

ACTER GROUP CORPORATION LIMITED
2021 Annual General Shareholders' Meeting Minutes



Time : 09:00 a.m on Friday, 23 July, 2021

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

Total outstanding Acter shares : 57,186,742 shares

Total shares represented by shareholders present in person or by proxy : 33,449,019
shares (6,055,082 shares were voted electronically)

Percentage of shares held by shareholders present in person or by proxy : 58.49%

Chairman : Liang, Chin-Li

Recorder : He, Sin-Wen

Attendee : Yang, Jung-Tang, Director (Member of Nominating Committee)

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, attendance via videoconferencing

Tsao, Yun-Han, CFO

Chang, Tzu-Hsin, CPA, attendance via videoconferencing

Wang, Shu-Rong, Attorney, attendance via videoconferencing

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 2020 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 4.9% for employee compensation (not less than 3%) in the amount of NTD 60,000,000. It also planned to allocate 2.3% for the remuneration of directors (not higher than 5%) in the amount of NTD 28,000,000.

Report No. 2 : 2020 Business Report. (Proposed by the Board of Directors)

Explanation : The 2020 Business Report is attached as Attachment 1 and Attachment 2.

Report No. 3 : Audit Committee's Review Report of 2020 Financial Statements. (Proposed by the Board of Directors)

Explanation : The 2020 Audit Committee's Review Report is attached as Attachment 3.

Report No. 4 : The distribution of 2020 Profits. (Proposed by the Board of Directors)

Explanation : On February 25, 2021, Board of directors approved to distribute 2020 cash dividends of NT\$12 per share, with a total amount of NT \$ 686,240,904. 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 : To report the reason, amount, and other related matters of the issuance of the 1st domestic unsecured convertible bond. (Proposed by the Board of Directors)

Explanation:

- (1) The issuance of the 1st domestic unsecured convertible bond was filed and effective through the Financial Supervisory Commission authorization No.10903715901 dated on Oct. 30, 2020 and was listed for trading on OTC markets on Nov. 27, 2021.
- (2) Fund utilization plan: Boost the company's working capital and repay bank borrowings.
- (3) Key points of issuance
 - A. Face value per bond:NT\$100,000
 - B. Issuance period:3 years
 - C. Issue price: 101% of par value, total par value is NT\$800 million
 - D. Coupon rate: 0%
 - E. Conversion price: The conversion price at the time of issuance was NT\$196.4, the latest conversion price was NT\$195.1
- (4) Progress of fund utilization: Completed in the fourth quarter of 2020

Report No. 6 : To report the amendment of “Ethical Corporate Management Operating Procedures and Conduct Guide,” “Code of Ethics,” and “Rules of Procedure for Board of Directors Meeting.” (Proposed by the Board of Directors)

Explanation:

- (1) In order to conform to the amendments of related commercial laws, the company hereby amended “Ethical Corporate Management Operating Procedures and Conduct Guide,” “Code of Ethics,” and “Rules of Procedure for Board of Directors Meeting.”
- (2) Please refer to Attachment 4~6 for details.

Report No. 7 : To report the commitments undertaken by the company and subsidiary due to listing of subsidiary Acter Technology Integration Group Co., Ltd in China. (Proposed by the Board of Directors)

Explanation: The on-going listing application of subsidiary Acter Technology Integration Group Co., Ltd (hereinafter referred to as “Acter China”) in China was approved at the 2019 annual meeting of shareholders and the board of directors have the full authority to sign the Horizontal Agreement, commitment letter of stable stock price, other commitment letters and documents. According to the requirements of the relevant China security authorities’ regulations, the company, Sheng Hwei International Co., Ltd, and Acter China must provide commitments and declarations for the IPO purpose. Impact of those commitments on the finance, business, and shareholders’ equity of the company or subsidiary was reviewed by the Audit Committee and approved by the Board of Directors on Feb. 25, 2021. Please refer to Attachment 7 for details.

4. Proposals

Proposal No. 1 : Adoption of the 2020 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, Chang, Tzu-Hsin CPA and Huang, Hai-Ning CPA of KPMG Firm. Also Business Report and Financial Statements have been approved by the Board held on Feb. 25, 2021 and examined by the Audit Committee of Acter Company.
- (2) The 2020 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 : 33,449,019 votes

Voting Results	% of the total represented shares present
33,066,546 votes in favor (including 5,674,609 votes casted electronically)	98.85%
3,068 votes against (including 3,068 votes casted electronically)	0.00%
0 votes invalid	0%
379,405 votes abstained (including 377,405 votes casted electronically)	1.13%

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

Proposal No. 2 : Adoption of the Proposal for Distribution of 2020 Profits.
(Proposed by the Board of Directors)

Explanation : Please refer to the 2020 Profit Distribution Table as follows.

ACTER GROUP CORPORATION LIMITED
PROFIT DISTRIBUTION TABLE
Year 2020

Unit : NTD

Beginning retained earnings	1,035,345,830
Add: net profit after tax	970,081,526
Less: Defined benefit plans	576,724
Less: 10% legal reserve(2020)	96,950,480
Less: Special reserve appropriated	10,276,781
Distributable net profit	1,897,623,371
Distributable items:	
Cash Dividend to shareholders (12 per share)(Note1)	686,240,904
Stock Dividend to shareholders (0 per share)	-
Unappropriated retained earnings	1,211,382,467

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 : 33,449,019 votes

Voting Results	% of the total represented shares present
32,980,568 votes in favor (including 5,588,631 votes casted electronically)	98.59%
104,129 votes against (including 104,129 votes casted electronically)	0.31%
0 votes invalid	0%
364,322 votes abstained (including 362,322 votes casted electronically)	1.08%

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

5. Discussion

Proposal No. 1 : Discussion on the proposal to amend “Rules of Procedure for Shareholder Meetings.” (Proposed by the Board of Directors)

Explanation :

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

Supplement : The company postponed the shareholders’ meeting in accordance with the “Measures for public companies to postpone shareholders’ meetings for pandemic prevention” announced by FSC. Therefore, the amendment date of this proposal was revised to July 23, 2021 based on the actual date of the shareholders’ meeting.

Voting Results : Sharers represented at the time of voting : 33,449,019 votes

Voting Results	% of the total represented shares present
33,075,994 votes in favor (including 5,684,057 votes casted electronically)	98.88%
12,403 votes against (including 12,403 votes casted electronically)	0.03%
0 votes invalid	0%
360,622 votes abstained (including 358,622 votes casted electronically)	1.07%

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

Proposal No. 2 : Discussion on the proposal to amend “Procedures for Election of Directors.” (Proposed by the Board of Directors)

Explanation :

- (1) In order to conform to the amendments of related commercial laws, the company hereby proposes to amend “Procedures for Election of Directors.”
- (2) Please refer to Attachment 9 for details.

Supplement : The company postponed the shareholders’ meeting in accordance with the “Measures for public companies to postpone shareholders’ meetings for pandemic prevention” announced by FSC. Therefore, the amendment date of this proposal was revised to July 23, 2021 based on the actual date of the shareholders’ meeting.

Voting Results : Sharers represented at the time of voting : 33,449,019 votes

Voting Results	% of the total represented shares present
33,066,326 votes in favor (including 5,674,389 votes casted electronically)	98.85%
22,071 votes against (including 22,071 votes casted electronically)	0.06%
0 votes invalid	0%
360,622 votes abstained (including 358,622 votes casted electronically)	1.07%

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

6. Elections

Proposal No. 1 : To elect 7 members of the 12th Board of Directors. (Including 4 independent directors) (Proposed by the Board of Directors)

Explanation :

- (1) The term of directors of the 11th Board will expire on 05/29/2020. According to the Article 16 and 16-2 of Articles of Incorporation and Article 192-1 of Company Law, the company proposes to duly elect 7 new Board members by nomination. (including 4 independent directors) The three-year term will start from 05/28/2021 and conclude on 05/27/2024.
- (2) Please refer to Attachment 10 for the list of nominated approved by the Board meeting.

Supplement : The company postponed the shareholders' meeting in accordance with the "Measures for public companies to postpone shareholders' meetings for pandemic prevention" announced by FSC. Therefore, the term of the 12th Board of Directors is calculated from the actual date of the shareholders' meeting, that is, a three-year term from 07/23/2021 to 07/23/2024.

Voting by Poll :

The list of the newly elected directors and independent directors is as follows.

Title	Name	Votes Received
Director	Liang, Chin-Li	52,186,235
Director	Yang, Jung-Tang	41,902,322
Director	Hu, Tai-Tsen	41,396,820
Independent director	Yang, Qian	23,814,865
Independent director	Yeh, Hui-Hsin	23,811,317
Independent director	Wang, Mao-Rong	23,778,319
Independent director	Huang, Tzu-Pei	23,764,384

7. Other Matters

Proposal No. 1 : To release the directors from non-competition restrictions.
(Proposed by the Board of Directors)

Explanation :

- (1) In accordance with Article 209 of Company Law, any director acting for himself/ herself, or for any other person within the scope of the Company business, should explain the important matters of such acts and acquire the approval of the shareholders' meeting.
- (2) It is hereby proposed to release the restriction on competitive activities for newly-elected directors, who participate in the operations of other company that engages in the same or similar business as the Company. Please refer to Attachment 11 for details.

Voting Results : Sharers represented at the time of voting : 33,449,019 votes

Voting Results	% of the total represented shares present
32,989,633 votes in favor (including 5,617,506 votes casted electronically)	98.62%
25,752 votes against (including 25,752 votes casted electronically)	0.07%
0 votes invalid	0%
433,634 votes abstained (including 411,824 votes casted electronically)	1.29%

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

8. Questions and Motions : None.

9. Adjournment : The meeting adjourned at 9:45 a.m.

Chairman : Liang, Chin-Li



Recorder : He, Sin-Wen



Attachment 1: Business Report

ACTER GROUP CORPORATION LIMITED

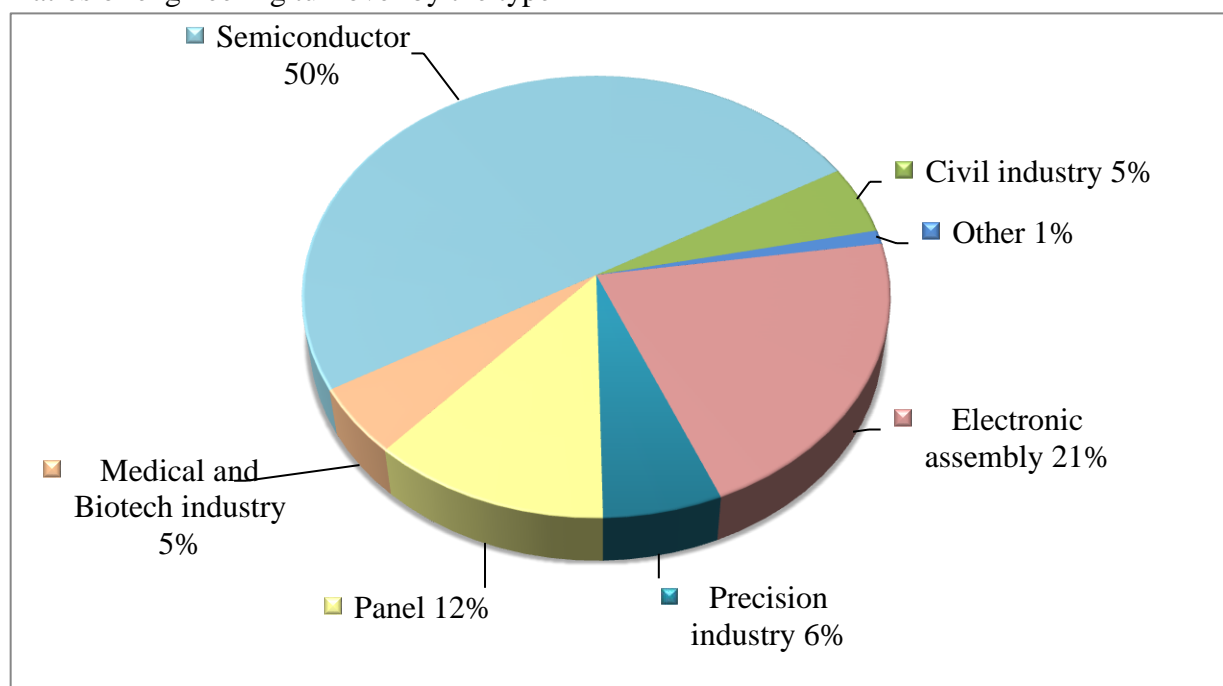
2020 Business Report

1. 2020 Business results

(1). Business plan implementation results

Although Acter group's performance of 2020 was affected by the U.S.-China trade war and COVID-19, profits declined compared with the same period last year. However, the group benefits from the expansion needs for capacity transfer to Southeast Asia, the company's consolidated revenue increased by approximately 10.3% compared to last year. Looking forward to 2021, the company will remain cautiously optimistic, continue to monitor the trend of the epidemic, and actively face challenges.

Ratios of engineering turnover by the type



Unit : In thousands of New Taiwan Dollars

Items	2020	2019	%
Operating revenue	13,977,010	12,674,886	10.3
Operating cost	11,458,504	10,102,547	13.4
Gross profit	2,518,506	2,572,339	(2.1)
Operating expenses	817,444	793,827	3.0
Operating income	1,701,062	1,778,512	(4.4)
Non-Operating income and expenses	(6,956)	87,954	(107.9)
Income before income taxes	1,694,106	1,866,466	(9.2)

(2). State of budget implementation

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

(3). Financial structure and profitability

Items		2020
Financial structure	Ratio of liabilities to assets (%)	58.33
	Ratio of long-term capital to fixed assets (%)	1,683.11
Solvency	Current ratio (%)	189.80
	Quick ratio (%)	137.22

Items		2020	
Profitability	Return on total assets (%)	8.88	
	Return on stockholders' equity (%)	20.23	
	Ratio to issued capital (%)	Operating income	313.92
		Pre-tax income	312.64
	Profit ratio (%)	8.57	
Earnings per share (\$)	17.90		

(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 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. Modular Design and Planning of Large Desalinators

Due to changes in climate and the environment, water shortages are occurring throughout the world. According to the predictions of the World Meteorological Organization, by 2050, 1 billion coastal and offshore residents will face water crisis. Our company started a partnership with a large overseas desalination engineering company and developed desalination technology at the lowest investment cost and unit price of water production.

V. 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.

VI. Development of developer recovery and reuse system

The development process is an important part of the semiconductor and photovoltaic process. The developer will contain a large amount of amine after used, if it flows to the wastewater treatment system, then it will cause the problem of ammonia nitrogen treatment.

VII. 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 energy 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 2021

(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. Fulfill social responsibilities, strengthen corporate governance, enhance enterprise culture and achieve sustainable development
- II. Rooting deeply in this industry, continuously optimize engineering capabilities and provide a diverse, multi-project integrated engineering service
- III. Maintain constant contact with current customers from mainland China and Southeast Asia, develop new customers, create multi-regional business, and improve investment efficiency
- 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, and satisfying the demand for a cross-disciplinary project service with integration system. 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 future in order to head 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 MIC, in response to the advent of the digital economy, the ICT industry will fully expand into various industries, and capital expenditure will show growth in 2021. The capital expenditure of global semiconductor industry is expected to be USD 84.581 billion, a 17.8% increase from USD 71.78 billion of 2020. This trend is beneficial to Acter’s performance. However, the overall industrial prosperity is affected by the trend of the epidemic and remains uncertain.

5. Corporate Social Responsibility

Acter pursues corporate sustainability and fulfills corporate social responsibilities 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.

Chairman: Liang, Chin-Li

Lai, Ming-Kun

General Manager:

Wang, Chun-Sheng

Accounting Supervisor : Tsao, Yun-Han

Attachment 2: 2020 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, 2020 and 2019, 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, 2020 and 2019, 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 and for the year ended December 31, 2020 in accordance with the auditing standards generally accepted in the Republic of China, and the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants, Rule No.1090360805 issued by the Financial Supervisory Commission. Furthermore, we conducted our audit of the financial statements as of and for the year ended December 31, 2019 in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants, and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the 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(p) "Revenue", Note 5(a) "Significant accounting assumptions and judgments, and major sources of estimation uncertainty: Revenue recognition", and Notes 6(s) "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 25, 2021

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 CO., LTD.

Balance Sheets

December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2020		December 31, 2019		Liabilities and Equity		December 31, 2020		December 31, 2019	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a)and(v))	\$ 1,660,258	20	596,478	9	2120	Current financial liabilities at fair value through profit or loss(note 6(b),(k)and(v))	1,440	-	-	-
1110	Current financial assets at fair value through profit or loss (note 6(b)and(v))	35,694	-	20,631	-	2130	Current contract liabilities (note 6(s)and7)	541,658	7	417,197	6
1140	Current contract assets (note 6(s) ,(v)and7)	997,207	12	454,274	7	2150	Notes payable (note 6(v))	5,410	-	3,528	-
1150	Notes receivable, net (note 6(d)and(v))	48,947	1	273,526	4	2170	Accounts payable (note 6(v))	1,202,292	14	833,254	13
1170	Accounts receivable, net (note 6(d)and(v))	1,181,915	14	790,065	12	2180	Accounts payable to related parties (note 6(v)and7)	1,167	-	2,518	-
1180	Accounts receivable to related parties, net (note 6(d),(v)and7)	40,822	-	53,079	1	2201	Accrued salaries and bonuses(note 6(v))	113,846	1	130,117	2
1200	Other receivables (note 6(e)and(v))	201	-	44	-	2230	Current income tax liabilities	60,560	1	17,248	-
1210	Other receivables to related parties (note 6(e),(v)and7)	12,437	-	12,357	-	2250	Current provisions (note 6(m))	27,883	-	33,792	1
1476	Other current financial assets (note 6(v))	48,008	1	238,409	4	2280	Current lease liabilities (note 6(l))	11,888	-	11,092	-
1479	Other current assets	113,583	1	91,757	2	2399	Other current liabilities and accrued expenses	162,478	2	176,894	3
		<u>4,139,072</u>	<u>49</u>	<u>2,530,620</u>	<u>39</u>			<u>2,128,622</u>	<u>25</u>	<u>1,625,640</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)and(v))	132,848	2	130,000	2	2530	Bonds payable(note 6(k)and(v))	770,519	9	-	-
1550	Investments accounted for using equity method (note 6(g))	3,787,513	44	3,421,506	52	2570	Deferred tax liabilities (note 6(o))	384,951	5	322,322	5
1600	Property, plant and equipment (note 6(h))	96,308	1	98,024	2	2580	Non-current lease liabilities (note 6(l))	40,389	-	45,680	1
1755	Right-of-use assets (note 6(i))	51,842	1	56,526	1	2640	Non-current provisions for employee benefits (note 6(n))	21,100	-	20,657	-
1760	Investment property, net (note 6(j))	238,280	3	240,767	4	2645	Guarantee deposits received	152	-	150	-
1840	Deferred tax assets (note 6(o))	35,265	-	31,429	-			<u>1,217,111</u>	<u>14</u>	<u>388,809</u>	<u>6</u>
1990	Other non-current assets	10,751	-	9,160	-			<u>3,345,733</u>	<u>39</u>	<u>2,014,449</u>	<u>31</u>
		<u>4,352,807</u>	<u>51</u>	<u>3,987,412</u>	<u>61</u>		Total liabilities				
Total assets		<u>\$ 8,491,879</u>	<u>100</u>	<u>6,518,032</u>	<u>100</u>		Equity attributable to owners of parent (note 6 (p)):				
						3100	Ordinary shares	541,868	7	541,868	8
						3140	Advance receipts for ordinary share	450,544	5	-	-
						3200	Capital surplus	1,437,710	17	1,392,119	21
						3300	Retained earnings	2,855,485	34	2,698,781	42
						3400	Other equity interest	(139,461)	(2)	(129,185)	(2)
							Total equity	<u>5,146,146</u>	<u>61</u>	<u>4,503,583</u>	<u>69</u>
							Total liabilities and equity	<u>\$ 8,491,879</u>	<u>100</u>	<u>6,518,032</u>	<u>100</u>

See accompanying notes to financial statements.

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

ACTER GROUP CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2020 and 2019

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

		2020		2019	
		Amount	%	Amount	%
Operating Revenues:					
4521	Construction revenue (note 6(s) and 7)	\$ 4,570,066	100	\$ 2,996,461	100
4529	Less: allowances	(1,304)	-	(4,129)	-
		<u>4,568,762</u>	<u>100</u>	<u>2,992,332</u>	<u>100</u>
4800	Other operating revenue (note 6(s) and 7)	-	-	11,325	-
		<u>4,568,762</u>	<u>100</u>	<u>3,003,657</u>	<u>100</u>
Operating costs:					
5520	Construction cost (note 6 (n),(q),(t)and7)	3,970,292	87	2,485,569	83
5800	Other operating costs	-	-	9,736	-
		<u>3,970,292</u>	<u>87</u>	<u>2,495,305</u>	<u>83</u>
Gross profit from operations					
		<u>598,470</u>	<u>13</u>	<u>508,352</u>	<u>17</u>
Operating expenses (note 6(n),(q)and(t)):					
6100	Selling expenses	21,334	-	19,498	1
6200	Administrative expenses	179,686	4	174,246	6
6450	Expected credit loss (note 6(d))	9,768	-	5,798	-
		<u>210,788</u>	<u>4</u>	<u>199,542</u>	<u>7</u>
Net operating income					
		<u>387,682</u>	<u>9</u>	<u>308,810</u>	<u>10</u>
Non-operating income and expenses:					
7050	Finance costs (note 6(u))	(2,110)	-	(594)	-
7100	Interest revenue (note 6(u))	1,736	-	3,338	-
7010	Other income and expense (note 6(v))	17,648	-	12,180	-
7070	Shares of loss of associates accounted for using equity method, net	727,603	16	864,020	29
7020	Other gains and losses, net (note 6(v))	4,345	-	24,704	1
		<u>749,222</u>	<u>16</u>	<u>903,648</u>	<u>30</u>
Profit before income tax					
		<u>1,136,904</u>	<u>25</u>	<u>1,212,458</u>	<u>40</u>
Less: Income tax expense (note 6(o))					
		<u>166,822</u>	<u>4</u>	<u>176,364</u>	<u>6</u>
Profit					
		<u>970,082</u>	<u>21</u>	<u>1,036,094</u>	<u>34</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 (note 6(n))	(1,418)	-	(1,358)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	2,848	-	(577)	-
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	841	-	(6,358)	-
8349	Income tax related to components of other comprehensive income that may not be reclassified to profit or loss	-	-	-	-
		<u>2,271</u>	<u>-</u>	<u>(8,293)</u>	<u>-</u>
8360	Items that will be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign operations	(16,405)	-	(74,749)	(2)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(o))	3,281	-	14,951	-
		<u>(13,124)</u>	<u>-</u>	<u>(59,798)</u>	<u>(2)</u>
8300	Other comprehensive income, net of tax	<u>(10,853)</u>	<u>-</u>	<u>(68,091)</u>	<u>(2)</u>
8500	Total comprehensive income profit for the years	<u>\$ 959,229</u>	<u>21</u>	<u>968,003</u>	<u>32</u>
Earnings per share (note 6(r))					
9750	Basic earnings per share(In new Taiwan dollars)	<u>\$ 17.90</u>		<u>19.16</u>	
9850	Diluted earnings per share(In new Taiwan dollars)	<u>\$ 16.55</u>		<u>18.94</u>	

See accompanying notes to financial statements.

ACTER GROUP CO., LTD.
Statements of Changes in Equity
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

Reviewed only, not audited in accordance with the generally accepted auditing standards.

	Retained earnings						Exchange difference on translation of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Others	Total Other equity interest	Total equity	
	Ordinary stock	Advance receipt	Capital Surplus	Legal reserve	Special reserve	Unappropriated retained earnings						Total retained earnings
Balance, January 1, 2019	\$ 542,028	-	1,393,239	512,938	56,560	1,913,947	2,483,445	(63,237)	(5,573)	(776)	(69,586)	4,349,126
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	-	104,902	-	(104,902)	-	-	-	-	-	-
Special reserve	-	-	-	-	12,249	(12,249)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(813,042)	(813,042)	-	-	-	-	(813,042)
Share-based payment transaction	(160)	-	(1,120)	-	-	-	-	-	-	776	776	(504)
Profit for the years ended December 31,2019	-	-	-	-	-	1,036,094	1,036,094	-	-	-	-	1,036,094
Other comprehensive income for the years ended December 31,2019	-	-	-	-	-	(7,716)	(7,716)	(59,798)	(577)	-	(60,375)	(68,091)
Total comprehensive income	-	-	-	-	-	1,028,378	1,028,378	(59,798)	(577)	-	(60,375)	968,003
Balance, December 31, 2019	\$ 541,868	-	1,392,119	617,840	68,809	2,012,132	2,698,781	(123,035)	(6,150)	-	(129,185)	4,503,583
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

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese.)
ACTER GROUP CO., LTD.
Statements of Cash Flows
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

	<u>2020</u>	<u>2019</u>
Cash flows from (used in) operating activities:		
Profit before tax	\$ 1,136,904	1,212,458
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expenses (including investment property)	17,460	17,200
Amortization expenses	4,397	3,363
Expected credit losses / Provisions for bad debt expense	9,768	5,798
Net loss from current financial liabilities at fair value through profit or loss	240	-
Interest expense	2,110	594
Interest income	(1,736)	(3,338)
Dividend income	(3,905)	-
Share-based payments	12,162	(504)
Shares of profit of associates and joint ventures accounted for using equity method	(727,603)	(864,020)
Losses on disposal of property, plant and equipment	-	25
Gains on disposal of investment	-	(19,515)
Total adjustments to reconcile profit (loss)	<u>(687,107)</u>	<u>(860,397)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
(Increase) decrease in current financial assets at fair value through profit or loss	(15,063)	143,066
(Increase) decrease in current contract assets	(542,933)	38,264
Decrease (increase) in notes receivable	224,579	(212,562)
Increase in accounts receivable	(389,361)	(199,497)
Decrease (increase) in other financial assets	168,537	(1,385)
Total changes in operating assets	<u>(554,241)</u>	<u>(232,114)</u>
Changes in operating liabilities:		
Increase (decrease) in current contract liabilities	124,461	(107,547)
Increase in notes payable	1,882	578
Increase (decrease) in accounts payable	367,687	(392)
Decrease in provisions	(5,909)	(7,036)
Decrease in other current liabilities	(31,662)	(5,429)
Total changes in operating liabilities	<u>456,459</u>	<u>(119,826)</u>
Total adjustments	<u>(784,889)</u>	<u>(1,212,337)</u>
Cash inflow generated from operations	352,015	121
Interest received	1,537	4,550
Interest paid	(1,284)	(594)
Income taxes paid	(61,436)	(129,258)
Net cash flows from operating activities	<u>290,832</u>	<u>(125,181)</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	-	(127,400)
Proceeds from disposal of non-current assets held for sale	-	72,627
Acquisition of property, plant and equipment	(1,110)	(632)
Increase guarantee deposits paid	(281)	(7)
Acquisition of intangible assets	(5,406)	(4,915)
Increase in other non-current assets	(301)	-
Dividends received	349,669	371,147
Net cash flows used in investing activities	<u>342,571</u>	<u>310,820</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 (decrease) in guarantee deposits received	2	66
Payment of lease liabilities	(11,958)	(11,267)
Cash dividends paid	(812,801)	(813,042)
Capital increase by cash	450,544	-
Net cash flows from (used in) financing activities	<u>430,377</u>	<u>(824,243)</u>
Net increase (decrease) in cash and cash equivalents	<u>1,063,780</u>	<u>(638,604)</u>
Cash and cash equivalents at beginning of period	<u>596,478</u>	<u>1,235,082</u>
Cash and cash equivalents at end of period	<u>\$ 1,660,258</u>	<u>596,478</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, 2020 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 endorsed by the Financial Supervisory Commission, "Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements is 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 25, 2021

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, 2020 and 2019, 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, 2020 and 2019, 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 of the consolidated financial statements as of and for the year ended December 31, 2020 in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certificated Public Accountant and the auditing standards generally accepted in the Republic of China. Furthermore, we conducted our audit of the consolidated financial statements as of and for the year ended December 31, 2019 in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants, Rule No.1090360805 issued by the Financial Supervisory Commission, 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(q) "Revenue", Note 5(a) "Significant accounting assumptions and judgments, and major sources of estimation uncertainty: Revenue recognition", and Notes 6(v) "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(q) "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(e) "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, 2020 and 2019, 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 Tzu-Hsin Chang and Hai-Ning Huang.

KPMG

Taipei, Taiwan (Republic of China)
February 25, 2021

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 Originally Issued in Chinese.)

ACTER GROUP CORPORATION LIMITED AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2020		December 31, 2019		Liabilities and Equity		December 31, 2020		December 31, 2019	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a) and (y))	\$ 5,165,884	34	3,874,953	32	2100	Short-term borrowings (note 6(m) and (y))	\$ 666,870	5	136,609	1
1110	Current financial assets at fair value through profit or loss (note 6(b) and (y))	370,145	2	172,400	1	2120	Current financial liability at fair value through profit or loss (note 6(b), (n) and (v))	1,440	-	-	-
1140	Current contract assets (note 6(v))	2,935,250	19	1,496,769	13	2130	Current contract liabilities (note 6(v))	1,761,020	12	1,224,181	10
1150	Notes receivable, net (note 6(d) and (y))	197,443	1	453,149	4	2150	Notes payable (note 6(y))	95,853	1	63,637	1
1170	Trade receivables, net (note 6(d), (v) and (y))	3,930,281	26	3,480,867	30	2170	Trade payables (note 6(y))	3,536,546	23	3,110,389	26
1200	Other receivables (note 6(e) and (y))	8,689	-	20,424	-	2180	Trade payables to related parties (note 6(y) and 7)	654	-	313	-
1220	Current income tax assets	4,014	-	2,305	-	2201	Accrued salaries and bonuses (note 6(y))	323,816	2	341,137	3
1310	Inventories, net (note 6(f))	229,827	2	484,731	4	2230	Current income tax liabilities	198,335	1	154,619	1
1476	Other current financial assets (note 6(y) and 8)	297,554	2	390,060	3	2250	Current provisions (note 6(p))	270,772	2	322,699	3
1479	Other current assets	656,866	5	430,050	4	2280	Current lease liabilities (note 6(o))	41,401	-	35,299	-
		<u>13,795,953</u>	<u>91</u>	<u>10,805,708</u>	<u>91</u>	2399	Other current liabilities and accrued expenses (note 9)	<u>371,801</u>	<u>2</u>	<u>325,730</u>	<u>3</u>
								<u>7,268,508</u>	<u>48</u>	<u>5,714,613</u>	<u>48</u>
Non-current assets:						Non-Current liabilities:					
1517	Non-current financial assets at fair value though other comprehensive income (note 6(c))	135,094	1	130,000	1	2530	Bonds payable (note 6(n) and (y))	770,519	5	-	-
1550	Investments accounted for using equity method (note 6(h))	122,755	1	-	-	2570	Deferred tax liabilities (note 6(r))	657,380	5	594,441	5
1600	Property, plant and equipment (note 6(j))	466,402	3	463,872	4	2580	Non-current lease liabilities (note 6(o))	64,348	-	74,965	1
1755	Right-of-use assets (note 6(k))	131,184	1	138,875	1	2640	Net defined benefit liabilities, non-current (note 6(q))	59,208	-	59,869	-
1760	Investment property, net (note 6(l))	238,280	2	240,767	2	2645	Guarantee deposits received	152	-	150	-
1840	Deferred tax assets (note 6(r))	182,457	1	173,994	1			<u>1,551,607</u>	<u>10</u>	<u>729,425</u>	<u>6</u>
1990	Other non-current assets (note 8)	46,470	-	39,864	-		Total liabilities	<u>8,820,115</u>	<u>58</u>	<u>6,444,038</u>	<u>54</u>
		<u>1,322,642</u>	<u>9</u>	<u>1,187,372</u>	<u>9</u>		Equity attributable to owners of parent (note 6 (s)):				
						3100	Ordinary shares	541,868	4	541,868	5
						3140	Advance receipts	450,544	3	-	-
						3200	Capital surplus	1,437,710	9	1,392,119	11
						3300	Retained earnings	2,855,485	19	2,698,781	22
						3400	Other equity	(139,461)	(1)	(129,185)	(1)
							Total equity attributable to owners of parent	<u>5,146,146</u>	<u>34</u>	<u>4,503,583</u>	<u>37</u>
						36XX	Non-controlling interests	<u>1,152,334</u>	<u>8</u>	<u>1,045,459</u>	<u>9</u>
							Total equity	<u>6,298,480</u>	<u>42</u>	<u>5,549,042</u>	<u>46</u>
							Total liabilities and equity	<u>\$ 15,118,595</u>	<u>100</u>	<u>11,993,080</u>	<u>100</u>
	Total assets	<u>\$ 15,118,595</u>	<u>100</u>	<u>11,993,080</u>	<u>100</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 Comprehensive Income

For the years ended December 31, 2020 and 2019

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

		2020		2019	
		Amount	%	Amount	%
Operating Revenues:					
4521	Construction revenue (note 6(v))	\$ 13,586,228	97	12,085,519	95
4529	Less: allowances	(14,383)	-	(24,914)	-
		<u>13,571,845</u>	<u>97</u>	<u>12,060,605</u>	<u>95</u>
4110	Sales	295,090	2	516,240	4
4800	Other operating revenue	110,075	1	98,041	1
		<u>13,977,010</u>	<u>100</u>	<u>12,674,886</u>	<u>100</u>
Operating costs:					
5520	Construction cost (note 6(o), (q), (t) and 7(b))	11,154,624	80	9,691,442	77
5110	Costs of goods sold	228,212	2	365,643	3
5800	Other operating costs	75,668	-	45,462	-
		<u>11,458,504</u>	<u>82</u>	<u>10,102,547</u>	<u>80</u>
Gross profit from operations					
		<u>2,518,506</u>	<u>18</u>	<u>2,572,339</u>	<u>20</u>
Operating expenses (note 6(q) and (t)):					
6100	Selling expenses	112,500	1	120,129	1
6200	Administrative expenses	574,237	4	545,916	4
6300	Research and development expenses	181,177	1	146,433	1
6450	Expected credit loss	(50,470)	-	(18,651)	-
		<u>817,444</u>	<u>6</u>	<u>793,827</u>	<u>6</u>
Net operating income					
		<u>1,701,062</u>	<u>12</u>	<u>1,778,512</u>	<u>14</u>
Non-operating income and expenses:					
7050	Finance costs (note 6(x))	(7,168)	-	(5,254)	-
7100	Interest income (note 6(x))	31,674	-	40,425	1
7010	Other income (note 6(x))	25,044	-	21,727	-
7070	Shares of loss of associates accounted for using equity method, net	(999)	-	(61)	-
7020	Other gains and losses, net (note 6(x))	(55,507)	-	31,117	-
		<u>(6,956)</u>	<u>-</u>	<u>87,954</u>	<u>1</u>
Profit before income tax					
		1,694,106	12	1,866,466	15
7950	Less: Income tax expenses (note 6(r))	495,293	3	590,182	5
Profit					
		<u>1,198,813</u>	<u>9</u>	<u>1,276,284</u>	<u>10</u>
Other comprehensive income (loss):					
Items that will not be reclassified subsequently to profit or loss					
8311	Remeasurements effects on defined benefit plans	619	-	(11,300)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	2,848	-	(577)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
		<u>3,467</u>	<u>-</u>	<u>(11,877)</u>	<u>-</u>
Items that will be reclassified subsequently to profit or loss					
8360	Exchange differences on translation of foreign operations	(11,746)	-	(97,810)	(1)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(r))	809	-	24,349	-
		<u>(10,937)</u>	<u>-</u>	<u>(73,461)</u>	<u>(1)</u>
8300	Other comprehensive income, net of tax	<u>(7,470)</u>	<u>-</u>	<u>(85,338)</u>	<u>(1)</u>
8500	Total comprehensive income	<u>\$ 1,191,343</u>	<u>9</u>	<u>1,190,946</u>	<u>9</u>
Profit, attributable to:					
8610	Owners of parent	\$ 970,082	7	1,036,094	8
8620	Non-controlling interests	228,731	2	240,190	2
		<u>\$ 1,198,813</u>	<u>9</u>	<u>1,276,284</u>	<u>10</u>
Comprehensive income attributable to:					
8710	Owners of parent	\$ 959,229	7	968,003	7
8720	Non-controlling interests	232,114	2	222,943	2
		<u>\$ 1,191,343</u>	<u>9</u>	<u>1,190,946</u>	<u>9</u>
Earnings per share (Expressed in New Taiwan Dollars) (note 6(u))					
9750	Basic earnings per share	<u>\$ 17.90</u>		<u>19.16</u>	
9850	Diluted earnings per share	<u>\$ 16.55</u>		<u>18.94</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, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent							Other equity					Non-controlling interests	Total equity
	Retained earnings							Exchange differences on translation of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Others	Total Other equity			
	Ordinary shares	Advance receipts	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings							
Balance at January 1, 2019	\$ 542,028	-	1,393,239	512,938	56,560	1,913,947	2,483,445	(63,237)	(5,573)	(776)	(69,586)	1,032,386	5,381,512	
Appropriation and distribution of retained earnings:														
Legal reserve	-	-	-	104,902	-	(104,902)	-	-	-	-	-	-	-	
Special reserve	-	-	-	-	12,249	(12,249)	-	-	-	-	-	-	-	
Cash dividends	-	-	-	-	-	(813,042)	(813,042)	-	-	-	-	-	(813,042)	
Share-based payment	(160)	-	(1,120)	-	-	-	-	-	-	776	776	-	(504)	
Profit for the year ended December 31, 2019	-	-	-	-	-	1,036,094	1,036,094	-	-	-	-	240,190	1,276,284	
Other comprehensive income for the year ended December 31, 2019	-	-	-	-	-	(7,716)	(7,716)	(59,798)	(577)	-	(60,375)	(17,247)	(85,338)	
Total comprehensive income	-	-	-	-	-	1,028,378	1,028,378	(59,798)	(577)	-	(60,375)	222,943	1,190,946	
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(209,870)	(209,870)	
Balance at December 31, 2019	\$ 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	
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 interests 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	

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, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

	2020	2019
Cash flows from (used in) operating activities:		
Profit before tax	\$ 1,694,106	1,866,466
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expenses (including investment property)	76,333	68,350
Amortization expenses	9,902	7,219
Expected credit gain	(50,470)	(18,651)
Interest expense	7,168	5,254
Interest income	(31,674)	(40,425)
Dividend income	(3,905)	-
Compensation cost arising from employee stock options	12,162	(504)
Shares of loss of associates accounted for using equity method	999	61
Net loss of financial liability at fair value through profit or loss	240	-
Disposal, property plant, equipment loss	217	142
Gain on disposal of non-current assets held for sale	-	(19,515)
Others	(7)	-
Total adjustments to reconcile profit (loss)	<u>20,965</u>	<u>1,931</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
(Increase) decrease in current financial assets at fair value through profit or loss	(197,745)	137,857
Increase in current contract assets	(1,438,481)	(416,825)
Decrease (increase) in notes receivable	255,706	(129,652)
Increase in trade receivables	(399,937)	(313,770)
Decrease (increase) in inventories	254,904	(163,416)
Decrease (increase) in other financial assets	(122,119)	395,276
Total changes in operating assets	<u>(1,647,672)</u>	<u>(490,530)</u>
Changes in operating liabilities:		
Increase (decrease) in current contract liabilities	536,839	(494,749)
Increase (decrease) in notes payable	32,216	(111,727)
Increase in trade payables	426,498	348,920
Decrease in provisions	(53,339)	(21,414)
Increase in other current liabilities	28,578	54,215
Total changes in operating liabilities	<u>970,792</u>	<u>(224,755)</u>
Total adjustments	<u>(655,915)</u>	<u>(713,354)</u>
Cash inflow generated from operations	1,038,191	1,153,112
Interest received	30,962	41,883
Interest paid	(6,212)	(3,170)
Income taxes paid	(393,948)	(438,350)
Net cash flows from operating activities	<u>668,993</u>	<u>753,475</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(2,246)	(127,400)
Acquisition of investments accounted for using equity method	(116,980)	-
Proceeds from disposal of investments accounted for using equity method	-	747
Proceeds from disposal of non-current assets as held for sale	-	72,627
Acquisition of property, plant and equipment	(29,425)	(79,960)
Proceeds from disposal of property, plant and equipment	28	102
Acquisition of intangible assets	(15,148)	(8,191)
Acquisition of right-of-use assets	(356)	(1,030)
Increase in other non-current assets	(2,469)	(1,900)
Dividends received	3,905	-
Net cash flows used in investing activities	<u>(162,691)</u>	<u>(145,005)</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	1,979,881	236,289
Decrease in short-term loans	(1,434,827)	(230,664)
Issuance of corporate bond	804,590	-
Increase (decrease) in guarantee deposits	2	66
Payment of lease liabilities	(41,458)	(36,129)
Cash dividends paid	(812,801)	(813,042)
Capital increase by cash	450,544	-
Change in non-controlling interests	(133,734)	(204,685)
Net cash flows from (used in) financing activities	<u>812,197</u>	<u>(1,048,165)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(27,568)</u>	<u>(110,083)</u>
Net increase (decrease) in cash and cash equivalents	1,290,931	(549,778)
Cash and cash equivalents at beginning of period	3,874,953	4,424,731
Cash and cash equivalents at end of period	<u>\$ 5,165,884</u>	<u>3,874,953</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 2020 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 2020 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.

2021 shareholders meeting of ACTER GROUP CORPORATION LIMITED

ACTER GROUP CORPORATION LIMITED

Chairman of the Audit Committee: Yeh, Hui-Hsin

February 25, 2021

Attachment 4: Comparison Table of the Ethical Corporate Management Operating Procedures and Conduct Guide

Article	After The Revision	Before The Revision
Article 6	<p>Responsible unit <u>and duties</u></p> <p>The general administration division of this company shall serve as the responsible unit (referred to below as “the responsible unit of this company”) <u>under the board of directors with sufficient resources and competent personnel to be in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters and also submit regular reports (at least once a year) to the board of directors, and shall handle revision, implementation, explanation and consulting matters in connection with this operating procedure and conduct guide, and shall enter and file reports, monitor compliance, be in charge of the following matters and report to the board of directors on a regular basis.</u></p> <ol style="list-style-type: none"> 1. Assisting in incorporating ethics and moral values into this Corporation’s business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations. 2. <u>Analysing and assessing the risks of unethical conduct within the business scope on a regular basis and accordingly</u> Adopting <u>adopting</u> programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to this Corporation’s operations and business. 3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct. 	<p>Responsible unit</p> <p>The general administration division of this company shall serve as the responsible unit (referred to below as “the responsible unit of this company”), and shall handle revision, implementation, explanation and consulting matters in connection with this operating procedure and conduct guide, and shall enter and file reports, monitor compliance, be in charge of the following matters and report to the board of directors on a regular basis.</p> <ol style="list-style-type: none"> 1. Assisting in incorporating ethics and moral values into this Corporation’s business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations. 2. Adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to this Corporation’s operations and business. 3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.

Article	After The Revision	Before The Revision
	<p>4. Promoting and coordinating awareness and educational activities with respect to ethics policy.</p> <p>5. Developing a whistle-blowing system and ensuring its operating effectiveness.</p> <p>6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</p> <p>6-7. <u>Preparing and retaining properly documented information such as ethical management policy and compliance statements, situations concerning the performance of undertakings and enforcement etc.</u></p>	<p>4. Promoting and coordinating awareness and educational activities with respect to ethics policy.</p> <p>5. Developing a whistle-blowing system and ensuring its operating effectiveness.</p> <p>6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</p>
Article 12	<p>Recusal</p> <p>If this company’s directors, officers or other stakeholders attending or present at the board meeting, or the juristic person represented, has any conflict of interest with any board resolution involving in a matter under discussion in the meeting, either the director personally or the juridical person represented by that director, officers or stakeholders shall state the important aspects of the conflict of interest in the meeting, and this conflict of interest may be injurious to the company’s interests, the director may not otherwise engage in discussion or voting, and must recues himself/herself from discussion and voting. Such a director absolutely may not exercise his/her voting rights on behalf of another director. The directors must maintain self-restraint, and may not support each other for improper purposes.</p> <p><u>Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a</u></p>	<p>Recusal</p> <p>If this company’s directors, officers or other stakeholders attending or present at the board meeting, or the juristic person represented, has any conflict of interest with any board resolution involving either the director personally or the juridical person represented by that director, officers or stakeholders shall state the important aspects of the conflict of interest in the meeting, and this conflict of interest may be injurious to the company’s interests, the director may not otherwise engage in discussion or voting, and must recues himself/herself from discussion and voting. Such a director absolutely may not exercise his/her voting rights on behalf of another director. The directors must maintain self-restraint, and may not support each other for improper purposes.</p>

Article	After The Revision	Before The Revision
	<u>personal interest in the matter.</u>	
Article 14	Prohibition of disclosure of business secrets <u>against unfair competition</u>	Prohibition of disclosure of business secrets
Article 15	Prohibition of insider trading <u>Prevention of damage caused by products and services to stakeholders</u>	Prohibition of insider trading
Article 16	<u>Prohibition against insider trading</u> N nondisclosure agreement	Nondisclosure agreement
Article 17	External <u>Compliance and</u> announcement of the ethical corporate management policy <u>This company shall request its directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.</u> This company shall disclose its ethical corporate management policy in its internal regulations, annual report, company website and other publicity materials, and shall declare the policy at external activities, such as product meetings and investor conferences, to ensure that the suppliers, customers and other related business organizations and personnel clearly understand the company's ethical corporate management philosophy and regulations.	External announcement of the ethical corporate management policy This company shall disclose its ethical corporate management policy in its internal regulations, annual report, company website and other publicity materials, and shall declare the policy at external activities, such as product meetings and investor conferences, to ensure that the suppliers, customers and other related business organizations and personnel clearly understand the company's ethical corporate management philosophy and regulations.
Article 22	Handling of company employees' unethical conduct As an incentive to insiders for informing of unethical or unseemly conduct, this Corporation will grant a reward of more than NT\$6,000depend on the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material. This Corporation shall internally establish and publicly announce on its website, or provide through an independent mailbox, for Company insiders to submit reports. A whistleblower shall at least furnish the following information: 1. The whistleblower's name <u>and I.D. number (whistleblowing reports may be submitted anonymously)</u> , and an address, telephone number and e-mail address where it can be reached.	Handling of company employees' unethical conduct As an incentive to insiders for informing of unethical or unseemly conduct, this Corporation will grant a reward of more than NT\$6,000depend on the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material. This Corporation shall internally establish and publicly announce on its website, or provide through an independent mailbox, for Company insiders to submit reports. A whistleblower shall at least furnish the following information: 1. The whistleblower's name and an address, telephone number and e-mail address where it can be reached.

Article	After The Revision	Before The Revision
	<p>2. The informed party’s name or other information sufficient to distinguish its identifying features.</p> <p>3. Specific facts available for investigation.</p> <p>Company personnel handling whistle-blowing matters shall represent in writing they will keep the whistleblowers’ identity and contents of information confidential. This Corporation also undertakes to protect the whistleblowers from improper treatment due to their whistle-blowing.</p> <p>The responsible unit of this Corporation shall observe the following procedure in handling whistleblowing matters:</p> <ol style="list-style-type: none"> 1. Information shall be reported to the department head. However, if the rank or the file involves a director or a senior executive that shall report to an independent director. 2. The responsible unit of this Corporation and the department head or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department. 3. If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or this Corporation’s policy and regulations of ethical management, this Corporation shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, this Corporation will report to the competent authority, refer said person to judicial authority for investigation, or institute legal proceedings and seek damages to safeguard its reputation and its rights and interests. 	<p>2. The informed party’s name or other information sufficient to distinguish its identifying features.</p> <p>3. Specific facts available for investigation.</p> <p>Company personnel handling whistle-blowing matters shall represent in writing they will keep the whistleblowers’ identity and contents of information confidential. This Corporation also undertakes to protect the whistleblowers from improper treatment due to their whistle-blowing.</p> <p>The responsible unit of this Corporation shall observe the following procedure:</p> <ol style="list-style-type: none"> 1. Information shall be reported to the department head. However, if the rank or the file involves a director or a senior executive that shall report to an independent director. 2. The responsible unit of this Corporation and the department head or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department. 3. If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or this Corporation’s policy and regulations of ethical management, this Corporation shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, this Corporation will institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.
Article 24	Internal awareness sessions and Establishment — establishment of rewards/punishments and complaint system and disciplinary measures	Establishment of rewards/punishments and complaint system and disciplinary measures
Article 26	This operating procedure and conduct guide was drafted on December 6,	This operating procedure and conduct guide was drafted on December 6,

Article	After The Revision	Before The Revision
	2011.This operating procedure and conduct guide was revised on November 9, 2017. This operating procedure and conduct guide was revised on May 7, 2020.	2011.This operating procedure and conduct guide was revised on November 9, 2017.

Attachment 5: Comparison Table of the Code of Ethics

Article	After The Revision	Before The Revision
Article 4	Directors and managers of the company shall handle the company's business in an objective and efficient way and shall not take advantage of their duties to try to obtain undue benefit for themselves, their spouses, parents, children or other family members within second degrees of kinship.	Directors and managers of the company shall handle the company's business in an objective and efficient way and shall not take advantage of their duties to try to obtain undue benefit for themselves, their spouses, parents, children or other family members within second degrees of kinship.
Article 12	Directors and managers of the company shall promote ethical rules and encourage employees to report to managers, internal audit supervisors or other appropriate staff with sufficient information in case of doubt or discovery of any violation of legislation or this code. Once any reported case is confirmed, the company shall grant a reward in accordance with the "Employee Reward and Discipline Rules". The company shall adopt a concrete whistle-blowing system, allow anonymous reporting , and properly handle the above reported information in a confidential and responsible manner and shall make its best effort to protect the safety of the reporter from any form of threat. For any malicious and false report, the company shall give guidance and, if required, impose a sanction to correct the discipline. If any person believes that he or she is subject to any revenge, threat or harassment due to the above conduct, it shall be reported to the immediate supervisor or manager immediately and the company shall take immediate and proper measures.	Directors and managers of the company shall promote ethical rules and encourage employees to report to managers, internal audit supervisors or other appropriate staff with sufficient information in case of doubt or discovery of any violation of legislation or this code. Once any reported case is confirmed, the company shall grant a reward in accordance with the "Employee Reward and Discipline Rules". The company shall adopt a concrete whistle-blowing system and properly handle the above reported information in a confidential and responsible manner and shall make its best effort to protect the safety of the reporter from any form of threat. For any malicious and false report, the company shall give guidance and, if required, impose a sanction to correct the discipline. If any person believes that he or she is subject to any revenge, threat or harassment due to the above conduct, it shall be reported to the immediate supervisor or manager immediately and the company shall take immediate and proper measures.
Article 18	This code was established on 25 March 2011. This code was amended on 30 July 2015. This code was amended on 06 November 2020.	This code was established on 25 March 2011. This code was amended on 30 July 2015.

Attachment 6: Comparison Table of the Rules of Procedure for Board of Directors Meeting

Article	After The Revision	Before The Revision
Article 8	<p>The following matters of the company shall be subject to discussion by the board of directors:</p> <ol style="list-style-type: none"> 1. The company’s operational plan. 2. Annual financial report —and semi-annual financial report , with the exception of semi-annual financial reports that are not required under relevant laws and regulations to be audited and attested by a certified public accountant (CPA), and financial reports for the second quarter, audited and attested by a certified public accountant (CPA). 	<p>The following matters of the company shall be subject to discussion by the board of directors:</p> <ol style="list-style-type: none"> 1. The company’s operational plan. 2. Annual financial report and semi-annual financial report , with the exception of semi-annual financial reports that are not required under relevant laws and regulations to be audited and attested by a certified public accountant (CPA).
Article 22	<p>These rules were established on June 16, 2009.</p> <p>These rules were amended on February 27, 2020.</p> <p>These rules were amended on November 6, 2020.</p>	<p>These rules were established on June 16, 2009.</p> <p>These rules were amended on February 27, 2020.</p>

Attachment 7: The commitments undertaken by the company and subsidiary due to listing of subsidiary Acter Technology Integration Group Co., Ltd in China and impact on the finance, business, and shareholders' equity of the Company or subsidiary

1. All of the commitments undertaken by the company and subsidiary due to listing of subsidiary Acter Technology Integration Group Co., Ltd (hereinafter referred to as “Acter China”) in China are as follows.

Item	Acter	SHI (Note)	Acter China
1. Letter of Commitment on the liquidation restriction, voluntary lock-in and reduction of shares holdings.	V	V	
2. Letter of Commitment on stabilizing the stock price within three years after its listing.	V	V	V
3. Letter of Commitment on taking measures to report timely on the diluted returns.	V	V	V
4. Letter of Commitment on the avoidance of competition.	V	V	
5. Letter of Commitment on compliance and reduction of related party transactions.	V	V	
6. Letter of Commitment on the avoidance of occupying funds.	V	V	
7. Letter of Commitment on the independence of the listed company.	V	V	
8. Letter of Commitment of the prospectus is free from false records, misleading contents and major omission.	V	V	V
9. Restraint measures for the failed performance of the public commitments.	V	V	V
10. Letter of Commitment on the policy of profit distribution.			V
11. Letter of Commitment regarding advance disclosure (ensure that the pre-disclosed electronic version of the application file shall be completely consistent with the content of the reserved original, the file is true, accurate, and complete, there are no false records, misleading statements or major omissions, and there is no unauthorized modification without written instructions.)			V
12. Letter of Commitment that the issuer guarantees it will not affect or interfere with the opinions of Public Offering Review Committee: (1) During the application period for this issuance, the issuer shall not directly or indirectly provide gifts and other benefits such as funds, objects, etc. to the committee members, and guarantees that it will not use improper means to influence the committee’s judgment on the issuer. (2) The issuer guarantees that it will not interfere with the review work of the committee by any means. (3) The issuer guarantees that when accepting inquiries from the committee members at the committee meeting, the content of its statements will be true, objective, accurate, and concise, and not contain content irrelevant to the issuance. (4) If the issuer violates the above guarantee, it will bear all legal liabilities arising therefrom.			V

Item	Acter	SHI (Note)	Acter China
13. Letter of Commitment on the policy of dividend distribution.	V	V	
14. Letter of Commitment to pay the social security and housing reserve fund.	V	V	
15. Letter of Commitment on undertaking responsibilities related to illegal construction or contracting.	V	V	
16. Letter of Commitment on responsibility for defects in real estate.	V	V	
17. Letter of Commitment on the issuer's tax compliance.	V	V	

Note : SHI is the abbreviation of Sheng Huei International Co., Ltd

2. With the aims of expanding China business, attracting and motivating local talents, increasing the company's reputations and enhancing its global competitiveness, subsidiary Acter China is planning to apply for listing in China. The successful listing is expected to expand the electrical and mechanical engineering business of the clean room, which will bring positive effects to the business development of Acter China and create added value to its reinvestments. The listing application has a positive effect on the company and its subsidiaries' financial, business, or shareholders' equity, and has no significant impact after comprehensive evaluation with 3.
3. Impacts on the company and SHI's finance, business or shareholders' equity caused by signing the commitment are explained as follows:
 - (1) For "Letter of Commitment on the avoidance of competition": According to the relevant regulations in China and the requirements of the China Securities Regulatory Commission, the company and SHI promise that (A) Except for investing in Acter China, it has not directly or indirectly engaged in any business within or outside China that has horizontal competition or potential horizontal competition with Acter China and its subsidiaries; (B) In the future, it will not directly or indirectly engage in any business or activity that constitutes horizontal competition or potential horizontal competition with the business operated by Acter China and its subsidiaries, and will not directly or indirectly control, acquire, or merge with companies or other economic organizations that compete or may compete with the business operated by Acter China and its subsidiaries; (C) If Acter China expands its main products and main business scope in the future, the company and other companies controlled by the company at that time guarantee that it will not compete with the business expanded by Acter China. The listing of Acter China is expected to bring significant positive effects to the company, including increase the company's reputation and use the market capitals attracted by Acter China to expand the market share in China. Although the commitment restricts the future development areas where the company will engage in the business operated by Acter China, considering that the company is the parent company and the

company and its subsidiary will still has 64% shareholding after Acter China's listing, the company can also enjoy the expansion benefits. This would be a win-win strategy for the company and all its shareholders. It has a positive effect on the company and its subsidiaries' financial, business, or shareholders' equity and will not happen significant impact.

- (2) For “Letter of Commitment on the liquidation restriction, voluntary lock-in and reduction of shares holdings,” “Letter of Commitment on stabilizing the stock price within three years after its listing,” “Letter of Commitment on taking measures to report timely on the diluted returns,” “Restraint measures for the failed performance of the public commitments,” “Letter of Commitment of the prospectus is free from false records, misleading contents and major omission,” “Letter of Commitment on the policy of dividend distribution,” “Letter of Commitment to pay the social security and housing reserve fund,” “Letter of Commitment on undertaking responsibilities related to illegal construction or contracting,” “Letter of Commitment on responsibility for defects in real estate,” “Letter of Commitment on the issuer' s tax compliance”: The company has no hypocrisy and concealment regarding the listing-related operations of its subsidiary, and the commitments have already specified the scope or upper limit, so these commitments have no significant impact on the company and its subsidiaries' finance, business or shareholders' equity.
- (3) For “Letter of Commitment on compliance and reduction of related party transactions,” “Letter of Commitment on the avoidance of occupying funds,” “Letter of Commitment on the independence of the listed company” : Since the subsidiary is an independent entity, its finances and personnel are independent, and there are procedures for related transactions, loans, and endorsement guarantees to follow, so these commitments have no significant impact on the company and its subsidiaries' finances, businesses or shareholders' equity.
- (4) If the above commitments are adjusted due to regulatory requirements or actual needs, the chairman is authorized by the Board of Directors to decide.

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

Article	After The Revision	Before The Revision
Article 5	<ol style="list-style-type: none"> 1. Unless otherwise provided by law, the company’s shareholder meetings shall be convened by the board of directors. 2. 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. 3. The reasons for convening a shareholders’ meeting shall be specified in the meeting notice and public announcement. 4. Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit 	<ol style="list-style-type: none"> 1. Unless otherwise provided by law, the company’s shareholder meetings shall be convened by the board of directors. 2. 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. 3. The reasons for convening a shareholders’ meeting shall be specified in the meeting notice and public announcement. 4. Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit

Article	After The Revision	Before The Revision
	<p>distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders. None of the above matters may be raised by an extraordinary motion. The essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and such website shall be indicated in the above notice.</p> <p>5. If the meeting notice has specified the re-election of directors and the date they assumed their duties, as the re-election is completed on the shareholders' meeting, resolution of assuming date should not be changed by means of an extraordinary motion or other means in the same meeting.</p> <p>6. A shareholder holding 1 percent or more of the total number of issued shares may submit to the company a proposal for discussion at a regular shareholders meeting. Such proposals are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. However, a shareholder proposal proposed for urging the company to promote public interests or fulfill its social responsibilities may still be included by the board of directors.—In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a</p>	<p>distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders. None of the above matters may be raised by an extraordinary motion. The essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and such website shall be indicated in the above notice.</p> <p>5. If the meeting notice has specified the re-election of directors and the date they assumed their duties, as the re-election is completed on the shareholders' meeting, resolution of assuming date should not be changed by means of an extraordinary motion or other means in the same meeting.</p> <p>6. A shareholder holding 1 percent or more of the total number of issued shares may submit to the company a proposal for discussion at a regular shareholders meeting. Such proposals are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. However, a shareholder proposal proposed for urging the company to promote public interests or fulfill its social responsibilities may still be included by the board of directors. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p>

Article	After The Revision	Before The Revision
	<p><u>recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.</u></p>	
Article 11	<ol style="list-style-type: none"> 1. 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. 2. The chairman shall call the meeting to order at the appointed meeting time <u>and announce the relevant information such as the number of non-voting rights and the number of shares present.</u> 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 shareholders still represent less than one third of the total number of issued shares, the chairman shall declare the meeting adjourned. 	<ol style="list-style-type: none"> 1. 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. 2. The chairman shall call the meeting to order at the appointed meeting time. 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 shareholders still represent less than one third of the total number of issued shares, the chairman shall declare the meeting adjourned.
Article 16	<ol style="list-style-type: none"> 1. 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, <u>and the list of unsuccessful directors and supervisors and the number of voting rights they have obtained.</u> 	<ol style="list-style-type: none"> 1. 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.
Article 22	These rules were established on 3 May 2005.	These rules were established on 3 May 2005.

Article	After The Revision	Before The Revision
	These rules were amended on 27 May 2020. These rules were amended on 23 July 2021.	These rules were amended on 27 May 2020.

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

Article	After The Revision	Before The Revision
Article 1	To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies. Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.	To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies. Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.
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. Arbitrary addition of supporting documents for other eligibility requirements is disallowed while reviewing the eligibility, education and experience of prospective directors, and presence of individual conditions under Article 30 of the Company Act or not and review results shall be provided to shareholders for their reference in order to select competent directors. 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>	<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. Arbitrary addition of supporting documents for other eligibility requirements is disallowed while reviewing the eligibility, education and experience of prospective directors, and presence of individual conditions under Article 30 of the Company Act or not and review results shall be provided to shareholders for their reference in order to select competent directors. 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	After The Revision	Before The Revision
Article 5	<p>When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</p> <p>When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, or the related provisions of the Taiwan Stock Exchange Corporation rules governing the review of listings, or subparagraph 8 of the Standards for Determining Unsuitability for GTSM Listing under Article 10, Paragraph 1 of the GreTai Securities Market Rules Governing the Review of Securities for Trading on the GTSM, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</p>	<p>When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</p> <p>When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, or the related provisions of the Taiwan Stock Exchange Corporation rules governing the review of listings, or subparagraph 8 of the Standards for Determining Unsuitability for GTSM Listing under Article 10, Paragraph 1 of the GreTai Securities Market Rules Governing the Review of Securities for Trading on the GTSM, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</p>
Article 9	<p>Filling in the ballot</p> <p>If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic person shareholder, the name of the governmental organization or juristic person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic person shareholder and the name of its representative may be entered. When there are multiple representatives,</p>	<p>Filling in the ballot</p> <p>If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives,</p>

Article	After The Revision	Before The Revision
	the names of each respective representative shall be entered.	the names of each respective representative shall be entered.
Article 10	<p>Invalid circumstances of the ballot</p> <p>A ballot is invalid under any of the following circumstances:</p> <ol style="list-style-type: none"> 1. The ballot was not prepared by the board of directors <u>a person with the right to convene.</u> 2. A blank ballot is placed in the ballot box. 3. The writing is unclear and indecipherable or has been altered. 4. The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match <u>does not conform to the director candidate list.</u> 5. Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identity card number) and the number of voting rights allotted. 6. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual. 	<p>Invalid circumstances of the ballot</p> <p>A ballot is invalid under any of the following circumstances:</p> <ol style="list-style-type: none"> 1. The ballot was not prepared by the board of directors. 2. A blank ballot is placed in the ballot box. 3. The writing is unclear and indecipherable or has been altered. 4. The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match. 5. Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identity card number) and the number of voting rights allotted. 6. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.
Article 14	This procedure was established on 3 May 2005.This procedure was amended on 26 May 2017. <u>This procedure was amended on 23 July 2021.</u>	This procedure was established on 3 May 2005.This procedure was amended on 26 May 2017.

Attachment 10: The qualification of the nominated

Category	Name	Education	Experience
Director	Liang, Chin-Li	<ul style="list-style-type: none"> - EMBA, National Chiao Tung University - Department of Electrical Engineering - Refrigerating and Air-conditioning, Taipei Tech 	<p>Current Position</p> <ul style="list-style-type: none"> - Chairman, Acter Group Corporation Limited - Chairman, Her Suo Eng., Co., Ltd. - Chairman, Nova Technology Corp. - Chairman, Acter Technology Integration Group Co., Ltd - Director, Sheng Huei (Shenzhen) Engineering Co., Ltd. - Director, Shenzhen Dingmao Trade Co., Ltd. - Director, Sheng Huei International Co., Ltd. - Director, Acter International Limited - Director, New Point Group Limited - Director, Nova Technology Singapore Pte., Ltd. - Director, Nova Technology Malaysia Sdn. Bhd. - Supervisor, Winmax Technology Corp. - Director and CEO, Enrich Tech Co., Ltd. - Chairman, Winmega Technology Corp. - Supervisor, Suzhou Winmax Technology Corp. - Director, Novatech Engineering & Construction Pte. Ltd. - Director, Sheng Huei Engineering Technology Co., Ltd. - Chairman, Acter Technology Co., Ltd. - Director, Waste Recovery Technology Inc.
Director	Yang, Jung-Tang	<ul style="list-style-type: none"> - EMBA, Tunghai University - Department of Electrical Engineering - Refrigerating and Air-conditioning, Taipei Tech 	<p>Current Position</p> <ul style="list-style-type: none"> - Director, Acter Group Corporation Limited - Chairman, Xiang-Hui Development Co., Ltd. - Chairman, Johnwell Co., Ltd. - Director, Sheng Huei International Co., Ltd. - Director, New Point Group Limited - Director, Season Arts Education Foundation. - Supervisor, Suzuka Chemical Co., Ltd.
Director	Hu, Tai-Tsen	<ul style="list-style-type: none"> - EMBA, Tunghai University - Department of Electrical Engineering - Refrigerating and Air-conditioning, Taipei Tech 	<p>Current Position</p> <ul style="list-style-type: none"> - Director, Acter Group Corporation Limited - Director, Sheng Huei International Co., Ltd. - Director, New Point Group Limited - Director, Lishan Hotel Corporation <p>Experience</p> <ul style="list-style-type: none"> - Honorary Member, The Phi Tau Phi Scholastic Honor Society of the Republic of China - Lecturer, Department of Electrical Engineering, National Chin-Yi University of Technology - Executive Director, Taiwan Refrigerator and Air-Conditioning Association of Republic of China - Jury for Technical Examination of Refrigeration and Air Conditioning Repair Technician by the Ministry of Internal Affairs

Category	Name	Education	Experience
Independent Director	Yeh, Hui-Hsin	<ul style="list-style-type: none"> - Bachelor Degree in Accounting, Tunghai University 	<p>Current Position</p> <ul style="list-style-type: none"> - Independent Director, Acter Group Corporation Limited - Representative, Wei Chin CPAs & Co. - Independent Director, Data Image Corporation - Independent Director, Simula Technology Inc. - Director, Wei Xin Financial Consultancy Co., Ltd. <p>Experience</p> <ul style="list-style-type: none"> - Partner CPA, Ernst & Young Global Limited
Independent Director	Wang, Mao-Rong	<ul style="list-style-type: none"> - Master, Institute of Management of Technology, National Chiao Tung University - Refrigerating Air-conditioning Division, College of Mechanical & Electrical Engineering, National Taipei University of Technology 	<p>Current Position</p> <ul style="list-style-type: none"> - Independent Director, Acter Group Corporation Limited - Person in Charge, MJ Energy Master - Director, J-POWER SYSTEM ENGINEERING CO., LTD. - Director, Compresses Air Energy Saving Co., Ltd. <p>Experience</p> <ul style="list-style-type: none"> - Consultant of Energy-saving Department and Senior Manager, Delta Electronics, Inc. - Industrial Technology Research Institute Laboratory Director and Promotion Manager - Great United Technicians Firm, Person in Charge - Top 10 Outstanding Engineer Award (Year 1996) - Refrigeration and air-conditioning engineer (Senior Examinations) - Adjunct Lecturer, National Chin-Yi University of Technology
Independent Director	Yang, Qian	<ul style="list-style-type: none"> - Doctor of Computer Science, Washington University, USA - Master of Computer Science, Georgia Institute of Technology, USA - Master of Management Science, National Chiao Tung University - Bachelor of Electronics Engineering, National Chiao Tung University 	<p>Current Position</p> <ul style="list-style-type: none"> - Independent Director, Acter Group Corporation Limited - Honorary Professor, Institute of Business and Management, National Chiao Tung University - Member, Employee Complaint Deliberation Committee, Industrial Technology Research Institute - Supervisor, Chia Chang Co., Ltd. - Independent Director, ASPEED Technology Inc. - Independent Director, Associated Industries China, Inc. - Independent Director, Mars Semiconductor Corp. <p>Experience</p> <ul style="list-style-type: none"> - Professor and Dean, Institute of Business and Management, National Chiao Tung University - Consultant, Chairman Office, Hon Hai

Category	Name	Education	Experience
			Precision Inc. Co., Ltd. – Member, Endowment Fund Committee, National Chiao Tung University – Member, Operation Fund Committee, National Chiao Tung University
Independent Director	Huang, Tzu-Pei	– Master, School of Law, National Chiao Tung University – Bachelor of Financial Law, College of Law, National Taiwan University	Current Position – Lawyer, Meridian Attorneys-at-Law Experience – Consultant lawyer, Taipei City Government – Consultant lawyer, Taiwan Union of Nurses Association – Consultant lawyer, labor unions of Cheng Hsin General Hospital – Arbitrator, Chinese Arbitration Association, Taipei – Committee member, Parliament Coordination Committee of Taiwan Bar Association

**Attachment 11: Items of competitive conduct in which the directors
(including independent directors) are permitted to engage**

Title	Name	Items of competitive conduct
Director	Liang, Chin-Li	<ul style="list-style-type: none"> - Chairman, Her Suo Eng., Co., Ltd. - Chairman, Nova Technology Corp. - Chairman, Acter Technology Integration Group Co., Ltd - Director, Sheng Huei (Shenzhen) Engineering Co., Ltd. - Director, Shenzhen Dingmao Trade Co., Ltd. - Director, Sheng Huei International Co., Ltd. - Director, Acter International Limited - Director, New Point Group Limited - Director, Nova Technology Singapore Pte., Ltd. - Director, Nova Technology Malaysia Sdn. Bhd. - Supervisor, Winmax Technology Corp. - Director and CEO, Enrich Tech Co., Ltd. - Chairman, Winmega Technology Corp. - Supervisor, Suzhou Winmax Technology Corp. - Director, Novatech Engineering & Construction Pte. Ltd. - Director, Sheng Huei Engineering Technology Co., Ltd. - Chairman, Acter Technology Co., Ltd. - Director, Waste Recovery Technology Inc. - Director, RAYZHER INDUSTRIAL CO., LTD.
Director	Yang, Jung-Tang	<ul style="list-style-type: none"> - Chairman, Xiang-Hui Development Co., Ltd. - Chairman, Johnwell Co., Ltd. - Director, Sheng Huei International Co., Ltd. - Director, New Point Group Limited - Director, Season Arts Education Foundation. - Supervisor, Suzuka Chemical Co., Ltd.
Director	Hu, Tai-Tsen	<ul style="list-style-type: none"> - Director, Sheng Huei International Co., Ltd. - Director, New Point Group Limited - Director, Lishan Hotel Corporation
Independent Director	Yeh, Hui-Hsin	<ul style="list-style-type: none"> - Representative, Wei Chin CPAs & Co. - Independent Director, Data Image Corporation - Independent Director, Simula Technology Inc. - Director, Wei Xin Financial Consultancy Co., Ltd.
Independent Director	Wang, Mao-Rong	<ul style="list-style-type: none"> - Person in Charge, MJ Energy Master - Director, J-POWER SYSTEM ENGINEERING CO., LTD. - Director, Compresses Air Energy Saving Co., Ltd.
Independent Director	Yang, Qian	<ul style="list-style-type: none"> - Honorary Professor, Institute of Business and Management, National Chiao Tung University - Member, Employee Complaint Deliberation Committee, Industrial Technology Research Institute - Supervisor, Chia Chang Co., Ltd. - Independent Director, ASPEED Technology Inc. - Independent Director, Associated Industries China, Inc. - Independent Director, Mars Semiconductor Corp.
Independent Director	Huang, Tzu-Pei	<ul style="list-style-type: none"> - Lawyer, Meridian Attorneys-at-Law