>Unless otherwise provided by law, the company's shareholder meetings shall be convened by the board of directors.</p> <p>Changes to how the company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.</p> <p>The company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. If, however, the company has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting</p>	<p>Unless otherwise provided by law, the company's shareholder meetings shall be convened by the board of directors.</p> <p>The company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the company and its shareholder services agent as well as being distributed on-site at the meeting place.</p>

Article	After The Revision	Before The Revision
	<p>agenda and supplemental materials shall also be displayed at the company and its shareholder services agent as well as being distributed on-site at the meeting place <u>the professional shareholder services agent designated thereby.</u></p> <p><u>The company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:</u></p> <ol style="list-style-type: none"> <u>1. For physical shareholders meetings, to be distributed on-site at the meeting.</u> <u>2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.</u> 1.<u>3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.</u> <p>The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. <u>With the consent of the addressee, the meeting notice may be given in electronic form.</u></p>	<p>The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement.</p>
Article 6	<p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the company and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the company before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After a proxy form has been delivered to the company, if the shareholder intends to attend the meeting in person or to exercise voting rights in writing or by electronic means, a written notice of proxy cancellation shall be submitted to the company before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p> <p><u>If, after a proxy form is delivered to the</u></p>	<p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the company and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the company before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After a proxy form has been delivered to the company, if the shareholder intends to attend the meeting in person or to exercise voting rights in writing or by electronic means, a written notice of proxy cancellation shall be submitted to the company before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p>

Article	After The Revision	Before The Revision
	<p><u>company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>	
Article 7	<p>The venue for a shareholders meeting shall be the premises of the company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p> <p><u>The restrictions on the place of the meeting shall not apply when the company convenes a virtual-only shareholders meeting.</u></p>	<p>The venue for a shareholders meeting shall be the premises of the company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p>
Article 8	<p>The company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.</p> <p>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. <u>For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.</u></p> <p>Shareholders and their proxies (collectively, “shareholders”) shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The company may not freely add other supporting documents that shareholders attending meetings should present. Solicitors</p>	<p>The company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.</p> <p>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.</p> <p>Shareholders and their proxies (collectively, “shareholders”) shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The company may not freely add other supporting documents that shareholders attending meetings should present. Solicitors</p>

Article	After The Revision	Before The Revision
	<p>soliciting proxy forms shall also bring identification documents for verification.</p> <p>The company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>The company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker’s slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.</p> <p>When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</p> <p><u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the company two days before the meeting date.</u></p> <p><u>In the event of a virtual shareholders meeting, the company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p>	<p>soliciting proxy forms shall also bring identification documents for verification.</p> <p>The company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>The company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker’s slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.</p> <p>When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</p>
Article 8-1	<p><u>Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice</u></p> <p><u>To convene a virtual shareholders meeting, the company shall include the follow particulars in the shareholders meeting notice:</u></p> <ol style="list-style-type: none"> <u>1. How shareholders attend the virtual meeting and exercise their rights.</u> <u>2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</u> <ol style="list-style-type: none"> <u>(1) To what time the meeting is postponed or from what time the meeting will resume if the above</u> 	(New added)

Article	After The Revision	Before The Revision
	<p><u>obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</u></p> <p><u>(2) Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.</u></p> <p><u>(3) In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>(4) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.</u></p> <p><u>+3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.</u></p>	
Article 10	<p><u>The company shall make full audio or video recordings of the proceedings of the shareholders' meetings, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the</u></p>	<p>The company shall make full audio or video recordings of the proceedings of the shareholders' meetings and retain them for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the</p>

Article	After The Revision	Before The Revision
	<p><u>registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures</u> and retain them for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p> <p><u>Where a shareholders meeting is held online, the company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end. The information and audio and video recording in the preceding paragraph shall be properly kept by the company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.</u></p> <p><u>In case of a virtual shareholders meeting, the company is advised to audio and video record the back-end operation interface of the virtual meeting platform.</u></p>	<p>recording shall be retained until the conclusion of the litigation.</p>
Article 11	<p>Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards <u>handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.</u></p> <p>The chairman shall call the meeting to order at the appointed meeting time and announce the relevant information such as the number of non-voting rights and the number of shares present. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending</p>	<p>Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards.</p> <p>The chairman shall call the meeting to order at the appointed meeting time and announce the relevant information such as the number of non-voting rights and the number of shares present. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending</p>

Article	After The Revision	Before The Revision
	<p>shareholders still represent less than one third of the total number of issued shares, the chairman shall declare the meeting adjourned. <u>In the event of a virtual shareholders meeting, the company shall also declare the meeting adjourned at the virtual meeting platform.</u></p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month. <u>In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the company in accordance with Article 8.</u></p>	<p>shareholders still represent less than one third of the total number of issued shares, the chairman shall declare the meeting adjourned.</p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month.</p>
Article 13	<p>Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairman.</p> <p>A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</p> <p>Except with the consent of the chairman, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairman may terminate the speech.</p> <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chairman and the shareholder that has the floor; the chairman shall stop any violation.</p> <p>When a juristic person shareholder appoints two or more representatives to</p>	<p>Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairman.</p> <p>A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</p> <p>Except with the consent of the chairman, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairman may terminate the speech.</p> <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chairman and the shareholder that has the floor; the chairman shall stop any violation.</p> <p>When a juristic person shareholder appoints two or more representatives to</p>

Article	After The Revision	Before The Revision
	<p>attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chairman may respond in person or direct relevant personnel to respond.</p> <p><u>Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.</u></p> <p><u>As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.</u></p>	<p>attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chairman may respond in person or direct relevant personnel to respond.</p>
Article 15	<p>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares.</p> <p>When the company holds a shareholders' meeting, it shall adopt electronic voting and may allow the shareholders to exercise voting rights in writing. When voting rights are exercised in writing or by electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights in writing or by electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.</p> <p>A shareholder intending to exercise voting rights in writing or by electronic means under the preceding paragraph shall deliver a written declaration of intent to the company before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</p>	<p>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares.</p> <p>When the company holds a shareholders' meeting, it shall adopt electronic voting and may allow the shareholders to exercise voting rights in writing. When voting rights are exercised in writing or by electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights in writing or by electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.</p> <p>A shareholder intending to exercise voting rights in writing or by electronic means under the preceding paragraph shall deliver a written declaration of intent to the company before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</p>

Article	After The Revision	Before The Revision
	<p>After a shareholder has exercised voting rights in writing or by electronic means, in the event the shareholder intends to attend the shareholders meeting in person <u>or online</u>, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the company, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised in writing or by electronic means shall prevail. When a shareholder has exercised voting rights both in writing or by electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>Except as otherwise provided in the Company Act and in the company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. The results of approval, rejection, and abstention votes among the shareholders shall be released on the public information observatory on the day the shareholders' meeting is completed. If voting is done on a case-by-case basis for proposals, at the time of a vote, for each proposal, the chairman or a person designated by the chairman shall first announce the total number of voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</p> <p>An agenda item shall be deemed approved and shall have the same effect as if it was voted by casting ballots if no objection is</p>	<p>After a shareholder has exercised voting rights in writing or by electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the company, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised in writing or by electronic means shall prevail. When a shareholder has exercised voting rights both in writing or by electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>Except as otherwise provided in the Company Act and in the company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. The results of approval, rejection, and abstention votes among the shareholders shall be released on the public information observatory on the day the shareholders' meeting is completed. If voting is done on a case-by-case basis for proposals, at the time of a vote, for each proposal, the chairman or a person designated by the chairman shall first announce the total number of voting rights represented by the attending shareholders.</p> <p>An agenda item shall be deemed approved and shall have the same effect as if it was voted by casting ballots if no objection is</p>

Article	After The Revision	Before The Revision
	<p>voiced by all attending shareholders after solicitation by the chairman. If there is any objection, the agenda item shall be put to a vote by casting ballots in accordance with the foregoing paragraph.</p> <p>If a shareholder of a company whose shares have been issued in public holds shares for others, such shareholder may exercise his/her/its voting power separately.</p> <p>When there is an amendment or an alternative to a proposal, the chairman shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chairman, provided that all monitoring personnel shall be shareholders of the company.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p> <p><u>When the company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.</u></p> <p><u>In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.</u></p> <p><u>When the company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 8 decide to attend the physical shareholders</u></p>	<p>voiced by all attending shareholders after solicitation by the chairman. If there is any objection, the agenda item shall be put to a vote by casting ballots in accordance with the foregoing paragraph.</p> <p>If a shareholder of a company whose shares have been issued in public holds shares for others, such shareholder may exercise his/her/its voting power separately.</p> <p>When there is an amendment or an alternative to a proposal, the chairman shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chairman, provided that all monitoring personnel shall be shareholders of the company.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p>

Article	After The Revision	Before The Revision
	<p><u>meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.</u></p> <p><u>When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p>	
Article 16	<p>The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the list of unsuccessful directors and supervisors and the number of voting rights they have obtained.</p> <p>Where re-election of all directors is effected, by a resolution adopted by a shareholders' meeting, prior to the expiration of the term of office of existing directors, and in the absence of a resolution that existing directors will not be discharged until the expiry of their present term of office, all existing directors shall be deemed discharged in advance. The aforesaid resolution of re-election shall be attended by shareholders who represent more than one-half of the total number of issued and outstanding shares</p> <p>The ballots for the election referred to in the preceding paragraph 1 shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</p>	<p>The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the list of unsuccessful directors and supervisors and the number of voting rights they have obtained.</p> <p>Where re-election of all directors is effected, by a resolution adopted by a shareholders' meeting, prior to the expiration of the term of office of existing directors, and in the absence of a resolution that existing directors will not be discharged until the expiry of their present term of office, all existing directors shall be deemed discharged in advance. The aforesaid resolution of re-election shall be attended by shareholders who represent more than one-half of the total number of issued and outstanding shares</p> <p>The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</p>

Article	After The Revision	Before The Revision
Article 17	<p>Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairman of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.</p> <p>The company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the Market Observation Post System.</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairman’s full name, the methods by which resolutions were adopted, a summary of the deliberations, and the voting results (including the weighted voting). When an election of directors is held, the number of weighted votes each candidate wins shall be disclosed. The meeting minutes shall be retained for the duration of the existence of the company.</p> <p><u>Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair’s and secretary’s name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes. When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.</u></p>	<p>Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairman of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.</p> <p>The company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the Market Observation Post System.</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairman’s full name, the methods by which resolutions were adopted, a summary of the deliberations, and the voting results (including the weighted voting). When an election of directors is held, the number of weighted votes each candidate wins shall be disclosed. The meeting minutes shall be retained for the duration of the existence of the company.</p>
Article 18	<p>On the day of a shareholders meeting, the company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors</p>	<p>On the day of a shareholders meeting, the company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors</p>

Article	After The Revision	Before The Revision
	<p>through solicitation and, the number of shares represented by proxies, <u>and the number of shares represented by shareholders attending the meeting by correspondence or electronic means</u>, and shall make an express disclosure of the same at the place of the shareholders meeting. <u>In the event a virtual shareholders meeting, the company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p> <p><u>During the company’s virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.</u></p>	<p>through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.</p>
Article 20	<p>When a meeting is in progress, the chairman may announce a break based on time considerations. If a force majeure event occurs, the chairman may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.</p> <p>If the meeting venue is no longer available for continued use and not all of the items on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.</p> <p>A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.</p> <p>When a shareholder meeting is ended, no shareholder shall elect another chairman to continue the meeting either in the same location or in a different location.</p>	<p>When a meeting is in progress, the chairman may announce a break based on time considerations. If a force majeure event occurs, the chairman may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.</p> <p>If the meeting venue is no longer available for continued use and not all of the items on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.</p> <p>A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.</p> <p>When a shareholder meeting is ended, no shareholder shall elect another chairman to continue the meeting either in the same location or in a different location.</p>
Article 21	<p><u>Disclosure of information at virtual meetings</u></p> <p><u>In the event of a virtual shareholders meeting, the company shall disclose real-time results of votes and election</u></p>	(New added)

Article	After The Revision	Before The Revision
	<p><u>immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.</u></p>	
<p>Article 22</p>	<p><u>Location of the chair and secretary of virtual-only shareholders meeting</u> <u>When the company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair or the designated person shall declare the address of their location when the meeting is called to order.</u></p>	<p>(New added)</p>
<p>Article 23</p>	<p><u>Handling of disconnection</u> <u>In the event of a virtual shareholders meeting, when declaring the meeting open, the chair or the designated person shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.</u> <u>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.</u> <u>For a meeting to be postponed or resumed under the first paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the</u></p>	<p>(New added)</p>

Article	After The Revision	Before The Revision
	<p><u>postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.</u></p> <p><u>During a postponed or resumed session of a shareholders meeting held under the first paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.</u></p> <p><u>When the company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in first paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the first paragraph is required.</u></p> <p><u>Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>When postponing or resuming a meeting according to the first paragraph, the company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p> <p><u>For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder</u></p>	

Article	After The Revision	Before The Revision
	<u>Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the first paragraph.</u>	
Article 24	<u>Handling of digital divide</u> <u>When convening a virtual-only shareholders meeting, the company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</u>	(New added)
Article 26	These rules were established on 3 May 2005. These rules were amended on 23 July 2021. <u>These rules were amended on 26 May 2022.</u>	These rules were established on 3 May 2005. These rules were amended on 23 July 2021.

Attachment 9: Comparison Table of the Procedures for Election of Directors

Article	After The Revision	Before The Revision
Article 3	The qualifications for the independent directors of this Corporation shall <u>not only</u> comply with Articles 2, 3, and 4 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.” <u>but also consider the company’s operations, industrial characteristics, development needs and overall functions of the board of directors to seek appropriate and diversified talents.</u>	The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.
Article 4	<p>The cumulative voting method will be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.</p> <p>Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. Any shareholder holding 1% or more of the total number of outstanding shares issued by the company and the board of directors may submit a roster of director candidates to the company, and , and, upon evaluation by the board of directors that all candidates so nominated are qualified director candidates, <u>the roster will be</u> submit it to the shareholders’ meeting for elections. The shareholders shall elect directors from among the nominees listed in the roster of director candidates. Matters related to the acceptance and public announcement for the nomination of candidates of directors shall be in accordance with the relevant laws and regulations such as the Company Act and Securities and Exchange Act.</p>	<p>The cumulative voting method will be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.</p> <p>Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. Any shareholder holding 1% or more of the total number of outstanding shares issued by the company and the board of directors may submit a roster of director candidates to the company, and , and, upon evaluation by the board of directors that all candidates so nominated are qualified director candidates, submit it to the shareholders’ meeting for elections. The shareholders shall elect directors from among the nominees listed in the roster of director candidates. Matters related to the acceptance and public announcement for the nomination of candidates of directors shall be in accordance with the relevant laws and regulations such as the Company Act and Securities and Exchange Act.</p>
Article 14	This procedure was established on 3 May 2005.This procedure was amended on 28 May 2021. <u>This procedure was amended on 26 May 2022.</u>	This procedure was established on 3 May 2005.This procedure was amended on 28 May 2021.

Attachment 10: Comparison Table of the Procedure for Acquisition or Disposal of Assets

Article	After The Revision	Before The Revision
Article 4	<p>Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the company with appraisal reports, certified public accountant’s opinions, attorney’s opinions, or underwriter’s opinions shall meet the following requirements:</p> <ol style="list-style-type: none"> 1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received. 2. May not be a related party or de facto related party of any party to the company. 3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other. <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisionsthe following:</p> <ol style="list-style-type: none"> (1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. (2) When examining—conducting a case, they shall appropriately plan and execute adequate working 	<p>Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the company with appraisal reports, certified public accountant’s opinions, attorney’s opinions, or underwriter’s opinions shall meet the following requirements:</p> <ol style="list-style-type: none"> 1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received. 2. May not be a related party or de facto related party of any party to the company. 3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other. <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <ol style="list-style-type: none"> (1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. (2) When examining a case, they shall appropriately plan and execute adequate working procedures, in

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	<p>procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, <u>appropriateness</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>(4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate and reasonable</u> and accurate, and that they have complied with applicable laws and regulations.</p>	<p>order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>(4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.</p>
Article 6	<p>Evaluation and Procedure for Acquisition or Disposal of Securities</p> <p>1. The means of price determination and supporting reference materials In acquiring or disposing of securities, prior to the date of occurrence of the event, the latest financial statements of the target company that has been certified or audited by accountants shall serve as reference for evaluating the transaction price:</p> <p>2. Expert Opinions In acquiring or disposing of securities, and if the transaction amount reaches 20% of the company's paid-in capital or NT\$300 Million and above, an accountant shall be engaged to provide an opinion about the reasonableness of the transaction price prior to the date of occurrence of the event. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No.</p>	<p>Evaluation and Procedure for Acquisition or Disposal of Securities</p> <p>1. The means of price determination and supporting reference materials In acquiring or disposing of securities, prior to the date of occurrence of the event, the latest financial statements of the target company that has been certified or audited by accountants shall serve as reference for evaluating the transaction price:</p> <p>2. Expert Opinions In acquiring or disposing of securities, and if the transaction amount reaches 20% of the company's paid-in capital or NT\$300 Million and above, an accountant shall be engaged to provide an opinion about the reasonableness of the transaction price prior to the date of occurrence of the event. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No.</p>

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	<p>20 published by the ARDF. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	<p>20 published by the ARDF. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>
Article 7	<p>Evaluation and Procedure for Acquisition or Disposal of Real Property, equipment, or right-of-use assets thereof</p> <p>1. The means of price determination and supporting reference materials For acquisition or disposal of real property, equipment, or right-of-use assets thereof, reference shall be made to publish current value, appraisal value and actual transaction price of neighboring real property. Transaction conditions, transaction price and analysis report shall be prepared through the procedure of price consultation, price comparison, price negotiation or public tender and submitted to the chairman.</p> <p>2. Expert Appraisal Report For any acquisition or disposal of real property, equipment, or right-of-use assets thereof, other than a transaction with a domestic government authority, delegated construction on self-owned land, delegated construction on leased land or acquisition or disposal of equipment or right-of-use assets thereof for operational purpose, if the transaction amount reaches 20% of the company's paid-in capital or NT\$300 Million or above, an appraisal report issued prior to the date of occurrence of the event by a professional appraiser shall first be obtained and the following rules shall be complied with:</p> <p>(1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent</p>	<p>Evaluation and Procedure for Acquisition or Disposal of Real Property, equipment, or right-of-use assets thereof</p> <p>1. The means of price determination and supporting reference materials For acquisition or disposal of real property, equipment, or right-of-use assets thereof, reference shall be made to publish current value, appraisal value and actual transaction price of neighboring real property. Transaction conditions, transaction price and analysis report shall be prepared through the procedure of price consultation, price comparison, price negotiation or public tender and submitted to the chairman.</p> <p>2. Expert Appraisal Report For any acquisition or disposal of real property, equipment, or right-of-use assets thereof, other than a transaction with a domestic government authority, delegated construction on self-owned land, delegated construction on leased land or acquisition or disposal of equipment or right-of-use assets thereof for operational purpose, if the transaction amount reaches 20% of the company's paid-in capital or NT\$300 Million or above, an appraisal report issued prior to the date of occurrence of the event by a professional appraiser shall first be obtained and the following rules shall be complied with:</p> <p>(1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent</p>

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	<p>change to the terms and conditions of the transaction.</p> <p>(2) If the transaction amount is NT\$1 Billion or above, at least 2 professional price appraisers shall be engaged to perform appraisal.</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>i. The appraisal result deviates from the transaction amount by 20% or more.</p> <p>ii. The appraisal results by two or more professional appraisers deviate from the transaction price by 20% or more.</p> <p>(4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>(5) Application in Construction Industry Unless any fixed price, specific price, or special price is used as reference benchmark for the</p>	<p>change to the terms and conditions of the transaction.</p> <p>(2) If the transaction amount is NT\$1 Billion or above, at least 2 professional price appraisers shall be engaged to perform appraisal.</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>i. The appraisal result deviates from the transaction amount by 20% or more.</p> <p>ii. The appraisal results by two or more professional appraisers deviate from the transaction price by 20% or more.</p> <p>(4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>(5) Application in Construction Industry Unless any fixed price, specific price, or special price is used as reference benchmark for the</p>

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	<p>transaction price, if there is a justifiable reason for not obtaining the appraisal report in time, the appraisal report and the accountant's opinion under subparagraph (3) above shall be obtained within 2 weeks commencing immediately from the date of occurrence, <u>and the certified public accountant's opinion under subparagraph (3) of the preceding paragraph shall be obtained within 2 weeks counting inclusively from the day the appraisal report is obtained.</u></p>	<p>transaction price, if there is a justifiable reason for not obtaining the appraisal report in time, the appraisal report and the accountant's opinion under subparagraph (3) above shall be obtained within 2 weeks commencing immediately from the date of occurrence.</p>
Article 8	<p>Evaluation and Procedure for Acquisition of Real Property from a Related Party</p> <p>1. When the company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10% or more of the company's total assets, the company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions article.</p> <p>The calculation of the transaction amount shall be made in accordance with Article 6, subparagraph 3 herein. When judging whether a trading counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.</p> <p>2. When the company engages in any acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or when it engages in any acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or</p>	<p>Evaluation and Procedure for Acquisition of Real Property from a Related Party</p> <p>1. When the company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10% or more of the company's total assets, the company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions article.</p> <p>The calculation of the transaction amount shall be made in accordance with Article 6, subparagraph 3 herein. When judging whether a trading counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.</p> <p>2. When the company engages in any acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or when it engages in any acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or</p>

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	<p>repurchase of domestic money market funds issued by Securities Investment Trust Enterprises (SITEs), the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by more than half of all audit committee members and submitted to the board of directors for further approval:</p> <ol style="list-style-type: none"> <li data-bbox="328 562 847 663">(1) The purpose, necessity and expected effect of acquisition or disposal of assets. <li data-bbox="328 674 847 730">(2) Reason for selecting a related party as the transaction counterparty. <li data-bbox="328 741 847 1066">(3) With respect to the acquisition of real property or right-of-use assets thereof from a related party, information relating to the evaluation of reasonableness of contemplated transaction conditions in accordance with subparagraph 3 and 4 of this article. <li data-bbox="328 1077 847 1245">(4) The date, price and transaction party in the previous transaction engaged by the related party and the relationship between the company and the related party. <li data-bbox="328 1256 847 1536">(5) Cash income and expense forecast table for each of the 12 months following the month on which the contract is contemplated to be signed and evaluation of the necessity of the transaction and reasonableness of the utilization of capital. <li data-bbox="328 1547 847 1715">(6) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the subparagraph 1 of this article. <li data-bbox="328 1727 847 1827">(7) Restrictive conditions and other important agreements under this transaction. <li data-bbox="328 1839 847 2051">(8) When submission is made to the board of directors for discussion in accordance, opinions of independent directors shall be fully taken into consideration. Any objection or reservation by any 	<p>repurchase of domestic money market funds issued by Securities Investment Trust Enterprises (SITEs), the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by more than half of all audit committee members and submitted to the board of directors for further approval:</p> <ol style="list-style-type: none"> <li data-bbox="911 562 1430 663">(1) The purpose, necessity and expected effect of acquisition or disposal of assets. <li data-bbox="911 674 1430 730">(2) Reason for selecting a related party as the transaction counterparty. <li data-bbox="911 741 1430 1066">(3) With respect to the acquisition of real property or right-of-use assets thereof from a related party, information relating to the evaluation of reasonableness of contemplated transaction conditions in accordance with subparagraph 3 and 4 of this article. <li data-bbox="911 1077 1430 1245">(4) The date, price and transaction party in the previous transaction engaged by the related party and the relationship between the company and the related party. <li data-bbox="911 1256 1430 1536">(5) Cash income and expense forecast table for each of the 12 months following the month on which the contract is contemplated to be signed and evaluation of the necessity of the transaction and reasonableness of the utilization of capital. <li data-bbox="911 1547 1430 1715">(6) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the subparagraph 1 of this article. <li data-bbox="911 1727 1430 1827">(7) Restrictive conditions and other important agreements under this transaction. <li data-bbox="911 1839 1430 2051">(8) When submission is made to the board of directors for discussion in accordance, opinions of independent directors shall be fully taken into consideration. Any objection or reservation by any

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	<p>independent director shall be recorded in the minutes of the board meeting.</p> <p>(9) The calculation of the transaction amounts shall be made in accordance with Article 13, subparagraph 2 herein, and “within the preceding year” as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by more than half of all audit committee members and submitted to the shareholders’ meeting or the board of directors for further approval need not be counted toward the transaction amount.</p> <p>(10) With respect to the types of transactions listed below, when to be conducted between the company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the company’s board of directors may pursuant to Article 7, subparagraph 3 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <ul style="list-style-type: none"> i. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. ii. Acquisition or disposal of real property right-of-use assets held for business use. <p>(11) If the company or a subsidiary thereof that is not a domestic public company will have a transaction set out in subparagraph 2 and the transaction amount will reach 10 percent or more of the company’s total assets, the company shall submit the materials in subparagraph 2 to the shareholders meeting for approval before the transaction contract may</p>	<p>independent director shall be recorded in the minutes of the board meeting.</p> <p>(9) The calculation of the transaction amounts shall be made in accordance with Article 13, subparagraph 2 herein, and “within the preceding year” as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by more than half of all audit committee members and submitted to the board of directors for further approval need not be counted toward the transaction amount.</p> <p>(10) With respect to the types of transactions listed below, when to be conducted between the company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the company’s board of directors may pursuant to Article 7, subparagraph 3 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <ul style="list-style-type: none"> i. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. ii. Acquisition or disposal of real property right-of-use assets held for business use.

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	<p><u>be entered into and any payment made. However, this restriction does not apply to transactions between the company and its parent company or subsidiaries or between its subsidiaries.</u></p>	
Article 9	<p>Evaluation and Procedure for Acquisition or Disposal of Intangible Assets or Right-of-use Assets Thereof or Memberships</p> <p>1. The means of price determination and supporting reference materials For the acquisition or disposal of any intangible assets or right-of-use assets thereof or memberships, the future possible proceeds from such asset and market fair value should be taken into consideration. If required, expert opinions should be referred to. Negotiation and determination shall be made with the transaction counterparty.</p> <p>2. Expert Opinions Any acquisition or disposal of intangible assets or right-of-use assets thereof or memberships with the transaction amount reaching 20% of the company's paid-in capital or NT\$300 Million or above, except in transactions with a domestic government authority, an accountant shall be engaged to provide an opinion about the reasonableness of the transaction price prior to the date of occurrence of the event. The accountant shall proceed in accordance with Audit Standard No. 20 published by the Accounting Research and Development Foundation. Calculation of the transaction amounts referred to in the preceding three articles shall be done in accordance with Article 6, subparagraph 3.</p>	<p>Evaluation and Procedure for Acquisition or Disposal of Intangible Assets or Right-of-use Assets Thereof or Memberships</p> <p>1. The means of price determination and supporting reference materials For the acquisition or disposal of any intangible assets or right-of-use assets thereof or memberships, the future possible proceeds from such asset and market fair value should be taken into consideration. If required, expert opinions should be referred to. Negotiation and determination shall be made with the transaction counterparty.</p> <p>2. Expert Opinions Any acquisition or disposal of intangible assets or right-of-use assets thereof or memberships with the transaction amount reaching 20% of the company's paid-in capital or NT\$300 Million or above, except in transactions with a domestic government authority, an accountant shall be engaged to provide an opinion about the reasonableness of the transaction price prior to the date of occurrence of the event. The accountant shall proceed in accordance with Audit Standard No. 20 published by the Accounting Research and Development Foundation. Calculation of the transaction amounts referred to in the preceding three articles shall be done in accordance with Article 6, subparagraph 3.</p>
Article 13	<p>Procedure of Public Announcement</p> <p>1. Under any of the following circumstances, the company acquiring or disposing of assets shall publicly announce and report the relevant information on the Securities and Futures Bureau of the Financial Supervisory Commission's designated website in the appropriate format as</p>	<p>Procedure of Public Announcement</p> <p>1. Under any of the following circumstances, the company acquiring or disposing of assets shall publicly announce and report the relevant information on the Securities and Futures Bureau of the Financial Supervisory Commission's designated website in the appropriate format as</p>

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	<p>prescribed by regulations within 2 days commencing immediately from the date of occurrence of the event:</p> <ol style="list-style-type: none"> <li data-bbox="331 304 850 994">(1) Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or repurchase of domestic money market funds issued by Securities Investment Trust Enterprises (SITEs). <li data-bbox="331 1003 850 1066">(2) Merger, demerger, acquisition, or transfer of shares. <li data-bbox="331 1075 850 1249">(3) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company <li data-bbox="331 1258 850 1800">(4) Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria: <ol style="list-style-type: none"> <li data-bbox="387 1514 850 1653">i. For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more. <li data-bbox="387 1662 850 1800">ii. For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more. <li data-bbox="331 1809 850 2058">(5) Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction 	<p>prescribed by regulations within 2 days commencing immediately from the date of occurrence of the event:</p> <ol style="list-style-type: none"> <li data-bbox="914 304 1433 994">(1) Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or repurchase of domestic money market funds issued by Securities Investment Trust Enterprises (SITEs). <li data-bbox="914 1003 1433 1066">(2) Merger, demerger, acquisition, or transfer of shares. <li data-bbox="914 1075 1433 1249">(3) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company <li data-bbox="914 1258 1433 1800">(4) Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria: <ol style="list-style-type: none"> <li data-bbox="970 1514 1433 1653">i. For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more. <li data-bbox="970 1662 1433 1800">ii. For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more. <li data-bbox="914 1809 1433 2058">(5) Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction

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	<p>amount reaches NT\$500 million or more; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.</p> <p>(6) Where land is acquired under an arrangement on engaging others to build on the company’s own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million or more.</p> <p>(7) Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20% or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>i. Trading of domestic government bonds <u>or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.</u></p> <p>ii. Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of <u>foreign government bonds, or</u> ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the</p>	<p>amount reaches NT\$500 million or more; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.</p> <p>(6) Where land is acquired under an arrangement on engaging others to build on the company’s own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million or more.</p> <p>(7) Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20% or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>i. Trading of domestic government bonds.</p> <p>ii. Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription</p>

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	<p>primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of exchange traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange, except if the sale and purchase relates to securities of parent company, subsidiary or affiliate.</p>	<p>or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange, except if the sale and purchase relates to securities of parent company, subsidiary or affiliate.</p>
Article 21	<p>This procedure was established on 3 May 2005... This procedure was amended on 27 May 2020. This procedure was amended on 26 May 2022.</p>	<p>This procedure was established on 3 May 2005... This procedure was amended on 27 May 2020.</p>