

Stock Code: 2453

SYSCOM COMPUTER ENGINEERING CO.

2022 Annual Shareholders' Meeting

Meeting Handbook

(Translation)

June 15, 2022

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SYSCOM COMPUTER ENGINEERING CO.
Procedure for the 2022 Annual Shareholders’
Meeting

- I. Call the Meeting to Order**
- II. Chairman’s Remarks**
- III. Report Items**
- IV. Proposal Items**
- V. Discussion Items**
- VI. Extemporaneous Motions**
- VII. Meeting Adjourned**

SYSCOM COMPUTER ENGINEERING CO.
2022 Annual Shareholders' Meeting
Agenda

One. Time: 9:00 a.m. on June 15, 2022 (Wednesday)

Two. Venue: B1, No. 115, Emei Street, Taipei City (Conference Hall)

Three. Convening Methods : Physical Shareholders' Meeting

Four. Meeting Procedure:

I. Call the Meeting to Order

II. Chairman's Remarks

III. Report Items

(1) 2021 Business Report.

(2) Audit Committee's Review Report on the 2021 Financial Statements.

(3) Distribution of 2021 remuneration to employees and directors.

IV. Proposal Items

(1) 2021 Business Report and Financial Statements.

(2) 2021 Statement of Earnings Distribution.

V. Discussion Items

(1) Amendments to the Rules of Procedure for Shareholders' Meetings.

(2) Amendments to the Articles of Incorporation.

(3) Amendments to the Procedures for Acquisition and Disposal of Assets.

VI. Extemporaneous Motions

VII. Meeting Adjourned

Report Items

Item 1:

The Company's 2021 Business Report is submitted for review.

Description: Please refer to Attachment 1 on pages 7 to 9 of this handbook for the 2021 Business Report.

Item 2:

The Audit Committee's Review Report on the 2021 Financial Statements is submitted for review.

Description: Please refer to Attachment 2 on page 10 of this handbook for the Audit Committee's Review Report.

Item 3:

Distribution of 2021 remuneration to employees and directors is submitted for review.

Description: 1. As per the Articles of Incorporation, if the Company makes a profit in a fiscal year, it shall allocate no less than 3% of the profit as employees' remuneration.

2. The Company's annual profit in 2021 was NT\$280,629,586, and we allocated 3.01% of the profit as employees' remuneration totaling NT\$8,450,000, all of which was paid in cash. There is no difference between this amount and that recognized for 2021. The Company does not distribute directors' remuneration.

Proposal Items

Item 1:

The 2021 Business Report and Financial Statements are submitted for ratification.

(Proposed by the Board of Directors)

- Description:
1. The Company's annual business report and financial statements (including consolidated financial statements) were approved by the Board of Directors. The financial statements (including consolidated financial statements) were audited by Hsin-Wei Tai and Pei-De Chen CPAs at Deloitte & Touche; both the financial statements and the business report were reviewed by the Audit Committee.
 2. Please refer to Attachment 1 on pages 7 to 9 and Attachment 3 on pages 11 to 30 of this handbook for the 2021 Business Report, the CPAs' Audit Report, and Financial Statements (including the consolidated financial statements).
 3. Please proceed to review and ratify them.

Resolution:

Item 2:

The 2021 Statement of Earnings Distribution is submitted for ratification. (Proposed by the Board of Directors)

- Description:
1. The Company's 2021 net income after tax was NT\$215,822,477, and we set aside NT\$22,088,471 as the legal reserve in accordance with regulations and proposed to distribute a cash dividend of NT\$190,000,000 to shareholders.
 2. The cash dividend to be distributed to shareholders is NT\$1.9 per share, rounded down to NT\$1, and the amount below NT\$1 will be included in the Company's other income. Upon approval during the Annual Meeting of Shareholders, it is proposed that the Chairman be authorized to resolve the ex-dividend date, ex-rights date, and other relevant issues.
 3. Please refer to Attachment 4 on page 31 of this handbook for the 2021 Statement of Earnings Distribution.
 4. Please proceed to ratify it.

Resolution:

Discussion Items

Item 1:

Amendments to the Rules of Procedure for Shareholders' Meetings is submitted for discussion. (Proposed by the Board of Directors)

Description: 1. It is proposed to amend some of the provisions of the Company's Rules of Procedure for Shareholders' Meetings in alignment with the amended Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.

2. Please refer to Attachment 5 on pages 32 to 46 of this handbook for the Table of Amendments to the Rules of Procedure for Shareholders' Meetings.

3. Please resolve decision as appropriate.

Resolution:

Item 2:

Amendments to the Articles of Incorporation is submitted for discussion. (Proposed by the Board of Directors)

Description: 1. It is proposed to amend some of the provisions of the Articles of Incorporation in alignment with the amendments to laws and regulations.

2. Please refer to Attachment 6 on pages 47 to 48 of this handbook for the Table of Amendments to the Articles of Incorporation.

3. Please resolve decision as appropriate.

Resolution:

Item 3:

Amendments to the Procedures for Acquisition and Disposal of Assets is submitted for discussion. (Proposed by the Board of Directors)

Description: 1. It is proposed to amend some of the provisions of the Procedures for Acquisition and Disposal of Assets in alignment with the amendments to laws and regulations.

2. Please refer to Attachment 7 on pages 49 to 54 of this handbook for the Table of Amendments to the Procedures for Acquisition and Disposal of Assets.

3. Please resolve decision as appropriate.

Resolution:

Extemporaneous Motions

Meeting Adjourned

(Attachment 1)

Syscom Computer Engineering Co.

2021 Business Report

I. Introduction

Affected by the changes in the global political and economic situation and the unprecedented problems caused by the COVID-19 pandemic in 2021, including pandemic prevention, lockdown, and shipping congestion, people in Taiwan have experienced the unprecedented stay-at-home lifestyles and entertainment, remote learning and work, and various online shopping and experience courses. The acceptance of new technologies, such as zero-/low-contact technologies among the citizens has increased significantly. The pandemic has brought about long-term changes, and the hybrid work model has become the new normal. Innovative digital technologies have reshaped business models, enhanced values, and transformed the way of creating and delivering corporate values. As Syscom actively seized the business opportunities from clients' digital transformation, the Company's revenue and profit to grow further in 2021.

The following is a description of the Company's operational performance for 2021 and business outlook for 2022.

II. 2021 Business Overview and Profitability

Driven by the rapid recovery of the global economy and trade, our country's exports and investment surged in 2021, with the economic growth rate rising to as high as 6.09%, a new high over the past decade. With the impact of the pandemic, the non-contact economy has become the main way of living for people. Information and communications (ICT) technologies, such as AI and 5G, are widely adopted in various industries. As the world is more actively developing toward the metaverse, relevant software and hardware industries are thriving. Syscom has always devised a plan as per forward-looking demand, provided professional and dedicated technical talents, and tapped into and made the most of clients' core competitive advantages. As such, our professionalism, service, and quality have been deeply recognized by our clients and partners, and we demonstrated excellent performance in finance, telecommunications, government, transportation, manufacturing, and retail over the past year.

The Company's parent-company-only net operating revenue in 2021 was NT\$5,578,076, thousands an increase of 1.77% compared with 2020; parent-company-only net income after tax was NT\$215,822 thousands an increase of 26.99% compared with 2020.

The Company's consolidated net operating revenue in 2021 was NT\$5,869,595 thousands an increase of 1.94% compared with 2020; consolidated net income after tax was NT\$214,977 thousands an increase of 28.85% compared with 2020.

III. Business Plan and Outlook for 2022

(1) Business plan

1. Market trends

Gartner predicts that AI, cloud technology, and hybrid work model will be the most important technology trends in 2022. The senior management of an enterprise generally regards IT as the core engine of business transformation, and the most important technology strategies to be adopted in the following year include distributed enterprise, advanced AI, hyperautomation, and cloud-native platforms, decision intelligence, and advanced security. Among them, distributed enterprise is a new business model developed in response to the pandemic, catering to a wide range of needs, including cloud-based workspace, collaborative operations and monitoring tools that support hybrid work models, new remote work support technologies, and a zero trust security model. In Taiwan, as the government's forward-looking program will enter the fourth stage (2023–2024), the government will continue to invest in green energy, generation A semiconductor technology, IoT, AI, 5G, and information security as in the 5 Plus 2 Industrial Innovation Program and the Six Core Strategic Industries program, thereby reinforcing our national competitiveness and moving toward a smart country.

2. Development direction

- (1) Unleash the power of systems to create a high-quality customer service experience.
- (2) Promote research and development results, expand to wider application fields, and increase sales.
- (3) Keep abreast of forward-looking technologies and integrate industrial applications to accelerate adoption.
- (4) Strengthen international collaboration and expand our overseas markets with soft power.
- (5) Launch digital transformation to enhance the Company's sustainable development capabilities.

3. Important production and marketing policies

- (1) Insist on the quality of system integration projects and implement standard operating procedures.
- (2) Innovate industry-related information services to improve overall profitability.
- (3) Reinforce our core products and professional services to facilitate promotion and application.
- (4) Develop AI, 5G, information security, cloud, and metaverse application services.
- (5) Work with domestic and international information partners to enhance the development of overseas markets.

(2) Future outlook

Looking ahead to 2022, although the COVID-19 variants still raging, with the widespread vaccination and emerging drugs, various countries will gradually open up for business and trade. With economic dividends during this period due to our successful epidemic prevention, we will surely meet the challenge with greater capabilities when the global economy restarts. Syscom continues to enhance our software and professional information services and capabilities as the best partner for clients to enhance their competitiveness, while actively working with domestic and international industrial strategic alliances to facilitate the business expansion in the international market through division of labor, thereby enabling the software service industry to become the core foundation and driving force of the national knowledge economy and increasing growth and values for the Company.

Chairman: Raff Liu

President: Jui-Lung Liu

Accounting Manager: Li-Chueh Tu

(Attachment 2)

SYSCOM COMPUTER ENGINEERING CO.

Audit Committee's Review Report

The Company's Board of Directors prepared the 2021 Business Report, Financial Statements, and Statement of Earnings Distribution, among which the Financial Statements were audited by CPAs at Deloitte & Touche, by whom an audit report has been issued. Said Business Report, Financial Statements, and Statement of Earnings Distribution have been reviewed by the Audit Committee, and no inconsistency was found. The report is hereby presented as above in accordance with the relevant provisions of the Securities and Exchange Act and the Company Act. Please proceed to review it.

This report is hereby presented to
2022 Annual Shareholders' Meeting of Syscom Computer Engineering Co.

Audit Committee Convener: Che-Fu Kung

March 18, 2022

(Attachment 3)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Syscom Computer Engineering Company

Opinion

We have audited the accompanying consolidated balance sheets of Syscom Computer Engineering Company (the "Corporation") and its subsidiaries (collectively, the "Group") for the years ended December 31, 2021 and 2020 and the relevant consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and relevant notes, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, based on our audits and the reports of other auditors (refer to Other Matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, and its consolidated financial performance and consolidated cash flows for the years then ended in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively referred to as "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's consolidated financial statements for the year ended December 31, 2021. 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.

Key audit matters of the financial statements of the Group for the year ended December 31, 2021 are stated as follows:

Recognition of Contract Revenue

The Group generates revenue through rendering of services according to contract. Revenue from contract is recognized by reference to the stage of completion of contract activity. The stage of completion of the contract is measured based on the proportion of contract cost incurred for work performed to date relative to the estimated total contract cost. The management estimates total contract cost upon signing of the contract. However, the estimated total cost may change as the

contract activity progresses and such change may have material impact on revenue recognition; therefore, the recognition of contract revenue is deemed to be a key audit matter.

We focused on the measurement of stage of completion while testing the recognition of contract revenue. The procedures we performed are the following:

1. We examined the underlying documents of original contract and related addendum used as basis for contract revenue recognized.
2. We verified the accuracy of accumulated incurred cost through test of details.
3. We assessed the appropriateness of underlying information and assumptions the management used in estimating total cost.
4. We performed retrospective review of discrepancy between actual costs incurred and estimated total cost of completed contract.

Please refer to Notes 4 and 5 to the financial statements for related disclosure on revenue recognition.

Other Matters

In the Group's consolidated financial statements, the financial statements of subsidiaries that are not material are audited by other auditors. Therefore, in our opinion on the consolidated financial statements as mentioned above, the amounts shown in such subsidiaries' financial statements are recognized based on the audit reports prepared by other auditors. The total assets of the above subsidiaries as of December 31, 2021 and 2020 were NT\$259,291 thousands and NT\$257,705 thousands, respectively, both accounting for 6% of the total consolidated assets; the net operating revenue for the years ended December 31, 2021 and 2020 was NT\$124,360 thousands and NT\$131,377 thousands, respectively, both representing 2% of the net consolidated operating revenue.

The Corporation has prepared the financial statements for the years ended December 31, 2021 and 2020, and we have issued an auditor's report on said statements with the unqualified opinion and other matters paragraphs for reference.

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

The responsibilities of the management are to prepare the financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the regulations of IFRS and IAS as well as IFRIC and SIC interpretations endorsed and issued into effect by the FSC and to maintain necessary internal control associated with the preparation in order to ensure that the financial statements are free from material misstatement arising from 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.

The Group's governing body (including the Audit Committee) is responsible for supervising the financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to

issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatement may arise from frauds or errors. If the amounts of misstatements, either separately or in aggregate, could reasonably be expected to influence the economic decisions of the users of the consolidated financial statements, they are considered material.

As part of an audit in accordance with the 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient 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 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 statements 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 Group's consolidated financial statements for the year ended December 31, 2021, 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 Hsin-Wei Tai and Pei-De Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 18, 2022

Notice to Readers

The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with 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 applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.

SYSCOM COMPUTER ENGINEERING CO. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars)

Code	ASSETS	December 31, 2021		December 31, 2020	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 468,100	11	\$ 379,767	9
1110	Financial assets at fair value through profit or loss - current (Notes 4 and 7)	235,009	6	343,033	8
1136	Financial assets at amortized cost - current (Notes 4, 9 and 28)	185,440	4	180,912	4
1140	Contract assets - current (Notes 4 and 21)	359,158	9	567,136	13
1150	Notes receivable (Note 4)	3,040	-	3,999	-
1172	Accounts receivable (Notes 4, 10, and 27)	1,576,836	37	1,132,636	27
1200	Other receivables (Note 4)	9,681	-	8,100	-
1220	Current tax assets	248	-	250	-
130X	Inventories (Notes 4 and 11)	292,605	7	561,050	13
1410	Prepayments	295,396	7	288,797	7
1479	Other current assets	<u>77,228</u>	<u>2</u>	<u>88,896</u>	<u>2</u>
11XX	Total current assets	<u>3,502,741</u>	<u>83</u>	<u>3,554,576</u>	<u>83</u>
	NON-CURRENT ASSETS				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	22,448	1	6,903	-
1535	Financial assets at amortized cost - non-current (Notes 4, 9, and 28)	147,170	3	147,332	3
1550	Investments accounted for using the equity method (Notes 4 and 13)	64,914	2	63,776	2
1600	Property, plant and equipment (Notes 4, 14, 27, and 28)	370,818	9	362,489	8
1755	Right-of-use assets (Notes 4 and 15)	63,508	1	92,636	2
1821	Intangible assets (Notes 4 and 16)	2,743	-	3,656	-
1840	Deferred tax assets (Notes 4 and 23)	19,204	-	23,897	1
1990	Other non-current assets (Note 4)	<u>40,783</u>	<u>1</u>	<u>34,601</u>	<u>1</u>
15XX	Total non-current assets	<u>731,588</u>	<u>17</u>	<u>735,290</u>	<u>17</u>
1XXX	TOTAL	<u>\$ 4,234,329</u>	<u>100</u>	<u>\$ 4,289,866</u>	<u>100</u>
	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term borrowings (Note 17)	\$ 137,726	3	\$ 115,640	3
2130	Contract liabilities - current (Notes 4 and 21)	208,240	5	199,939	5
2150	Notes payable	68	-	504	-
2170	Accounts payable (Note 27)	1,318,607	31	1,517,216	35
2200	Other payables (Note 18)	376,623	9	298,205	7
2230	Current tax liabilities	33,265	1	23,730	1
2280	Lease liabilities - current (Notes 4, 15, and 27)	45,720	1	44,537	1
2399	Other current liabilities	<u>16,498</u>	<u>-</u>	<u>16,171</u>	<u>-</u>
21XX	Total current liabilities	<u>2,136,747</u>	<u>50</u>	<u>2,215,942</u>	<u>52</u>
	NON-CURRENT LIABILITIES				
2572	Deferred tax liabilities (Notes 4 and 23)	11,238	-	11,301	-
2580	Lease liabilities - non-current (Notes 4, 15, and 27)	20,362	1	52,549	1
2640	Net defined benefits liabilities - non-current (Notes 4 and 19)	77,495	2	101,788	3
2645	Guarantee deposits received	<u>13,730</u>	<u>-</u>	<u>13,582</u>	<u>-</u>
25XX	Total non-current liabilities	<u>122,825</u>	<u>3</u>	<u>179,220</u>	<u>4</u>
2XXX	Total liabilities	<u>2,259,572</u>	<u>53</u>	<u>2,395,162</u>	<u>56</u>
	EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Notes 4 and 20)				
3110	Share capital - ordinary shares	<u>1,000,000</u>	<u>24</u>	<u>1,000,000</u>	<u>23</u>
3200	Capital surplus	<u>1,547</u>	<u>-</u>	<u>1,521</u>	<u>-</u>
	Retained earnings				
3310	Legal reserve	281,889	7	263,132	6
3320	Special reserve	17,619	-	17,619	1
3350	Unappropriated earnings	<u>669,982</u>	<u>16</u>	<u>617,855</u>	<u>14</u>
3300	Total retained earnings	<u>969,490</u>	<u>23</u>	<u>898,606</u>	<u>21</u>
3400	Other equity	<u>(6,921)</u>	<u>-</u>	<u>(17,226)</u>	<u>-</u>
31XX	Total equity of the owners of the Corporation	<u>1,964,116</u>	<u>47</u>	<u>1,882,901</u>	<u>44</u>
36XX	Non-controlling interests (Note 20)	<u>10,641</u>	<u>-</u>	<u>11,803</u>	<u>-</u>
3XXX	Total equity	<u>1,974,757</u>	<u>47</u>	<u>1,894,704</u>	<u>44</u>
	TOTAL	<u>\$ 4,234,329</u>	<u>100</u>	<u>\$ 4,289,866</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 18, 2022)

SYSCOM COMPUTER ENGINEERING CO. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		2021		2020	
		Amount	%	Amount	%
	OPERATING REVENUE (Notes 4, 5, 21, and 27)				
4100	Sales	\$ 4,574,665	78	\$ 4,572,404	80
4600	Maintenance revenue	1,292,764	22	1,166,195	20
4300	Rental revenue	<u>2,166</u>	<u>-</u>	<u>19,267</u>	<u>-</u>
4000	Total operating revenue	<u>5,869,595</u>	<u>100</u>	<u>5,757,866</u>	<u>100</u>
	OPERATING COSTS (Notes 4, 11, 19, 22, and 27)				
5110	Cost of goods sold	3,506,830	59	3,539,578	62
5600	Maintenance costs	936,117	16	890,793	15
5300	Rental costs	<u>2,385</u>	<u>-</u>	<u>16,507</u>	<u>-</u>
5000	Total operating costs	<u>4,445,332</u>	<u>75</u>	<u>4,446,878</u>	<u>77</u>
5900	GROSS PROFIT	<u>1,424,263</u>	<u>25</u>	<u>1,310,988</u>	<u>23</u>
	OPERATING EXPENSES (Notes 10, 19, 22, and 27)				
6100	Selling and marketing expenses	949,915	16	910,946	16
6300	Research and development expenses	217,379	4	237,173	4
6450	Expected credit loss recognized/(reversed) on trade receivables	<u>2,143</u>	<u>-</u>	<u>(484)</u>	<u>-</u>
6000	Total operating expenses	<u>1,169,437</u>	<u>20</u>	<u>1,147,635</u>	<u>20</u>
6900	PROFIT FROM OPERATIONS	<u>254,826</u>	<u>5</u>	<u>163,353</u>	<u>3</u>
	NON-OPERATING INCOME AND EXPENSES (Note 4)				
7100	Interest income (Note 22)	4,335	-	6,161	-
7010	Other income (Notes 22 and 27)	22,710	-	42,712	1
7020	Other gains and losses (Note 22)	(8,352)	-	9,521	-
7050	Finance costs (Notes 22 and 27)	(4,880)	-	(9,177)	-
7060	Share of profit or loss of associates and joint ventures (Note 13)	<u>3,218</u>	<u>-</u>	<u>328</u>	<u>-</u>
7000	Total non-operating income and expenses	<u>17,031</u>	<u>-</u>	<u>49,545</u>	<u>1</u>
7900	PROFIT BEFORE INCOME TAX	271,857	5	212,898	4
7950	INCOME TAX EXPENSE (Notes 4 and 23)	<u>56,880</u>	<u>1</u>	<u>46,056</u>	<u>1</u>
8200	NET PROFIT FOR THE YEAR	<u>214,977</u>	<u>4</u>	<u>166,842</u>	<u>3</u>

(Continued)

Code		2021		2020	
		Amount	%	Amount	%
	OTHER COMPREHENSIVE INCOME (Notes 19, 20, and 23)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	\$ 6,325	-	(\$ 12,365)	-
8316	Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	15,545	-	30,565	-
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss	(1,265)	-	2,473	-
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	(4,875)	-	(5,646)	-
8370	Share of the other comprehensive income of associates and joint ventures accounted for using the equity method	(433)	-	3	-
8300	Total other comprehensive income, net of income tax	<u>15,297</u>	-	<u>15,030</u>	-
8500	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 230,274</u>	<u>4</u>	<u>\$ 181,872</u>	<u>3</u>
	NET INCOME ATTRIBUTABLE TO:				
8610	Owners of the Corporation	\$ 215,822	4	\$ 169,958	3
8620	Non-controlling interests	(845)	-	(3,116)	-
8600		<u>\$ 214,977</u>	<u>4</u>	<u>\$ 166,842</u>	<u>3</u>
	TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
8710	Owners of the Corporation	\$ 231,189	4	\$ 185,006	3
8720	Non-controlling interests	(915)	-	(3,134)	-
8700		<u>\$ 230,274</u>	<u>4</u>	<u>\$ 181,872</u>	<u>3</u>
	EARNINGS PER SHARE (Note 24)				
9710	Basic	<u>\$ 2.16</u>		<u>\$ 1.70</u>	
9810	Diluted	<u>\$ 2.15</u>		<u>\$ 1.69</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 18, 2022)

(Concluded)

SYSCOM COMPUTER ENGINEERING CO. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars, except Dividend Per Share)

		Equity attributable to owners of the Corporation									
		Retained earnings					Other equity				
C o d e		Share capital - ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translating the financial statements of foreign operations	Unrealized gain or loss on financial assets at fair value through other comprehensive income	Total	Non-controlling interests	Total equity
A1	BALANCE AT JANUARY 1, 2020	\$ 1,000,000	\$ 1,130	\$ 250,217	\$ 17,619	\$ 543,200	(\$ 9,419)	(\$ 5,243)	\$ 1,797,504	\$ 17,378	\$ 1,814,882
	Appropriation of the 2019 earnings										
B1	Legal reserve	-	-	12,915	-	(12,915)	-	-	-	-	-
B5	Cash dividends - NT\$1 per share	-	-	-	-	(100,000)	-	-	(100,000)	-	(100,000)
D1	Net profit for the year ended December 31, 2020	-	-	-	-	169,958	-	-	169,958	(3,116)	166,842
D3	Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	(9,826)	(5,691)	30,565	15,048	(18)	15,030
D5	Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	160,132	(5,691)	30,565	185,006	(3,134)	181,872
M5	Actual acquisition of interests in subsidiaries	-	391	-	-	-	-	-	391	(2,441)	(2,050)
Q1	Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	27,438	-	(27,438)	-	-	-
Z1	BALANCE AT DECEMBER 31, 2020	1,000,000	1,521	263,132	17,619	617,855	(15,110)	(2,116)	1,882,901	11,803	1,894,704
	Appropriation of the 2020 earnings										
B1	Legal reserve	-	-	18,757	-	(18,757)	-	-	-	-	-
B5	Cash dividends - NT\$1.5 per share	-	-	-	-	(150,000)	-	-	(150,000)	-	(150,000)
D1	Net profit for the year ended December 31, 2021	-	-	-	-	215,822	-	-	215,822	(845)	214,977
D3	Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	5,062	(5,240)	15,545	15,367	(70)	15,297
D5	Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	220,884	(5,240)	15,545	231,189	(915)	230,274
M5	Actual acquisition of interests in subsidiaries	-	26	-	-	-	-	-	26	(176)	(150)
O1	Cash dividends from subsidiary	-	-	-	-	-	-	-	-	(71)	(71)
Z1	BALANCE AT DECEMBER 31, 2021	\$ 1,000,000	\$ 1,547	\$ 281,889	\$ 17,619	\$ 669,982	(\$ 20,350)	\$ 13,429	\$ 1,964,116	\$ 10,641	\$ 1,974,757

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 18, 2022)

SYSCOM COMPUTER ENGINEERING CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars)

Code		2021	2020
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before income tax	\$ 271,857	\$ 212,898
A20010	Adjustments for:		
A20100	Depreciation expenses	109,024	130,310
A20200	Amortization expenses	901	1,385
A20300	Expected credit loss recognized / (reversed) on trade receivables	2,143	(484)
A20400	Net gain on financial assets at fair value through profit or loss	(410)	(5,438)
A20900	Finance costs	4,880	9,177
A21200	Interest income	(4,335)	(6,161)
A21300	Dividend income	(89)	(114)
A22300	Share of profit or loss of associates and joint ventures accounted for using the equity method	(3,218)	(328)
A22500	Gain on disposal of property, plant and equipment	(446)	(17,191)
A23700	Impairment loss	-	15,487
A23800	(Reversal of) write-downs of inventories	(8)	184
A24100	Net gain on foreign currency exchange	(4,815)	(13,203)
A29900	Lease modification gain	(334)	-
A30000	Changes in operating assets and liabilities		
A31125	Contract assets	207,978	35,017
A31130	Notes receivable	959	5,842
A31150	Accounts receivable	(448,072)	98,661
A31180	Other receivables	(1,607)	(600)
A31200	Inventories	235,599	(135,299)
A31230	Prepayments	(6,599)	(26,418)
A31240	Other current assets	393	921
A32125	Contract liabilities	8,301	61,724
A32130	Notes payable	(436)	470
A32150	Accounts payable	(196,264)	196,376
A32180	Other payables	78,438	39,377
A32230	Other current liabilities	327	3,261
A32240	Net defined benefits liabilities	(17,968)	(21,208)
A33000	Cash inflows from operations	236,199	584,646
A33100	Interest received	4,333	6,178
A33200	Dividends received	89	114

(Continued)

Code		2021	2020
A33300	Interest paid	(\$ 4,793)	(\$ 9,695)
A33500	Income tax paid	(43,903)	(27,459)
AAAA	Net cash inflow from operating activities	<u>191,925</u>	<u>553,784</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
B00010	Acquisition of financial assets at fair value through other comprehensive income	-	(3,800)
B00020	Sale of financial assets at fair value through other comprehensive income	-	92,118
B00040	Acquisition of financial assets at amortized cost	(4,366)	(2,383)
B00100	Purchase of financial assets at fair value through profit or loss	(868,500)	(673,000)
B00200	Proceeds from sale of financial assets at fair value through profit or loss	976,934	401,209
B02700	Payments for property, plant and equipment	(40,306)	(43,015)
B02800	Proceeds from disposal of property, plant and equipment	719	27,080
B03700	Decrease (increase) in refundable deposits	4,971	(2,809)
B04500	Payments for intangible assets	-	(135)
B06000	Decrease in lease receivables	<u>122</u>	<u>679</u>
BBBB	Net cash inflows (outflows) from investing activities	<u>69,574</u>	(<u>204,056</u>)
CASH FLOWS FROM FINANCING ACTIVITIES			
C00100	Proceeds from (repayments of) short-term borrowings	25,361	(234,103)
C00600	Repayments of short-term bills payable	-	(130,390)
C03000	Guarantee deposits received (returned)	148	(172)
C04020	Repayment of the principal portion of lease liabilities	(46,586)	(48,277)
C04500	Dividends paid	(150,000)	(100,000)
C05400	Acquisition of subsidiaries	(150)	(2,050)
C05800	Cash dividends paid to non-controlling interests	(71)	-
CCCC	Net cash outflows from financing activities	(<u>171,298</u>)	(<u>514,992</u>)
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	(<u>1,868</u>)	(<u>117</u>)
EEEE	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	88,333	(165,381)
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>379,767</u>	<u>545,148</u>
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 468,100</u>	<u>\$ 379,767</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 18, 2022)

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Syscom Computer Engineering Company

Opinion

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

In our opinion, based on our audits and the reports of other auditors (refer to Other Matter section), the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2021. 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.

Key audit matters of the financial statements of the Corporation for the year ended December 31, 2021 are stated as follows:

Recognition of Contract Revenue

The Corporation generates revenue through rendering of services according to contract. Revenue from contract is recognized by reference to the stage of completion of contract activity. The stage of completion of the contract is measured based on the proportion of contract cost incurred for work performed to date relative to the estimated total contract cost. The management estimates

total contract cost upon signing of the contract. However, the estimated total cost may change as the contract activity progresses and such change may have material impact on revenue recognition; therefore, the recognition of contract revenue is deemed to be a key audit matter.

We focused on the measurement of stage of completion while testing the recognition of contract revenue. The procedures we performed are the following:

1. We examined the underlying documents of original contract and related addendum used as basis for contract revenue recognized.
2. We verified the accuracy of accumulated incurred cost through test of details.
3. We assessed the appropriateness of underlying information and assumptions the management used in estimating total cost.
4. We performed retrospective review of discrepancy between actual costs incurred and estimated total cost of completed contract.

Please refer to Notes 4 and 5 to the accompanying financial statements for related disclosure on revenue recognition.

Other Matter

The financial statements as of and for the years ended December 31, 2021 and 2020 of some investees in which the Corporation had equity-method investments were audited by other auditors. Our opinion, insofar as it relates to the amounts included in the accompanying financial statements for these investees, is based solely on the reports of the other auditors. As of December 31, 2021 and 2020, the aforementioned investments accounted for using equity method amounted to NT\$197,567 thousands and NT\$200,458 thousands, which were 5% of total assets of the Corporation. For the years ended December 31, 2021 and 2020, investment income from the aforementioned equity-method investments amounted to NT\$5,662 thousands and NT\$(669) thousands, which represented 2.1% and (0.3%) of total comprehensive income of the Corporation.

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 Corporation'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 Corporation 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 Corporation's financial reporting process.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted 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 the 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 Corporation'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 Corporation'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 auditors' report. However, future events or conditions may cause the Corporation 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 appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation 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 statements 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 for the year ended December 31, 2021 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 Hsin-Wei Tai and Pei-De Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 18, 2022

Notice to Readers

The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with 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 applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.

SYSCOM COMPUTER ENGINEERING CO.

BALANCE SHEETS

DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars)

Code	ASSETS	December 31, 2021		December 31, 2020	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 320,197	8	\$ 212,443	5
1110	Financial assets at fair value through profit or loss - current (Notes 4 and 7)	235,009	6	343,033	8
1136	Financial assets at amortized cost - current (Notes 4, 9 and 26)	146,909	4	144,372	4
1140	Contract assets - current (Notes 4 and 19)	325,665	8	557,628	14
1150	Notes receivable (Note 4)	2,416	-	1,481	-
1172	Accounts receivable (Notes 4, 10, and 25)	1,483,549	37	1,033,894	25
1200	Other receivables (Note 4)	7,160	-	5,986	-
130X	Inventories (Notes 4 and 11)	263,447	6	542,704	13
1410	Prepayments	293,019	7	282,310	7
1479	Other current assets	76,614	2	87,947	2
11XX	Total current assets	<u>3,153,985</u>	<u>78</u>	<u>3,211,798</u>	<u>78</u>
	NON-CURRENT ASSETS				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	22,448	1	6,903	-
1535	Financial assets at amortized cost - non-current (Notes 4, 9, and 26)	146,760	4	146,722	4
1550	Investments accounted for using the equity method (Notes 4 and 12)	262,481	6	264,234	6
1600	Property, plant and equipment (Notes 4, 13, 25 and 26)	343,436	9	333,917	8
1755	Right-of-use assets (Notes 4 and 14)	39,188	1	75,443	2
1821	Intangible assets (Notes 4 and 15)	592	-	957	-
1840	Deferred tax assets (Notes 4 and 21)	17,191	-	21,935	1
1990	Other non-current assets (Note 4)	38,024	1	32,251	1
15XX	Total non-current assets	<u>870,120</u>	<u>22</u>	<u>882,362</u>	<u>22</u>
1XXX	TOTAL	<u>\$ 4,024,105</u>	<u>100</u>	<u>\$ 4,094,160</u>	<u>100</u>
	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2130	Contract liabilities - current (Notes 4 and 19)	\$ 191,489	5	\$ 190,653	5
2150	Notes payable	68	-	164	-
2170	Accounts payable (Note 25)	1,298,071	32	1,500,773	37
2200	Other payables (Note 16)	349,741	9	274,538	7
2230	Current tax liabilities	31,322	1	21,340	-
2280	Lease liabilities - current (Notes 4, 14 and 25)	38,560	1	37,989	1
2399	Other current liabilities	15,428	-	12,781	-
21XX	Total current liabilities	<u>1,924,679</u>	<u>48</u>	<u>2,038,238</u>	<u>50</u>
	NON-CURRENT LIABILITIES				
2572	Deferred tax liabilities (Notes 4 and 21)	10,578	-	10,695	-
2580	Lease liabilities - non-current (Notes 4, 14 and 25)	2,999	-	41,558	1
2640	Net defined benefits liabilities - non-current (Notes 4 and 17)	76,388	2	100,664	3
2645	Guarantee deposits received	13,263	-	13,168	-
2670	Other non-current liabilities (Note 12)	32,082	1	6,936	-
25XX	Total non-current liabilities	<u>135,310</u>	<u>3</u>	<u>173,021</u>	<u>4</u>
2XXX	Total liabilities	<u>2,059,989</u>	<u>51</u>	<u>2,211,259</u>	<u>54</u>
	Equity (Notes 4 and 18)				
3100	Share capital - ordinary shares	1,000,000	25	1,000,000	24
3200	Capital surplus	1,547	-	1,521	-
	Retained earnings				
3310	Legal reserve	281,889	7	263,132	6
3320	Special reserve	17,619	-	17,619	1
3350	Unappropriated earnings	669,982	17	617,855	15
3300	Total retained earnings	<u>969,490</u>	<u>24</u>	<u>898,606</u>	<u>22</u>
3400	Other equity	(6,921)	-	(17,226)	-
3XXX	Total equity	<u>1,964,116</u>	<u>49</u>	<u>1,882,901</u>	<u>46</u>
	TOTAL	<u>\$ 4,024,105</u>	<u>100</u>	<u>\$ 4,094,160</u>	<u>100</u>

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche auditors' report dated March 18, 2022)

SYSCOM COMPUTER ENGINEERING CO.
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		2021		2020	
		Amount	%	Amount	%
	OPERATING REVENUE (Notes 4, 5, 19, and 25)				
4100	Sales	\$ 4,308,274	77	\$ 4,319,931	79
4600	Maintenance revenue	1,268,288	23	1,143,067	21
4300	Rental revenue	<u>1,514</u>	<u>-</u>	<u>18,242</u>	<u>-</u>
4000	Total operating revenue	<u>5,578,076</u>	<u>100</u>	<u>5,481,240</u>	<u>100</u>
	OPERATING COSTS (Notes 4, 11, 20, and 25)				
5110	Cost of goods sold	3,325,713	59	3,356,324	61
5600	Maintenance costs	929,207	17	884,662	16
5300	Rental costs	<u>2,240</u>	<u>-</u>	<u>16,588</u>	<u>1</u>
5000	Total operating costs	<u>4,257,160</u>	<u>76</u>	<u>4,257,574</u>	<u>78</u>
5900	GROSS PROFIT	<u>1,320,916</u>	<u>24</u>	<u>1,223,666</u>	<u>22</u>
	OPERATING EXPENSES (Notes 10, 17, 20, and 25)				
6100	Selling and marketing expenses	866,400	16	817,919	15
6300	Research and development expenses	170,678	3	192,970	3
6450	Expected credit loss recognized on trade receivables	<u>357</u>	<u>-</u>	<u>-</u>	<u>-</u>
6000	Total operating expenses	<u>1,037,435</u>	<u>19</u>	<u>1,010,889</u>	<u>18</u>
6900	PROFIT FROM OPERATIONS	<u>283,481</u>	<u>5</u>	<u>212,777</u>	<u>4</u>
	NON-OPERATING INCOME AND EXPENSES (Note 4)				
7100	Interest income (Note 20)	2,732	-	2,238	-
7010	Other income (Notes 20 and 25)	14,611	-	34,912	1
7020	Other gains and losses (Note 20)	(10,792)	-	10,426	-
7050	Finance costs (Notes 20 and 25)	(1,549)	-	(3,801)	-
7070	Share of profit or loss of subsidiaries, associates and joint ventures (Note 12)	(<u>16,304</u>)	<u>-</u>	(<u>41,459</u>)	(<u>1</u>)
7000	Total non-operating income and expenses	(<u>11,302</u>)	<u>-</u>	<u>2,316</u>	<u>-</u>

(Continued)

Code		2021		2020	
		Amount	%	Amount	%
7900	PROFIT BEFORE INCOME TAX	\$ 272,179	5	\$ 215,093	4
7950	INCOME TAX EXPENSE (Notes 4 and 21)	<u>56,357</u>	<u>1</u>	<u>45,135</u>	<u>1</u>
8200	NET PROFIT FOR THE YEAR	<u>215,822</u>	<u>4</u>	<u>169,958</u>	<u>3</u>
	OTHER COMPREHENSIVE INCOME (Notes 17, 18, and 21)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	6,580	-	(11,434)	-
8316	Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	15,545	-	30,565	-
8330	Share of the other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using the equity method	(202)	-	(679)	-
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss	(1,316)	-	2,287	-
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	(4,805)	-	(5,694)	-
8380	Share of the other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using the equity method	(<u>435</u>)	<u>-</u>	<u>3</u>	<u>-</u>
8300	Other comprehensive (loss) income for the year, net of income tax	<u>15,367</u>	<u>-</u>	<u>15,048</u>	<u>-</u>
8500	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 231,189</u>	<u>4</u>	<u>\$ 185,006</u>	<u>3</u>
	EARNINGS PER SHARE (Note 22)				
9710	Basic	<u>\$ 2.16</u>		<u>\$ 1.70</u>	
9810	Diluted	<u>\$ 2.15</u>		<u>\$ 1.69</u>	

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche auditors' report dated March 18, 2022)

(Concluded)

SYSCOM COMPUTER ENGINEERING CO.
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars, except Dividend Per Share)

Code		Share capital - ordinary shares	Capital surplus	Retained earnings			Other equity		Total equity
				Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translating the financial statements of foreign operations	Unrealized gain or loss on financial assets at fair value through other comprehensive income	
A1	BALANCE AT JANUARY 1, 2020	\$ 1,000,000	\$ 1,130	\$ 250,217	\$ 17,619	\$ 543,200	(\$ 9,419)	(\$ 5,243)	\$ 1,797,504
	Appropriation of the 2019 earnings								
B1	Legal reserve	-	-	12,915	-	(12,915)	-	-	-
B5	Cash dividends - NT\$1 per share	-	-	-	-	(100,000)	-	-	(100,000)
D1	Net profit for the year ended December 31, 2020	-	-	-	-	169,958	-	-	169,958
D3	Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,826)</u>	<u>(5,691)</u>	<u>30,565</u>	<u>15,048</u>
D5	Total comprehensive income (loss) for the year ended December 31, 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>160,132</u>	<u>(5,691)</u>	<u>30,565</u>	<u>185,006</u>
M5	Actual acquisition of interests in subsidiaries	-	391	-	-	-	-	-	391
Q1	Disposal of investments in equity instruments designated as at fair value through other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,438</u>	<u>-</u>	<u>(27,438)</u>	<u>-</u>
Z1	BALANCE AT DECEMBER 31, 2020	1,000,000	1,521	263,132	17,619	617,855	(15,110)	(2,116)	1,882,901
	Appropriation of the 2020 earnings								
B1	Legal reserve	-	-	18,757	-	(18,757)	-	-	-
B5	Cash dividends - NT\$1.5 per share	-	-	-	-	(150,000)	-	-	(150,000)
D1	Net profit for the year ended December 31, 2021	-	-	-	-	215,822	-	-	215,822
D3	Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,062</u>	<u>(5,240)</u>	<u>15,545</u>	<u>15,367</u>
D5	Total comprehensive income (loss) for the year ended December 31, 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>220,884</u>	<u>(5,240)</u>	<u>15,545</u>	<u>231,189</u>
M5	Actual acquisition of interests in subsidiaries	<u>-</u>	<u>26</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26</u>
Z1	BALANCE AT DECEMBER 31, 2021	<u>\$ 1,000,000</u>	<u>\$ 1,547</u>	<u>\$ 281,889</u>	<u>\$ 17,619</u>	<u>\$ 669,982</u>	<u>(\$ 20,350)</u>	<u>\$ 13,429</u>	<u>\$ 1,964,116</u>

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche auditors' report dated March 18, 2022)

SYSCOM COMPUTER ENGINEERING CO.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars)

Code		2021	2020
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before income tax	\$ 272,179	\$ 215,093
A20010	Adjustments for:		
A20100	Depreciation expenses	97,142	116,368
A20200	Amortization expenses	365	855
A20300	Expected credit loss recognized on trade receivables	357	-
A20400	Net gain on financial assets at fair value through profit or loss	(409)	(5,428)
A20900	Finance costs	1,549	3,801
A21200	Interest income	(2,732)	(2,238)
A21300	Dividend income	(89)	(114)
A22400	Share of loss of subsidiaries, associates and joint ventures	16,304	41,459
A22500	Gain on disposal of property, plant and equipment	(481)	(17,191)
A23700	Impairment loss	-	7,000
A23800	(Reversal of) write-downs of inventories	(8)	184
A24100	Net gain on foreign currency exchange	(1,758)	(2,301)
A30000	Changes in operating assets and liabilities		
A31125	Contract assets	231,963	(32,923)
A31130	Notes receivable	(935)	485
A31150	Accounts receivable	(450,387)	90,898
A31180	Other receivables	(1,174)	(1,580)
A31200	Inventories	246,336	(151,729)
A31230	Prepayments	(10,709)	(26,334)
A31240	Other current assets	58	492
A32125	Contract liabilities	836	57,595
A32130	Notes payable	(96)	130
A32150	Accounts payable	(200,494)	233,200
A32180	Other payables	75,203	55,682
A32230	Other current liabilities	2,647	969
A32240	Net defined benefits liabilities	(17,696)	(20,697)
A33000	Cash inflows from operations	257,971	563,676
A33100	Interest received	2,732	2,238
A33200	Dividends received	89	114
A33300	Interest paid	(1,549)	(3,851)
A33500	Income tax paid	(43,064)	(26,662)
AAAA	Net cash inflow from operating activities	<u>216,179</u>	<u>535,515</u>

(Continued)

Code		2021	2020
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00010	Acquisition of financial assets at fair value through other comprehensive income	\$ -	(\$ 3,800)
B00020	Proceeds from sale of financial assets at fair value through other comprehensive income	-	92,118
B00040	Acquisition of financial assets at amortized cost	(2,575)	(16,039)
B00100	Purchase of financial assets at fair value through profit or loss	(845,000)	(673,000)
B00200	Proceeds from sale of financial assets at fair value through profit or loss	953,433	395,397
B02700	Payments for property, plant and equipment	(37,715)	(40,991)
B02800	Proceeds from disposal of property, plant and equipment	719	27,077
B03800	Decrease (increase) in refundable deposits	5,380	(6,564)
B06100	Decrease in lease receivables	122	678
B07600	Dividends from subsidiaries received	<u>5,329</u>	<u>-</u>
BBBB	Net cash inflows (outflows) from investing activities	<u>79,693</u>	(<u>225,124</u>)
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00200	Decrease in short-term borrowings	-	(130,000)
C00600	Decrease in short-term bills payable	-	(130,390)
C03000	Guarantee deposits received (returned)	95	(290)
C04020	Repayment of the principal portion of lease liabilities	(37,988)	(37,427)
C04500	Dividends paid	(150,000)	(100,000)
C05400	Acquisition of subsidiaries	(<u>150</u>)	(<u>2,050</u>)
CCCC	Net cash outflows from financing activities	(<u>188,043</u>)	(<u>400,157</u>)
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES		
		(<u>75</u>)	(<u>785</u>)
EEEE	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	107,754	(90,551)
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>212,443</u>	<u>302,994</u>
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 320,197</u>	<u>\$ 212,443</u>

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche auditors' report dated March 18, 2022)

(Concluded)

(Attachment 4)

SYSCOM COMPUTER ENGINEERING CO.

Statement of Earnings Distribution

2021

Unit: NTD

Unappropriated retained earnings at the beginning of the period	\$449,098,330
Add: Net income after tax for the year	215,822,477
Add: Remeasurement of defined benefit plans	5,062,230
Less: Legal reserve set aside	<u>(22,088,471)</u>
Distributable earnings	\$647,894,566
Distribution	
Cash dividends to shareholders (NT\$1.9 per share)	<u>(190,000,000)</u>
Unappropriated retained earnings at the end of the period	<u>\$457,894,566</u>

Note: The 2021 earnings are prioritized for distribution at this time.

(Attachment 5)

SYSCOM COMPUTER ENGINEERING CO.

Table of Amendments to the Rules of Procedure for Shareholders' Meetings

Before Amendment	After Amendment	Note
Article 1: The Company's shareholders' meeting shall be conducted in accordance with these Rules.	Article 1 To establish an excellent governance system for the Company's shareholders' meeting, improve the supervisory function, and strengthen the management function, these Rules are formulated in accordance with the provisions of Article 5 of the Corporate Governance Best Practice Principles for TWSE / TPEX Listed Companies for compliance.	Amendment is made as per law.
Article 2: Attendance and voting at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be counted according to the shares indicated in the sign-in book or the sign-in cards handed in plus the number of shares whose voting rights are exercised in writing or by electronic means.	Article 2 Unless otherwise stipulated by laws or regulations, the rules of procedure for the Company's shareholders' meeting shall be governed by these Rules.	Amendment is made as per law.
Article 3: If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or unable to exercise the powers as the chair for any reason, the Vice Chairman shall chair the meeting on his behalf. Where there is such a position as Vice Chairman or the Vice Chairman is on leave or unable to exercise the powers as the chair for any reason, the Chairman shall appoint one of the managing directors to act as the chair. Where there is such a position as managing director, Chairman shall appoint one of the directors to act as the chair. Where the Chairman fails to not make such a designation, the managing directors or directors shall select from among themselves one person to serve as the chair.	Article 3 Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the Board of Directors. Changes to the method of convening the shareholders' meeting shall be subject to a resolution by the Board of Directors and shall be made no later than before the notice of the shareholders' meeting is sent. Thirty days before the Company convenes an annual shareholders' meeting or 15 days before an extraordinary shareholders' meeting, the Company shall prepare electronic files of the meeting notice, proxy form, information on proposals for ratification, matters for discussion, election or dismissal of directors, and other matters on the shareholders' meeting agenda and upload them to the Market Observation Post System (MOPS). Meanwhile, twenty-one days before the Company convenes an annual shareholders' meeting or 15 days before an extraordinary shareholders' meeting, it shall prepare an electronic file of the shareholders' meeting agenda handbook and the supplementary materials and upload them to the MOPS. Fifteen days before the Company convenes a shareholders' meeting, it shall prepare the shareholders' meeting agenda handbook and supplementary materials and make them available for the shareholders to obtain and review at any time. In addition, the handbook shall be displayed at the Company and its stock affairs agency. The Company shall provide said handbook and supplementary materials mentioned in the preceding paragraph to the shareholders on the day of the shareholders' meeting in the following methods: 1. When a physical shareholders' meeting is	Amendment is made as per law.

	<p>convened, such materials shall be distributed on-site at the shareholders' meeting.</p> <p>2. When a physical shareholders' meeting is convened, supplemented by a video conference, such materials shall be distributed on-site at the shareholders' meeting, and an electronic file of such materials shall be uploaded to the video conference platform.</p> <p>3. When a shareholders' meeting is convened by video conference, an electronic file of such materials shall be sent to the video conference platform.</p> <p>The reasons for convening a shareholders' meeting shall be specified in the meeting notice and the public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</p> <p>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 the removal of the non-compete clause for the directors, capitalization of earnings, capitalization of legal reserve, dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act; Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be set out and the essential contents explained in the notice of the shareholders' meeting. None of the above matters may be raised by an extempore motion.</p> <p>Where an election of all directors and their inauguration date shall be stated in the notice of the shareholders' meeting, after the completion of the re-election in said meeting, such inauguration date may not be altered by any extempore motion or otherwise in the same meeting.</p> <p>A shareholder holding one percent or more of the total number of outstanding shares may submit to the Company a proposal for discussion at an annual general meeting of shareholders. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. A shareholder's proposal in alignment with any circumstance under any subparagraph of paragraph 4 of Article 172-1 of the Company Act may not be included in the meeting agenda by the Board of Directors.</p> <p>A shareholder may propose a recommendation for urging the Company 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.</p> <p>Prior to the book closure date before an annual</p>	
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	<p>shareholders' meeting is held, the Company shall publicly announce its acceptance of shareholders' proposals in writing or by electronic means and the location and time period for their submission; the period for acceptance of shareholders' proposals may not be fewer than 10 days. Each of such proposals is limited to 300 characters, and no proposal containing more than 300 characters will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the annual general meeting of shareholders and take part in the discussion of the proposal.</p> <p>Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the Board of Directors shall explain the reasons for any shareholders' proposals not included in the agenda.</p>	
<p>Article 4: The Company may appoint its attorneys, CPAs, or relevant persons retained by it to attend a shareholders' meeting in a non-voting capacity.</p>	<p>Article 4 For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization. Each shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company at least five days before the date of the shareholders' meeting. When a duplicate proxy form is served, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy form.</p> <p>Once a proxy form is received by the Company, if the shareholder wishes to attend the shareholders' meeting in person or to exercise their voting rights in writing or by electronic means, a written proxy rescission notice shall be filed with the Company two days prior to the date of the shareholders' meeting, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.</p> <p>Once the proxy form is received by the Company, in the case that the shareholder intends to attend the shareholders' meeting by video conference, a written proxy rescission notice shall be filed with the Company two days prior to the date of the shareholders' meeting, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.</p>	Amendment is made as per law.
<p>Article 5: The chair shall call the meeting to order when attending shareholders representing more than half of the total number of outstanding shares and disclose information concerning the number of non-voting shares and number of shares represented by shareholders attending the meeting. However, when the total number of shares in attendance is less than that as required by law at</p>	<p>Article 5 The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to independent directors' opinions with respect to the place and time of the meeting.</p>	Amendment is made as per law.

<p>the designated meeting time, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements, while the attending shareholders represent more than one-third of the total outstanding shares after two postponements, they may reach a tentative resolution with the approval of more than half of the voting rights represented by the attending shareholders according to Article 175 of the Company Act. During a tentative resolution, if the number of shares represented by the shareholders present has reached that as required by law, the chair may officially call the meeting to order at any time and resubmit the tentative resolution for a vote by the shareholders' meeting.</p>	<p>When the Company convenes a shareholders' meeting by video conference, it is not subject to the restriction on the venue of the meeting under the preceding paragraph.</p>	
<p>Article 6: If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on the proposals on the agenda one by one (including extempore motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution by the shareholders' meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene other than the Board of Directors. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extempore motions). If the chair declares the meeting adjourned in violation of the rules of procedure, a new chair may be elected by agreement of a majority of the votes represented by the attending shareholders to continue the meeting. After the meeting is adjourned, shareholders may not nominate another chair or seek another venue for continuation of the meeting.</p>	<p>Article 6 The Company shall state, in the meeting notice, the sign-in time and place for shareholders, solicitors, and proxies (hereinafter referred to as "shareholders"), and other matters that shall be noted. The time at which shareholders' sign-in begins, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The sign-in location place shall be clearly marked and staffed with a sufficient number of suitable personnel. When the shareholders' meeting is convened by video conference, the sign-in process shall begin on the video conference platform 30 minutes before the meeting commences. Shareholders who have completed the sign-in shall be deemed to have attended the shareholders' meeting in person. Shareholders shall attend the shareholders' meetings with their attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attendance presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification. The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The Company shall furnish attending shareholders with the meeting agenda handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, ballots shall also be furnished. When the government or a juridical person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juridical person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting. If the shareholders' meeting is convened by video conference, shareholders who wish to attend by</p>	<p>Amendment is made as per law.</p>

	<p>video conference should register with the Company two days prior to the shareholders' meeting.</p> <p>If the shareholders' meeting is convened by video conference, the Company shall upload the meeting agenda handbook, annual report, and other relevant materials to the video conference platform at least 30 minutes prior to the start of the meeting and continue to disclose them till the end of the meeting.</p>	
None	<p>Article 6-1</p> <p>When the Company convenes the shareholders' meeting by video conference, the information below shall be stated in the meeting notice:</p> <ol style="list-style-type: none"> 1. Shareholders' methods of participating in the video conference and exercising their rights. 2. The response to the obstacles to the video conference platform or to the participation in the video conference due to natural disasters, incidents, or other force majeure events shall include at least the following: <ol style="list-style-type: none"> (1) The time and the date of the next meeting when the meeting needs to be postponed or resumed as such obstacles cannot be resolved. (2) Shareholders who did not register to participate in the original shareholders' meeting by video conference shall not participate in the meeting to be postponed or resumed. (3) When a physical shareholders' meeting is convened, supplemented by a video conference, if the video conference cannot continue, after the number of shares in attendance through the video conference is deducted, the total number of shares in attendance at the physical shareholders' meeting reaches the number as required by law, the shareholders' meeting shall continue. For shareholders participating by video conference, the number of their shares shall be included in the total number of shares in attendance, and they shall be deemed to abstain for all motions resolved at the shareholders' meeting. (4) The handling method in the event that the resolution results of all motions have been announced, while extempore motions have not been resolved. 3. When a shareholders' meeting is to be convened by video conference, appropriate alternatives to shareholders who have difficulty participating in the meeting by video means shall be specified. 	Amendment is made as per law.

<p>Article 7: When a meeting is in progress, the chair may announce a break based on time considerations.</p>	<p>Article 7 If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or unable to exercise the powers as the chair for any reason, the Vice Chairman shall chair the meeting on his behalf. Where there is such a position as Vice Chairman or the Vice Chairman is on leave or unable to exercise the powers as the chair for any reason, the Chairman shall appoint one of the managing directors to act as the chair. Where there is such a position as managing director, Chairman shall appoint one of the directors to act as the chair. Where the Chairman fails to not make such a designation, the managing directors or directors shall select from among themselves one person to serve as the chair. When a managing director or a director serves as the chair, as referred to in the preceding paragraph, the managing director or director shall have held that position for six months or more with great understanding of the Company's financial position. The same shall apply if the chair is served by the representative of an institutional director. It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the Chairman in person and attended by a majority of the directors. If a shareholders' meeting is convened by a party with power to convene other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves. The Company may appoint its attorneys, CPAs, or relevant persons retained by it to attend a shareholders' meeting in a non-voting capacity.</p>	<p>Amendment is made as per law.</p>
<p>Article 8: Before speaking, an attending shareholder (or proxy) must specify on a speaker's slip the subject of the speech, their shareholder account number, and account name. The order in which shareholders speak will be set by the chair. A shareholder (or proxy) in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech is not in alignment with the subject on the speaker's slip, the spoken content shall prevail. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.</p>	<p>Article 8 The Company shall making an audio and video recording of the entire proceedings of a shareholders' meeting and preserve the recordings for at least one years. If a shareholders' meeting is convened by video conference, the Company shall keep records of shareholders' registration, sign-in, questions raised, and voting and the Company's vote counting results and retain the records, while making an uninterrupted audio and video recording of the entire video conference. The above-mentioned materials and audio and video recordings shall be properly kept by the Company during the period of its existence, and the audio and video recordings shall be provided to those who are entrusted to handle the video conference affairs for storage. If a shareholders' meeting is convened by video conference, the Company is advised to make an audio and video recording of the back-end interface of the video conference platform.</p>	<p>Amendment is made as per law.</p>

<p>Article 9: The motions on the agenda shall be discussed in the order as set on the agenda. In the event of any violation, the chair shall stop it immediately.</p>	<p>Article 9: Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be counted according to the shares indicated in the sign-in book or the sign-in cards handed in and the sign-in record on the video conferencing platform plus the number of shares whose voting rights are exercised in writing or by electronic means. The chair shall call the meeting to order upon the meeting time and disclose information concerning the number of non-voting shares and number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If attending shareholders still represent less than one third of the total number of issued shares after two postponements, the chair shall declare the meeting adjourned. If a shareholders' meeting is convened by video conference, the Company shall also declare the meeting adjourned on the video conference platform. If there are not enough shareholders representing at least one third of issued shares attending the meeting after two postponements, tentative resolutions may be passed in accordance with Article 175, paragraph 1 of the Company Act. Shareholders shall be notified of the tentative resolutions, and another shareholders' meeting will be convened within one month. If a shareholders' meeting is convened by video conference, shareholders who wish to attend by video conference shall re-register with the Company in accordance with Article 6. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of outstanding shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.</p>	<p>Amendment is made as per law.</p>
<p>Article 10: (Deleted)</p>	<p>Article 10 If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on the proposals on the agenda one by one. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution by the shareholders' meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene other than the Board of Directors. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including</p>	<p>Amendment is made as per law.</p>

	<p>extempore motions), except by a resolution by the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders to continue the meeting.</p> <p>The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extempore motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.</p>	
<p>Article 11:</p> <p>Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes.</p> <p>If the shareholder's speech violates the rules in the preceding paragraph or exceeds the scope of the motion, the chair may have the shareholder stop the speech.</p>	<p>Article 11:</p> <p>Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, their shareholder account number, and account name. The order in which shareholders speak will be set by the chair.</p> <p>A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech is not in alignment with the subject on the speaker's slip, the spoken content shall prevail.</p> <p>Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes; however, if the shareholder's speech violates the rules or exceeds the scope of the motion, the chair may have the shareholder stop the speech.</p> <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.</p> <p>When a juridical person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p> <p>If a shareholders' meeting is convened by video conference, shareholders who participate by video conference may ask questions in text on the video conference platform after the chair calls the meeting to order and before the chair declares the meeting adjourned. The number of questions raised by each shareholder for each motion shall not exceed two, each question shall be limited to 200 characters, and the provisions of paragraphs 1 to 5 shall not apply.</p> <p>If such questions in the preceding paragraph are not in violation of the regulations or not outside the scope of the motions, it is advisable to disclose</p>	<p>Amendment is made as per law.</p>

	such questions on the video conference platform.	
<p>Article 12:</p> <p>When a juridical person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.</p> <p>When a juridical person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.</p>	<p>Article 12</p> <p>Voting at shareholders' meetings shall be calculated based on numbers of shares.</p> <p>The non-voting shares held by shareholders shall not be counted toward the total number of outstanding shares for any resolution to be adopted at a shareholders' meeting.</p> <p>A shareholder who has a personal interest in the matter under discussion at a meeting, which may impair the Company's interest, shall not vote nor exercise the voting right on behalf of another shareholder.</p> <p>Shares for which voting right cannot be exercised as provided in the preceding paragraph shall not be counted toward the number of votes of shareholders present at the meeting.</p> <p>Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting rights represented by them shall not exceed 3% of the total number of the Company's voting shares, otherwise, the portion of excessive voting rights shall not be counted.</p>	Amendment is made as per law.
<p>Article 13:</p> <p>The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extempore motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting. After an attending shareholder (or proxy) has spoken, the chair may respond in person or direct relevant personnel to respond.</p>	<p>Article 13</p> <p>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.</p> <p>When the Company holds a shareholders' meeting, it shall adopt the exercise of voting rights by electronic means and may adopt the exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder's exercise of voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived their rights with respect to the extempore motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extempore motions and amendments to original proposals.</p> <p>A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company at least two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</p> <p>After shareholders exercise their voting rights in writing or by electronic means, if they wish to attend the shareholders' meeting in person or by video conference, they shall serve a declaration of intent to retract the voting rights already exercised</p>	Amendment is made as per law.

	<p>under the preceding paragraph two days before the shareholders' meeting in the same manner in which the voting rights were exercised; otherwise the voting rights exercised in writing or by electronic means shall prevail. If the shareholder exercises the voting right in writing or by electronic means and appoints a proxy with a proxy form to attend the shareholders' meeting, the voting right exercised by the attending proxy at the meeting shall prevail.</p> <p>Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.</p> <p>At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a vote by the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered on the MOPS.</p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Scrutineers and vote counting personnel for the voting on proposals shall be appointed by the chair, provided that all scrutineers be shareholders of the Company.</p> <p>Vote counting for proposals or elections at a shareholders' meeting shall be conducted in public at the place of the shareholders' meeting.</p> <p>Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and recorded.</p> <p>When a shareholders' meeting is convened by video conference, shareholders participating by video conference shall vote on various motions and election(s) on the video conference platform after the chair calls the meeting to order. They shall complete the voting before the chair declares the voting closed, otherwise they shall be deemed to have waived their voting rights.</p> <p>When a shareholders' meeting is convened by video conference, after the chair declares the voting closed, the votes shall be counted at one go, and the voting and election results shall be announced.</p> <p>If a shareholders' meeting is convened, along with a video conference held at the same time, shareholders who have registered to attend the shareholders' meeting by video conference in accordance with Article 6, intend to attend the</p>	
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	<p>physical shareholders' meeting in person, shall rescind the registration in the same manner as the registration two days before the shareholders' meeting, otherwise they can only attend the shareholders' meeting by video conference. Those who exercise their voting rights in writing or by electronic means without retracting their declaration of intention and participate in the shareholders' meeting by video conference shall not exercise their voting rights on the same motions, propose amendment to the same motions, or exercise their voting rights for revised motions, except for extempore motions.</p>	
<p>Article 14: When the Company holds a shareholders' meeting, it shall adopt the exercise of voting rights by electronic means and may adopt the exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder's exercise of voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived their rights with respect to the extempore motions and amendments to original proposals of that meeting. Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a vote by the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered on the MOPS. Each of the Company's shareholders shall be entitled to one vote for each share held unless otherwise stipulated by laws and regulations. Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting rights represented by them shall not exceed 3% of the total number of the Company's voting shares, otherwise, the portion of excessive voting rights shall not be counted.</p>	<p>Article 14 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 those failed to be elected and the numbers of votes they won. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the scrutineers and kept properly for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</p>	Amendment is made as per law.
<p>Article 15: When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p>	<p>Article 15 Matters relating to the resolutions by a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed</p>	Amendment is made as per law.

	<p>in electronic form.</p> <p>Said distribution may be announced through the MOPS.</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of votes won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.</p> <p>When a shareholders' meeting is convened by video conference, the minutes of the shareholders' meeting shall contain the start and end time of the shareholders' meeting, the method of convening the meeting, the names of the chair and the meeting taker, as well as the response method and the response situation when any natural disasters, accidents, or other force majeure events have obstructed the video conference platform or the participation in the video conference in addition to the matters that shall be recorded in accordance with the preceding paragraph.</p> <p>When a shareholders' meeting is convened by video conference, the Company shall proceed as per the preceding paragraph and shall specify the alternative measures provided to shareholders who have difficulty participating in the video conference in the minutes of the shareholders' meeting.</p>	
<p>Article 16:</p> <p>Scrutineers and vote counting personnel for the voting on proposals shall be appointed by the chair, provided that all scrutineers be shareholders of the Company.</p> <p>Vote counting for proposals or elections at a shareholders' meeting shall be conducted in public at the place of the shareholders' meeting.</p> <p>Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and recorded.</p> <p>The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and those failed to be elected and the numbers of votes they won.</p>	<p>Article 16</p> <p>The Company shall, on the day of the shareholders' meeting, compile a statistical statement in the prescribed format and disclose the number of shares solicited by the solicitor, the number of shares represented by the proxies, and the number of shares in attendance in writing or by electronic means clearly on site at the shareholders' meeting. When a shareholders' meeting is convened by video conference, the Company shall upload the aforementioned information to the video conference platform at least 30 minutes before the start of the meeting and continue to disclose it till the end of the meeting.</p> <p>When a shareholders' meeting is convened by video conference, when the chair calls the meeting to order, the total number of shares in attendance shall be disclosed on the video conference platform. The same shall apply if the total number of shares and voting rights in attendance are counted during the meeting.</p> <p>If any resolutions by the shareholders' meeting are material information as stipulated by laws and regulations or the Taiwan Stock Exchange Corporation, the Company shall upload the content to the MOPS prior to a deadline.</p>	Amendment is made as per law.

<p>Article 17:</p> <p>In the event of an air raid alarm or force majeure event in the middle of a shareholders' meeting, the chair may declare the meeting suspended or adjourned.</p>	<p>Article 17</p> <p>Staff handling administrative affairs of a shareholders' meeting shall wear an identification badge or an armband.</p> <p>The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification badge or an armband, reading "Proctor."</p> <p>At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.</p> <p>When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.</p>	<p>Amendment is made as per law.</p>
<p>Article 18:</p> <p>The chair may direct the proctors (or security personnel) to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an armband, reading "Proctor".</p>	<p>Article 18</p> <p>When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.</p> <p>If the meeting venue is no longer available for continued use and not all of the items (including extempore motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.</p> <p>A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.</p>	<p>Amendment is made as per law.</p>
<p>Article 19:</p> <p>The Company shall making an audio and video recording of the entire proceedings of a shareholders' meeting and preserve the recordings for at least one years.</p>	<p>Article 19</p> <p>When a shareholders' meeting is convened by video conference, the Company shall immediately disclose the voting results and election results of various motions on the video conference platform in accordance with the regulations, and shall continue to disclose for at least 15 minutes after the chair declares the meeting adjourned.</p>	<p>Amendment is made as per law.</p>
<p>Article 20:</p> <p>Matters not specified in the Rules shall be handled in accordance with the Company Act, relevant laws and regulations, and the Company's Articles of Incorporation.</p>	<p>Article 20</p> <p>When a shareholders' meeting is convened by video conference, the chair and the minute taker shall be at the same location in Taiwan, and the chair shall disclose the address of the place when calling the meeting to order.</p>	<p>Amendment is made as per law.</p>
<p>None</p>	<p>Article 21</p> <p>When a shareholders' meeting is convened by video conference, the Company may allow shareholders to perform a simple test of the connection before the meeting commences and provide relevant services immediately before and during the meeting to assist with any technical communication problems.</p> <p>When a shareholders' meeting is convened by</p>	<p>Amendment is made as per law.</p>

	<p>video conference the chair shall, when calling the meeting to order, announce that there is no need for postponement or resumption of the meeting as stipulated in Article 44-24, paragraph 24 of the Regulations Governing the Administration of Shareholder Services of Public Companies; and that the requirement on the date of the meeting postponed or resumed within five days due to any natural disasters, accidents, or other force majeure events that have obstructed the video conference platform or the participation in the video conference for more than 30 minutes under Article 182 of the Company Act shall not apply before the chair declares the meeting adjourned.</p> <p>In the event of any incident in the preceding paragraph that caused the meeting to be postponed or resumed, shareholders who have not registered to participate in the original shareholders' meeting by video conference shall not participate in the meeting postponed or resumed.</p> <p>For the meeting to be postponed or resumed under paragraph 2, shareholders who have registered to participate in the original shareholders' meeting by video conference and have completed the registration but fail to participate in said meeting, the number of shares in attendance and the voting rights and voting rights for elections exercised at the original shareholders' meeting shall be included in the total number of attending shareholders' shares, voting rights, and voting rights for elections at the meeting postponed or resumed.</p> <p>When a shareholders meeting is postponed or resumed in accordance with paragraph 2, the motions for which the voting and counting of votes have been completed and the voting results or the list of elected directors have been announced, do not need to be discussed or resolved again.</p> <p>When the Company convenes a shareholder's meeting, supplemented by a video conference, if the video conference cannot continue as under paragraph 2, after the number of shares in attendance through the video conference is deducted, the total number of shares in attendance at the physical shareholders' meeting reaches the number as required by law, the shareholders' meeting shall continue. There is no need to postpone or resume the meeting in accordance with paragraph 2.</p> <p>When the meeting shall continue as in the preceding paragraph, for shareholders participating by video conference, the number of their shares shall be included in the total number of shares in attendance; however, they shall be deemed to abstain for all motions resolved at the shareholders' meeting.</p> <p>When the Company postpones or resumes the meeting in accordance with paragraph 2, it shall handle the relevant matters in accordance with the</p>	
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	<p>provisions set forth in Article 44-27 of the Regulations Governing the Administration of Shareholder Services of Public Companies, and relevant preparations shall be made as per the date of the original shareholders' meeting and the provisions of this article.</p> <p>Based on the period under Article 12, second-half paragraph and Article 13, paragraph 3 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies; Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall postpone or resume the shareholders' meeting at a date as per paragraph 2.</p>	
None	<p>Article 22</p> <p>When the Company convenes a shareholders' meeting by video conference, it shall provide appropriate alternatives to shareholders who have difficulty attending the shareholders' meeting by video conference.</p>	Amendment is made as per law.
<p>Article 21:</p> <p>These Rules and all amendments thereto shall take effect upon approval by a shareholders' meeting.</p>	<p>Article <u>23</u>:</p> <p>These Rules and all amendments thereto shall take effect upon approval by a shareholders' meeting.</p>	The article number is adjusted.
<p>Article 22:</p> <p>These Rules were formulated on June, 24, 1995.</p> <p>The 1st amendment was made on April 18, 1998.</p> <p>The 2nd amendment was made on April 15, 1999.</p> <p>The 3rd amendment was made on May 31, 2002.</p> <p>The 4th amendment was made on June 14, 2006.</p> <p>The 5th amendment was made on June 15, 2012.</p> <p>The 6th amendment was made on June 23, 2014.</p> <p>The 7th amendment was made on June 12, 2020.</p> <p>The 8th amendment was made on July 29, 2021.</p>	<p>Article <u>24</u>:</p> <p>These Rules were formulated on June, 24, 1995.</p> <p>The 1st amendment was made on April 18, 1998.</p> <p>The 2nd amendment was made on April 15, 1999.</p> <p>The 3rd amendment was made on May 31, 2002.</p> <p>The 4th amendment was made on June 14, 2006.</p> <p>The 5th amendment was made on June 15, 2012.</p> <p>The 6th amendment was made on June 23, 2014.</p> <p>The 7th amendment was made on June 12, 2020.</p> <p>The 8th amendment was made on July 29, 2021.</p> <p>The 9th amendment was made on June 15, 2022.</p>	The article number is adjusted and the amendment date is added.

(Attachment 6)

SYSCOM COMPUTER ENGINEERING CO.

Table of Amendments to the Articles of Incorporation

Before Amendment	After Amendment	Note
Article 10: There are annual and extraordinary shareholders' meetings. The Board of Directors shall convene the annual meeting once a year within six months after the end of each fiscal year. Extraordinary meetings may be convened at any time as needed.	Article 10: There are annual and extraordinary shareholders' meetings. The Board of Directors shall convene the annual meeting once a year within six months after the end of each fiscal year. Extraordinary meetings may be convened at any time as needed. <u>The Company may convene shareholders' meeting by video conference or in other methods as announced by the central competent authority</u>	Amendment is made as per law.
Article 14: The Company shall have 5 to 7 directors on the Board. The term of office is 3 years. The shareholders' meeting shall elect such directors from candidates with the legal capacity, and they can be re-elected. Of said number of the Company's directors, the number of independent directors shall not be fewer than three and shall not be fewer than one-fifth of the total number of directors. Directors (including independent directors) shall be elected through a candidate nomination system by the shareholders' meeting from a list of candidates for directors (including independent directors). The professional qualifications, shareholding, restrictions on positions held concurrently, nomination and appointment methods, and other matters to be complied with for independent directors shall be governed by the relevant regulations of the competent securities authority.	Article 14: The Company shall have 5 to 7 directors on the Board. The term of office is 3 years. The shareholders' meeting shall elect such directors from candidates with the legal capacity, and they can be re-elected. Of said number of the Company's directors, the number of independent directors shall not be fewer than three and shall not be fewer than one-third of the total number of directors. Directors (including independent directors) shall be elected through a candidate nomination system by the shareholders' meeting from a list of candidates for directors (including independent directors). The professional qualifications, shareholding, restrictions on positions held concurrently, nomination and appointment methods, and other matters to be complied with for independent directors shall be governed by the relevant regulations of the competent securities authority.	Amendment is made as per the Corporate Governance Best Practice Principles.
Article 23: The Articles of Incorporation were formulated on June 19, 1975. The 1st amendment was made on July 3, 1975. The 2nd amendment was made on June 13, 1978. The 3rd amendment was made on May 5, 1979. The 4th amendment was made on September 25, 1980. The 5th amendment was made on October 25, 1980. The 6th amendment was made on February 18, 1983. The 7th amendment was made on December 27, 1988. The 8th amendment was made on November 6, 1989. The 9th amendment was made on April 8, 1990. The 10th amendment was made on November 5, 1990. The 11th amendment was made on February 22, 1991. The 12th amendment was made on July 20, 1991. The 13th amendment was made on February 22, 1992. The 14th amendment was made on May 1, 1993.	Article 23: The Articles of Incorporation were formulated on June 19, 1975. The 1st amendment was made on July 3, 1975. The 2nd amendment was made on June 13, 1978. The 3rd amendment was made on May 5, 1979. The 4th amendment was made on September 25, 1980. The 5th amendment was made on October 25, 1980. The 6th amendment was made on February 18, 1983. The 7th amendment was made on December 27, 1988. The 8th amendment was made on November 6, 1989. The 9th amendment was made on April 8, 1990. The 10th amendment was made on November 5, 1990. The 11th amendment was made on February 22, 1991. The 12th amendment was made on July 20, 1991. The 13th amendment was made on February 22, 1992. The 14th amendment was made on May 1, 1993.	The amendment date is added.

<p>The 15th amendment was made on June 25, 1994. The 16th amendment was made on June 24, 1995. The 17th amendment was made on November 2, 1996. The 18th amendment was made on April 15, 1999. The 19th amendment was made on January 7, 2000. The 20th amendment was made on April 29, 2000. The 21st amendment was made on April 24, 2001. The 22nd amendment was made on May 31, 2002. The 23rd amendment was made on May 15, 2003. The 24th amendment was made on June 14, 2005. The 25th amendment was made on June 14, 2006. The 26th amendment was made on June 13, 2008. The 27th amendment was made on June 10, 2009. The 28th amendment was made on June 17, 2010. The 29th amendment was made on June 15, 2012. The 30th amendment was made on June 23, 2014. The 31st amendment was made on June 15, 2015. The 32nd amendment was made on June 16, 2016. The 33rd amendment was made on June 12, 2018. The 34th amendment was made on June 13, 2019. The 35th amendment was made on June 12, 2020. The 36th amendment was made on July 29, 2021.</p>	<p>The 15th amendment was made on June 25, 1994. The 16th amendment was made on June 24, 1995. The 17th amendment was made on November 2, 1996. The 18th amendment was made on April 15, 1999. The 19th amendment was made on January 7, 2000. The 20th amendment was made on April 29, 2000. The 21st amendment was made on April 24, 2001. The 22nd amendment was made on May 31, 2002. The 23rd amendment was made on May 15, 2003. The 24th amendment was made on June 14, 2005. The 25th amendment was made on June 14, 2006. The 26th amendment was made on June 13, 2008. The 27th amendment was made on June 10, 2009. The 28th amendment was made on June 17, 2010. The 29th amendment was made on June 15, 2012. The 30th amendment was made on June 23, 2014. The 31st amendment was made on June 15, 2015. The 32nd amendment was made on June 16, 2016. The 33rd amendment was made on June 12, 2018. The 34th amendment was made on June 13, 2019. The 35th amendment was made on June 12, 2020. The 36th amendment was made on July 29, 2021. <u>The 37th amendment was made on June 15, 2022.</u></p>	
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(Attachment 7)

SYSCOM COMPUTER ENGINEERING CO.

Table of Amendments to the Procedures for Acquisition and Disposal of Assets

Before Amendment	After Amendment	Note
<p>Article 7: Professional appraisers and their officers, CPAs, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <ol style="list-style-type: none"> 1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received. 2. May not be a related party or de facto related party of any party to the transaction. 3. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other. <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When <u>auditing</u> a case, they shall appropriately plan and execute adequate operating procedures, in order to produce a conclusion and use the conclusion as the basis for issuing a report or opinion. The relevant working procedures, data collected, and conclusions shall be fully and accurately specified in the case working papers. 3. They shall conduct an item-by-item evaluation of the <u>completeness, accuracy</u>, and reasonableness of the sources of data, parameters, and information used, as the basis for issuance of an appraisal report or opinion. 4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared such a report or opinion, and that they have evaluated and verified that the information used is reasonable and <u>accurate</u> and that they have complied with applicable laws and regulations. 	<p>Article 7: Professional appraisers and their officers, CPAs, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <ol style="list-style-type: none"> 1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received. 2. May not be a related party or de facto related party of any party to the transaction. 3. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other. <p>When issuing an appraisal report or opinion, the personnel referred to in the above paragraph shall comply with the <u>shall comply with the self-discipline regulations of the associations to which they belong</u> and the following matters:</p> <ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When <u>executing</u> a case, they shall appropriately plan and execute adequate operating procedures, in order to produce a conclusion and use the conclusion as the basis for issuing a report or opinion. The relevant working procedures, data collected, and conclusions shall be fully and accurately specified in the case working papers. 3. They shall conduct an item-by-item evaluation of the <u>appropriateness</u> and reasonableness of the sources of data, parameters, and information used, as the basis for issuance of an appraisal report or opinion. 4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared such a report or opinion, and that they have evaluated and verified that the information used is <u>appropriate</u> 	<p>Amendment is made as per law.</p>

	<u>and</u> reasonable and that they have complied with applicable laws and regulations.	
<p>Article 8: Where the transaction amount reaches 20% or more of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence from a professional appraiser and shall further comply with the following provisions:</p> <ol style="list-style-type: none"> 1. Where due to special circumstances it is necessary to give a limited price, specific price, or special price as a reference for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also apply to any subsequent change to the terms and conditions of the transaction. 2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained. 3. Where any of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a CPA shall be engaged to perform an appraisal <u>in accordance with the provisions of Statement of Auditing Standards No. 20 published by the Accounting Research and Development Foundation (ARDF)</u> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price: <ol style="list-style-type: none"> (1) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount. (2) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount. 4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date. Provided, where the publicly announced current value for the same period is used and not more than six months have elapsed, an opinion may still be issued by the original professional appraiser. 	<p>Article 8: Where the transaction amount reaches 20% or more of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence from a professional appraiser and shall further comply with the following provisions:</p> <ol style="list-style-type: none"> 1. Where due to special circumstances it is necessary to give a limited price, specific price, or special price as a reference for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also apply to any subsequent change to the terms and conditions of the transaction. 2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained. 3. Where any of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a CPA shall be engaged to perform an appraisal and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price: <ol style="list-style-type: none"> (1) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount. (2) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount. 4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date. Provided, where the publicly announced current value for the same period is used and not more than six months have elapsed, an opinion may still be issued by the original professional appraiser. 	<p>Amendment is made as per law.</p>

<p>Article 9: The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, audited or reviewed by a CPA, for reference in appraising the transaction price, and if the amount of the transaction is 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>If the CPA needs to use the report by an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u> This requirement does not apply, however, to publicly quoted prices of securities with an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	<p>Article 9: The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, audited or reviewed by a CPA, for reference in appraising the transaction price, and if the amount of the transaction is 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities with an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	<p>Amendment is made as per law.</p>
<p>Article 10: Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or membership certificates and the transaction amount reaches 20% or more of its paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a CPA prior to the date of the occurrence of the event to render an opinion on the reasonableness of the transaction price; <u>the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u></p>	<p>Article 10: Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or membership certificates and the transaction amount reaches 20% or more of its paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a CPA prior to the date of the occurrence of the event to render an opinion on the reasonableness of the transaction price.</p>	<p>Amendment is made as per law.</p>
<p>Article 13: When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party, and the transaction amount reaches 20% or more of the Company's paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds, bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, it may not proceed to enter into a transaction contract or make a payment until the following information has been approved by the Audit Committee and passed by the Board of Directors.</p> <ol style="list-style-type: none"> 1. The purpose, necessity, and anticipated benefit of the acquisition or disposal of assets. 2. The reason for choosing the related party as a transaction counterparty. 3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding evaluation of the reasonableness of the preliminary transaction terms under Articles 14 and 14-1. 4. The date and price at which the related party 	<p>Article 13: When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party, and the transaction amount reaches 20% or more of the Company's paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds, bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, it may not proceed to enter into a transaction contract or make a payment until the following information has been approved by the Audit Committee and passed by the Board of Directors.</p> <ol style="list-style-type: none"> 1. The purpose, necessity, and anticipated benefit of the acquisition or disposal of assets. 2. The reason for choosing the related party as a transaction counterparty. 3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding evaluation of the reasonableness of the preliminary transaction terms under Articles 14 and 14-1. 4. The date and price at which the related party 	<p>Amendment is made as per law.</p>

<p>originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship with the Company and the related party.</p> <p>5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>6. An appraisal report from a professional appraiser or a CPA's opinion obtained as per the preceding paragraph.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p>The transaction amount in the preceding paragraph shall be calculated as per the provisions under Article 24, paragraph 2, and the term "within the preceding year" refers to the year preceding the date of the current transaction. The portions have been approved by the Audit Committee and passed by the Board of Directors as per the regulations need not be counted toward the transaction amount. With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries of which it directly or indirectly holds 100% of their outstanding shares or total capital, the Company's Board of Directors may delegate the Chairman to decide such matters when the transaction is within a certain amount and have the decision subsequently submitted to and ratified by the soonest Board meeting afterwards:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use. <p>Where an independent director has been appointed, when a matter is submitted for discussion by the Board of Directors pursuant to paragraph 1, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board meeting.</p> <p>Paragraphs 4 and 5 of Article 29 shall apply mutatis mutandis to the matters under paragraph 1 that shall be approved by more than half of all members of the Audit Committee first and submitted to the Board of Directors for a resolution.</p>	<p>originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship with the Company and the related party.</p> <p>5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>6. An appraisal report from a professional appraiser or a CPA's opinion obtained as per the preceding paragraph.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries of which it directly or indirectly holds 100% of their outstanding shares or total capital, the Company's Board of Directors may delegate the Chairman to decide such matters when the transaction is within a certain amount and have the decision subsequently submitted to and ratified by the soonest Board meeting afterwards:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use. <p>Where an independent director has been appointed, when a matter is submitted for discussion by the Board of Directors pursuant to paragraph 1, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board meeting.</p> <p>Paragraphs 4 and 5 of Article 29 shall apply mutatis mutandis to the matters under paragraph 1 that shall be approved by more than half of all members of the Audit Committee first and submitted to the Board of Directors for a resolution.</p> <p><u>Where the Company or its subsidiary that is not a domestic publicly listed company engages in a transaction under paragraph 1, and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the information listed in paragraph 1 to the shareholders' meeting for approval before proceeding to enter into a transaction contract or make a payment. However, the transactions between the Company and its parent or subsidiaries or between its subsidiaries are not subject to this provision</u></p> <p>The transaction amount in paragraph 1 and the preceding paragraph shall be calculated as per the provisions under Article 24, paragraph 2, and the term "within the preceding year" refers to the year preceding the date of the current transaction. The portions have been reported to the <u>shareholders' meeting</u>, approved by the Audit Committee, and</p>	
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	passed by the Board of Directors as per the regulations need not be counted toward the transaction amount.	
<p>Article 24: Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the website designated by the FSC in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10 % or more of the Company's total assets, or NT\$300 million or more. However, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. 2. Merger, demerger, acquisition, or transfer of shares. 3. Losses on derivatives trading reaching the upper limit on aggregate losses or losses on individual contracts set out in the operating procedures adopted by the Company. 4. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million: 5. Where real property is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million. 6. For an asset transaction other than any of those referred to in the preceding five subparagraphs, including a disposal of receivables by a financial institution or an investment in the mainland China area, the amount of the transaction reaches 20% or more of Company's paid-in capital or NT\$300 million or more. <ol style="list-style-type: none"> (1) Trading of domestic government bonds. (2) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. <p>The above transaction amounts are calculated as</p>	<p>Article 24: Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the website designated by the FSC in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10 % or more of the Company's total assets, or NT\$300 million or more. However, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. 2. Merger, demerger, acquisition, or transfer of shares. 3. Losses on derivatives trading reaching the upper limit on aggregate losses or losses on individual contracts set out in the operating procedures adopted by the Company. 4. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million: 5. Where real property is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million. 6. For an asset transaction other than any of those referred to in the preceding five subparagraphs, including a disposal of receivables by a financial institution or an investment in the mainland China area, the amount of the transaction reaches 20% or more of Company's paid-in capital or NT\$300 million or more. <ol style="list-style-type: none"> (1) Trading of domestic government bonds <u>or foreign government bonds with a credit rating not lower than our country's sovereign rating.</u> (2) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds 	Amendment is made as per law.

<p>follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of assets with the same transaction counterparty within the preceding year. 3. The cumulative transaction amounts of respective acquisitions and disposals of real property or right-of-use assets thereof within the same development project within the preceding year. 4. The cumulative transaction amounts of respective acquisitions and disposals of the same security within the preceding year. <p>The term “within the preceding year” refers to the year preceding the date of the current transaction. The portions that have been announced as per the regulations need not be counted toward the transaction amount.</p> <p>The Company shall prepare monthly reports on the status of derivatives traded up to the end of the preceding month by the Company and any subsidiaries that are not domestic publicly listed companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p>When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again announced and declared in their entirety within two days counting inclusively from the date of knowing of such error or omission. The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports, and CPA’s, attorney’s, and securities underwriter’s opinions at the Company, in which they shall be retained for five years except where another act provides otherwise.</p>	<p>issued by domestic securities investment trust enterprises.</p> <p>The above transaction amounts are calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of assets with the same transaction counterparty within the preceding year. 3. The cumulative transaction amounts of respective acquisitions and disposals of real property or right-of-use assets thereof within the same development project within the preceding year. 4. The cumulative transaction amounts of respective acquisitions and disposals of the same security within the preceding year. <p>The term “within the preceding year” refers to the year preceding the date of the current transaction. The portions that have been announced as per the regulations need not be counted toward the transaction amount.</p> <p>The Company shall prepare monthly reports on the status of derivatives traded up to the end of the preceding month by the Company and any subsidiaries that are not domestic publicly listed companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p>When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again announced and declared in their entirety within two days counting inclusively from the date of knowing of such error or omission. The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports, and CPA’s, attorney’s, and securities underwriter’s opinions at the Company, in which they shall be retained for five years except where another act provides otherwise.</p>	
<p>Article 30: Amendment records</p> <p>The 1st amendment was made on March 12, 1999.</p> <p>The 2nd amendment was made on November 22, 1999.</p> <p>The 3rd amendment was made on May 27, 2003.</p> <p>The 4th amendment was made on June 14, 2005.</p> <p>The 5th amendment was made on June 13, 2007.</p> <p>The 6th amendment was made on June 15, 2012.</p> <p>The 7th amendment was made on June 23, 2014.</p> <p>The 8th amendment was made on June 13, 2017.</p> <p>The 9th amendment was made on June 13, 2019.</p> <p>The 10th amendment was made on July 29, 2021</p>	<p>Article 30: Amendment records</p> <p>The 1st amendment was made on March 12, 1999.</p> <p>The 2nd amendment was made on November 22, 1999.</p> <p>The 3rd amendment was made on May 27, 2003.</p> <p>The 4th amendment was made on June 14, 2005.</p> <p>The 5th amendment was made on June 13, 2007.</p> <p>The 6th amendment was made on June 15, 2012.</p> <p>The 7th amendment was made on June 23, 2014.</p> <p>The 8th amendment was made on June 13, 2017.</p> <p>The 9th amendment was made on June 13, 2019.</p> <p>The 10th amendment was made on July 29, 2021.</p> <p><u>The 11th amendment was made on June 15, 2022</u></p>	<p>The amendment date is added.</p>

(Appendix 1)

SYSCOM COMPUTER ENGINEERING CO.

Rules of Procedure for Shareholders' Meetings

- Article 1: The Company's shareholders' meeting shall be conducted in accordance with these Rules.
- Article 2: Attendance and voting at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be counted according to the shares indicated in the sign-in book or the sign-in cards handed in plus the number of shares whose voting rights are exercised in writing or by electronic means.
- Article 3: If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or unable to exercise the powers as the chair for any reason, the Vice Chairman shall chair the meeting on his behalf. Where there is such a position as Vice Chairman or the Vice Chairman is on leave or unable to exercise the powers as the chair for any reason, the Chairman shall appoint one of the managing directors to act as the chair. Where there is such a position as managing director, Chairman shall appoint one of the directors to act as the chair. Where the Chairman fails to not make such a designation, the managing directors or directors shall select from among themselves one person to serve as the chair.
- Article 4: The Company may appoint its attorneys, CPAs, or relevant persons retained by it to attend a shareholders' meeting in a non-voting capacity.
- Article 5: The chair shall call the meeting to order when attending shareholders representing more than half of the total number of outstanding shares and disclose information concerning the number of non-voting shares and number of shares represented by shareholders attending the meeting. However, when the total number of shares in attendance is less than that as required by law at the designated meeting time, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements, while the attending shareholders represent more than one-third of the total outstanding shares after two postponements, they may reach a tentative resolution with the approval of more than half of the voting rights represented by the attending

shareholders according to Article 175 of the Company Act. During a tentative resolution, if the number of shares represented by the shareholders present has reached that as required by law, the chair may officially call the meeting to order at any time and resubmit the tentative resolution for a vote by the shareholders' meeting.

Article 6: If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on the proposals on the agenda one by one (including extempore motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution by the shareholders' meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders' meeting convened by a party with the power to convene other than the Board of Directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extempore motions). If the chair declares the meeting adjourned in violation of the rules of procedure, a new chair may be elected by agreement of a majority of the votes represented by the attending shareholders to continue the meeting. After the meeting is adjourned, shareholders may not nominate another chair or seek another venue for continuation of the meeting.

Article 7: When a meeting is in progress, the chair may announce a break based on time considerations.

Article 8: Before speaking, an attending shareholder (or proxy) must specify on a speaker's slip the subject of the speech, their shareholder account number, and account name. The order in which shareholders speak will be set by the chair. A shareholder (or proxy) in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech is not in alignment with the subject on the speaker's slip, the spoken content shall prevail.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

Article 9: The motions on the agenda shall be discussed in the order as set on the agenda. In the event of any violation, the chair shall stop it immediately.

Article 10: (Deleted)

Article 11: Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules in the preceding paragraph or exceeds the scope of the motion, the chair may have the shareholder stop the speech.

Article 12: When a juridical person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.

When a juridical person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

Article 13: The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extempore motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

After an attending shareholder (or proxy) has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 14: When the Company holds a shareholders' meeting, it shall adopt the exercise of voting rights by electronic means and may adopt the exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder's exercise of voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived their rights with respect to the extempore motions and amendments to original proposals of that meeting.

Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending

shareholders, followed by a vote by the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered on the MOPS.

Each of the Company's shareholders shall be entitled to one vote for each share held unless otherwise stipulated by laws and regulations.

Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting rights represented by them shall not exceed 3% of the total number of the Company's voting shares, otherwise, the portion of excessive voting rights shall not be counted.

Article 15: When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 16: Scrutineers and vote counting personnel for the voting on proposals shall be appointed by the chair, provided that all scrutineers be shareholders of the Company.

Vote counting for proposals or elections at a shareholders' meeting shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and recorded.

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 those failed to be elected and the numbers of votes they won.

Article 17: In the event of an air raid alarm or force majeure event in the middle of a shareholders' meeting, the chair may declare the meeting suspended or adjourned.

Article 18: The chair may direct the proctors (or security personnel) to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an armband, reading "Proctor".

Article 19: The Company shall making an audio and video recording of the entire proceedings of a shareholders' meeting and preserve the recordings for at least one years.

Article 20: Matters not specified in the Rules shall be handled in accordance with the Company Act, relevant laws and regulations, and the Company's Articles of Incorporation.

Article 21: These Rules and all amendments thereto shall take effect upon approval by a shareholders' meeting.

Article 22: These Rules were formulated on June, 24, 1995.
The 1st amendment was made on April 18, 1998.
The 2nd amendment was made on April 15, 1999.
The 3rd amendment was made on May 31, 2002.
The 4th amendment was made on June 14, 2006.
The 5th amendment was made on June 15, 2012.
The 6th amendment was made on June 23, 2014.
The 7th amendment was made on June 12, 2020.
The 8th amendment was made on July 29, 2021.

(Appendix 2)

Articles of Incorporation of Syscom Computer Engineering Company

Chapter I General Provisions

Article 1: The company is incorporated in accordance with the Company Act and named 凌群電腦股份有限公司. The English name is Syscom Computer Engineering Company.

Article 2: The scope of the Company's business is as follows:

1. E601010 Electric Appliance Construction
2. E603050 Automatic Control Equipment Engineering
3. E605010 Computer Equipment Installation
4. E701010 Telecommunications Engineering
5. E701020 Satellite Television KU Channels and Channel C Equipment Installation
6. E701030 Controlled Telecommunications Radio-Frequency Devices Installation Engineering
7. E701040 Simple Telecommunications Equipment Installation
8. EZ05010 Instrument and Meters Installation Engineering
9. EZ99990 Other Engineering
10. F108031 Wholesale of Medical Devices
11. F113010 Wholesale of Machinery
12. F113030 Wholesale of Precision Instruments
13. F113050 Wholesale of Computers and Clerical Machinery Equipment
14. F113070 Wholesale of Telecommunication Apparatus
15. F113110 Wholesale of Batteries
16. F113990 Wholesale of Other Machinery and Tools
17. F118010 Wholesale of Computer Software
18. F119010 Wholesale of Electronic Materials
19. F208031 Retail Sale of Medical Apparatus
20. F213030 Retail Sale of Computers and Clerical Machinery Equipment
21. F213040 Retail Sale of Precision Instruments
22. F213050 Retail Sale of Measuring Instruments
23. F213060 Retail Sale of Telecommunication Apparatus
24. F218010 Retail Sale of Computer Software
25. F219010 Retail Sale of Electronic Materials
26. F401010 International Trade
27. F601010 Intellectual Property Rights
28. G903010 Telecommunications Enterprises
29. I103060 Management Consulting
30. I301010 Information Software Services
31. I301020 Data Processing Services
32. I301030 Electronic Information Supply Services
33. I501010 Product Designing
34. I599990 Other Designing
35. J202010 Industry Innovation and Incubation Services
36. J303010 Magazine (Periodical) Publishing
37. J304010 Book Publishing
38. JA02010 Electric Appliance and Electronic Products Repair

- 39. JA02990 Other Repair
- 40. JE01010 Rental and Leasing
- 41. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

- Article 2-1: When the Company is a limited liability shareholder at another company, its total investment is not subject to the limit of 40% of the total paid-in capital under Article 13 of the Company Act.
- Article 3: The Company may provide guarantees to external entities for business needs.
- Article 4: The Company is headquartered in Taipei City and may establish branches at home and abroad when necessary with a resolution adopted by the Board of Directors.
- Article 5: Deleted.

Chapter II Shares

- Article 6: The Company's total capital is NT\$1.57 billion, which is divided into 157 million shares with a par value of NT\$10 per share, and the Board of Directors is authorized to issue them in tranches. Of the above capital, NT\$300 million is divided into 30 million shares, with a par value of NT\$10 per share, for subscription by employees who exercise their stock warrants or corporate bonds with warrants. Such shares may be issued in tranches, and the Board of Directors is authorized to handle it in accordance with the Company Act and relevant laws and regulations.
- Article 7: Deleted.
- Article 8: The Company's shares are generally registered and are issued after being signed or sealed by the directors representing the Company and certified in accordance with the law. The Company may be exempted from printing stock certificates and shall register with the centralized securities depository enterprise when issuing shares.
- Article 9: The change of name and transfer of shares shall be suspended within 60 days before an annual shareholders' meeting, within 30 days before an extraordinary shareholders' meeting, or within 5 days before the record date of payout of dividends, bonuses, or other benefits.
- Article 9-1: The Company's stock affairs shall be handled in accordance with the relevant laws and regulations and the regulations of the competent authority.

Chapter III Shareholders' Meeting

- Article 10: There are annual and extraordinary shareholders' meetings. The Board of Directors shall convene the annual meeting once a year within six months after the end of each fiscal year. Extraordinary meetings may be convened at any time as needed.
- Article 11: Any shareholder who is unable to attend a shareholders' meeting for any reason may appoint a proxy to attend the meeting by presenting a letter of attorney printed by the Company, indicating the scope of the authorization.
- Article 12: Each of the Company's shareholders shall be entitled to one vote for each share held unless otherwise stipulated by laws and regulations.
- Article 13: Unless otherwise provided by the Company Act, resolutions by a shareholders' meeting shall be adopted by more than half of the voting rights

represented by shareholders at such a meeting attended by shareholders representing more than half of the total outstanding shares.

Chapter IV Board of Directors and Audit Committee

- Article 14: The Company shall have 5 to 7 directors on the Board. The term of office is 3 years. The shareholders' meeting shall elect such directors from candidates with the legal capacity, and they can be re-elected.
Of said number of the Company's directors, the number of independent directors shall not be fewer than three and shall not be fewer than one-fifth of the total number of directors. Directors (including independent directors) shall be elected through a candidate nomination system by the shareholders' meeting from a list of candidates for directors (including independent directors).
The professional qualifications, shareholding, restrictions on positions held concurrently, nomination and appointment methods, and other matters to be complied with for independent directors shall be governed by the relevant regulations of the competent securities authority.
- Article 14-1: The Company has established an Audit Committee in accordance with the Securities and Exchange Act, and the committee is formed by all independent directors.
The Audit Committee's responsibilities, charter, exercise of powers, and other matters to be complied with shall be handled in accordance with the competent securities authority's and the Company's relevant regulations.
- Article 15: The Board of Directors shall be formed by the directors, and the Chairman shall be elected by more than half of the attending directors from among themselves at a Board meeting attended by more than two-thirds of all directors. The Chairman represents the Company externally.
- Article 16: A Board meeting shall be convened by the Chairman, and the resolutions shall be adopted by more than half of the attending directors from among themselves at a Board meeting attended by more than two-thirds of all directors, unless otherwise provided by the Company Law and the Articles of Incorporation. If a director is unable to attend in person for any reason, they may appoint another director as their proxy. In addition, when a Board meeting is convened by video conference, the directors who participate in the meeting by video conference shall be deemed to have attended the meeting in person.
- Article 16-1: When a Board meeting is to be convened, the reasons shall be stated in a meeting notice, which shall then be sent to all directors at least seven days in advance. However, in the event of an emergency, a Board may be convened at any time.
The notice referred to in the preceding paragraph may be sent in writing or by fax or email.
- Article 17: If the Chairman is on leave or is unable to exercise his powers for any reason, his substitute shall be handled in accordance with Article 208 of the Company Act.
- Article 18: The Board of Directors is authorized to determine the remuneration to the Chairman and directors based on their involvement in the Company's operations, the values of their contributions, and the general standard in the industry. All directors may be paid with honoraria depending on the actual

situation.

- Article 18-1: The Company may purchase liability insurance for directors during their terms in accordance with the law for the scope of their duties, to reduce and diversify the risk of material damage to the Company and shareholders due to illegal acts committed by a director.

Chapter V Managers

- Article 19: The Company may engage managers, whose appointment, dismissal, and remuneration shall be handled in accordance with Article 29 of the Company Act.

Chapter VI Accounting

- Article 20: The Board of Directors shall prepare (1) business report, (2) financial statements, and (3) statement of Earnings distribution and deficit compensation at the end of each fiscal year and submit them to the annual shareholders' meeting for ratification.
- Article 21: If the Company makes a profit in a fiscal year, it shall allocate no less than 3% of the balance as employee remuneration, which shall be distributed in stock or cash as per the resolution by the Board of Directors. The recipients shall include employees of the controlling company or subsidiaries who met certain criteria. The distribution of employee remuneration shall be reported to the shareholders' meeting. However, when the Company still has a cumulative deficit, it shall reserve an amount to compensate it first and then allocate an amount for employee remuneration according to the percentage set out in the preceding paragraph.
- Article 21-1: Where the Company made a profit in a fiscal year, the profit shall be first used for paying taxes, offsetting the cumulative deficit, setting aside 10% of the remaining profit as a legal reserve unless it has reached the total amount of the Company's paid-in capital, setting aside an amount for or reversing a special reserve in accordance with laws and regulations, and then any remaining profit, together with any undistributed earnings, shall be adopted by the Company's Board of Directors as the basis for making a distribution proposal, which shall then be submitted to the shareholders' meeting for a resolution before distribution of bonuses to shareholders.
- Article 21-2: To ensure the Company's stable growth, sustainable development, and long-term development, the Company considers the its future capital needs and long-term financial planning and distributes dividends with a moderate combination of cash and stock dividends, with balanced and stable dividends maintained, while determining the type, amount, and time of the dividends to be distributed as per the year's profit, capital budget planning, and capital amount. The Company shall distribute cash dividends at no less than 10% of the total dividends to be distributed in the year; however, if it has more abundant surplus and capital in the future, it may raise said percentage.

Chapter VI Supplementary Provisions

- Article 22: Matters not specified in the Articles of Incorporation shall be handled in accordance with the Company Act.
- Article 23: The Articles of Incorporation were formulated on June 19, 1975.
The 1st amendment was made on July 3, 1975.
The 2nd amendment was made on June 13, 1978.
The 3rd amendment was made on May 5, 1979.
The 4th amendment was made on September 25, 1980.
The 5th amendment was made on October 25, 1980.
The 6th amendment was made on February 18, 1983.
The 7th amendment was made on December 27, 1988.
The 8th amendment was made on November 6, 1989.
The 9th amendment was made on April 8, 1990.
The 10th amendment was made on November 5, 1990.
The 11th amendment was made on February 22, 1991.
The 12th amendment was made on July 20, 1991.
The 13th amendment was made on February 22, 1992.
The 14th amendment was made on May 1, 1993.
The 15th amendment was made on June 25, 1994.
The 16th amendment was made on June 24, 1995.
The 17th amendment was made on November 2, 1996.
The 18th amendment was made on April 15, 1999.
The 19th amendment was made on January 7, 2000.
The 20th amendment was made on April 29, 2000.
The 21st amendment was made on April 24, 2001.
The 22nd amendment was made on May 31, 2002.
The 23rd amendment was made on May 15, 2003.
The 24th amendment was made on June 14, 2005.
The 25th amendment was made on June 14, 2006.
The 26th amendment was made on June 13, 2008.
The 27th amendment was made on June 10, 2009.
The 28th amendment was made on June 17, 2010.
The 29th amendment was made on June 15, 2012.
The 30th amendment was made on June 23, 2014.
The 31st amendment was made on June 15, 2015.
The 32nd amendment was made on June 16, 2016.
The 33rd amendment was made on June 12, 2018.
The 34th amendment was made on June 13, 2019.
The 35th amendment was made on June 12, 2020.
The 36th amendment was made on July 29, 2021.

SYSCOM COMPUTER ENGINEERING CO.

Chairman: Raff Liu

(Appendix 3)

SYSCOM COMPUTER ENGINEERING CO.
Procedures for Acquisition and Disposal of Assets

Article 1: The Company's acquisition or disposal of assets shall be handled in accordance with these Procedures, unless otherwise stipulated in the Articles of Incorporation or other laws and regulations.

Article 2: These Procedures have been formulated in accordance with Article 36-1 of the Securities and Exchange Act and the relevant provisions of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies. However, if other laws provide otherwise, such laws shall prevail.

Article 3: The scope of assets referred to in these Procedures is as follows:

- I. Securities: Stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
- II. Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.
- III. Membership cards.
- IV. Patents, copyrights, trademarks, and franchise rights.
- V. Right-of-use assets.
- VI. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
- VII. Derivatives.
- VIII. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
- IX. Other major assets.

When the Company acquires or disposes of assets, the department of finance is the execution unit for securities investment and derivatives trading, and the user unit and relevant responsible units are the execution units for real property and other fixed assets. Assets other than securities investment, real property, and other fixed assets shall be evaluated by the relevant units before execution.

Article 4: The definition of terms is as follows:

- I. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid

- contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.
- II. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor under Article 156-3 of the Company Act.
 - III. Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
 - IV. Professional appraiser: Refers to a real property appraiser or other persons duly authorized by law to engage in the value appraisal of real property or equipment.
 - V. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other dates that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval by the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
 - VI. Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.
 - VII. Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.
 - VIII. Over-the-counter venue ("OTC venue", "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.
 - IX. "Within the preceding year" as used herein refers to the year preceding the date of occurrence of the current acquisition or disposal of assets. Portions which have been announced need not be counted toward the transaction amount.
 - X. The "most recent financial statements" as used herein refers to the financial statements that a company has made publicly available and has been audited and certified or reviewed by a certified public accountant (CPA) before acquiring or disposing of assets.

Article 5: Any acquisition or disposal of securities investment, real property, or other fixed assets by the Company shall be handled by relevant managers as per the approval hierarchy. When the amount of a transaction reaches 20% or more of its paid-in capital, it shall be submitted to the Board of Directors for approval or ratification. If it falls under Article 185 of the Company Act, it shall be executed after approved by the shareholders' meeting in accordance with the regulations. The maximum amounts of investment in real property not for business use and right-of-use assets thereof or securities acquired by the Company or its subsidiaries are as follows:

- I. The total amount of real property not for business use shall not exceed 50% of the Company's paid-in capital.
- II. The total amount of long-term securities investments shall not exceed 100% of the Company's net worth as per its most recent financial statements and investment in individual securities shall not exceed 40% of the Company's net worth as per its most recent financial statements.
- III. The total amount of investment in securities other than long-term securities investments shall not exceed 50% of the Company's net worth as per its most recent financial statements and investment in individual securities shall not exceed 20% of the Company's net worth as per its most recent financial statements.

Article 6: Evaluation and operating procedures for acquisition or disposal of assets

In an acquisition or disposal of the assets, the responsible unit shall submit the reason for the acquisition or disposal, the subject matter, the counterparty, the price, the terms of receipt and payment, the reference basis for the price, and the matters to be announced as per these Procedures shall be submitted to the responsible manager for approval and handled in accordance with the relevant regulations of the Company's internal control system and these Procedures.

Article 7: Professional appraisers and their officers, CPAs, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:

- I. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
- II. May not be a related party or de facto related party of any party to the transaction.

III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.

When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:

- I. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
- II. When auditing a case, they shall appropriately plan and execute adequate operating procedures, in order to produce a conclusion and use the conclusion as the basis for issuing a report or opinion. The relevant working procedures, data collected, and conclusions shall be fully and accurately specified in the case working papers.
- III. They shall conduct an item-by-item evaluation of the completeness, accuracy, and reasonableness of the sources of data, parameters, and information used, as the basis for issuance of an appraisal report or opinion.
- IV. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared such a report or opinion, and that they have evaluated and verified that the information used is reasonable and accurate and that they have complied with applicable laws and regulations.

Article 8: Where the transaction amount reaches 20% or more of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence from a professional appraiser and shall further comply with the following provisions:

- I. Where due to special circumstances it is necessary to give a limited price, specific price, or special price as a reference for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also apply to any subsequent change to the terms and conditions of the transaction.
- II. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
- III. Where any of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a CPA shall be engaged to perform an appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
 - (I) The discrepancy between the appraisal result and the transaction amount

is 20% or more of the transaction amount.

(II) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.

IV. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date. Provided, where the publicly announced current value for the same period is used and not more than six months have elapsed, an opinion may still be issued by the original professional appraiser.

Article 9: The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, audited or reviewed by a CPA, for reference in appraising the transaction price, and if the amount of the transaction is 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use the report by an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF. This requirement does not apply, however, to publicly quoted prices of securities with an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).

Article 10: Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or membership certificates and the transaction amount reaches 20% or more of its paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a CPA prior to the date of the occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.

Article 10-1: The transaction amount in the preceding three paragraphs shall be calculated as per the provisions under Article 24, paragraph 2, and the term "within the preceding year" refers to the year preceding the date of the current transaction. The portions on which appraisal reports issued by professional appraisers or about which CPAs have issued opinions as per the Procedures need not be counted toward the transaction amount.

Article 11: Where the assets are acquired or disposed of through court auction procedures, the supporting documents issued by the court may replace the appraisal report or a CPA's opinion.

Article 12: When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised as per the regulations, if the transaction amount reaches 10% or more of the Company's total assets, the Company shall obtain an appraisal report from a professional appraiser or a CPA's opinion.

The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 10-1.

When whether a transaction counterparty is a related party is judged, in addition to legal formalities, the substance of the relationship shall also be considered.

Article 13: When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party, and the transaction amount reaches 20% or more of the Company's paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds, bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, it may not proceed to enter into a transaction contract or make a payment until the following information has been approved by the Audit Committee and passed by the Board of Directors.

- I. The purpose, necessity, and anticipated benefit of the acquisition or disposal of assets.
- II. The reason for choosing the related party as a transaction counterparty.
- III. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding evaluation of the reasonableness of the preliminary transaction terms under Articles 14 and 14-1.
- IV. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship with the Company and the related party.
- V. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
- VI. An appraisal report from a professional appraiser or a CPA's opinion obtained as per the preceding paragraph.
- VII. Restrictive covenants and other important stipulations associated with the transaction.

The transaction amount in the preceding paragraph shall be calculated as per the provisions under Article 24, paragraph 2, and the term "within the preceding year" refers to the year preceding the date of the current transaction. The portions have been approved by the Audit Committee and passed by the Board of Directors as

per the regulations need not be counted toward the transaction amount.

With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries of which it directly or indirectly holds 100% of their outstanding shares or total capital, the Company's Board of Directors may delegate the Chairman to decide such matters when the transaction is within a certain amount and have the decision subsequently submitted to and ratified by the soonest Board meeting afterwards:

- I. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
- II. Acquisition or disposal of real property right-of-use assets held for business use.

Where an independent director has been appointed, when a matter is submitted for discussion by the Board of Directors pursuant to paragraph 1, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board meeting.

Paragraphs 4 and 5 of Article 29 shall apply mutatis mutandis to the matters under paragraph 1 that shall be approved by more than half of all members of the Audit Committee first and submitted to the Board of Directors for a resolution.

Article 14: The Company that acquires real property or right-of-use assets thereof from a related party shall evaluate the reasonableness of transaction costs by the following means:

- I. It shall be based on the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. Necessary interest on funding is imputed as the weighted average interest rate on the borrowings in the year the Company purchases the property; however, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
- II. It shall be based on the total loan value appraised by a financial institution where the related party has previously created a mortgage on the property as security for a loan. However, the actual cumulative amount of loans from the financial institution shall reach 70% or more of the financial institution's appraised loan value of the property and the period of the loan shall be one year or more.

Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.

The Company that acquires real property or right-of-use assets thereof from a related party shall appraise the cost of the real property or right-of-use assets

thereof in accordance with the preceding two paragraphs and also engage a CPA to check the appraisal and render a specific opinion.

Where the Company acquires real property or right-of-use assets thereof from a related party under any of the following circumstances, the acquisition shall be conducted in accordance with the preceding paragraph, and the preceding three paragraphs do not apply.

- I. The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.
- II. More than five years have elapsed from the time the related party signed the contract to obtain the real property or right-of-use assets thereof to the signing date for the current transaction.
- III. The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the Company's own land or on rented land.
- IV. The real property right-of-use assets for business use are acquired by the Company with its parent or subsidiaries, or by its subsidiaries of which it directly or indirectly holds 100% of their outstanding shares or total capital.

Article 14-1: Where the results of appraisals conducted in accordance with paragraphs 1 and 2 under the preceding article are uniformly lower than the transaction price, it shall be handled in accordance with Article 15. However, in the event of any of the following circumstances, objective evidence has been submitted and specific opinions on the reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:

- I. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:
 - (I) Where undeveloped land is appraised in accordance with the means under the preceding article, while structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "reasonable construction profit" shall be based on the average gross operating profit margin of the related party's construction division over the most recent three years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.
 - (II) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or

leasing practices.

- II. Where the Company, acquiring real property, or obtaining real property right-of-use assets through leasing from a related party, provides evidence that the terms of the transaction are similar to those of completed transactions of the neighboring similarly sized parcels by unrelated parties within the preceding year.

Completed transactions in the preceding paragraph, in principle, refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions of similarly sized parcels, in principle, refers to transactions completed by unrelated parties for parcels with a land area of no less than 50% of the property. Within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.

Article 15: Where the Company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the preceding two articles are uniformly lower than the transaction price, the following steps shall be taken:

- I. A special reserve shall be set aside in accordance with Article 41, paragraph 1 of the Securities and Exchange Act against the difference between the transaction price of the real property or right-of-use assets thereof and the appraised cost, and may not be distributed or used for allotment for capital increase. Where investors whose investments in the Company are account for under the equity method are publicly listed companies, then the special reserve under Article 41, paragraph 1 of the Securities and Exchange Act shall be set aside in proportion to the share of their equity stake in the Company.
- II. The independent directors of the Audit Committee shall proceed in accordance with Article 280 of the Company Act.
- III. Actions taken pursuant to the proceeding 2 subparagraphs shall be reported to the shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

The Company has set aside a special reserve in accordance with the preceding paragraph may not utilize the special reserve until they have recognized a loss on decline in market value of the assets it acquired or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent

When the Company acquires real property or right-of-use assets thereof from a related party, it shall also comply with the preceding two paragraphs if there is other evidence indicating that the acquisition was not an arm's length transaction.

Article 16: The Company's derivatives trading shall be handled in accordance with the procedures for derivatives trading, and the Company shall pay attention to risk management and audit while duly implementing the internal control over derivatives. The Board of Directors shall delegate and designate senior managers to supervise and control the risk over derivatives trading and regularly evaluate whether the performance of derivatives traded is in alignment with the established strategy and the risk within the range of the Company's tolerance. If any abnormal situation is found, it shall be reported to the board of directors immediately. If they discover any anomaly, they shall report to the Board of Directors; where independent directors have been elected, they shall attend the Board meeting and express their opinions.

The Company shall report to the soonest Board meeting after it authorizes the relevant personnel to handle derivatives trading in accordance with the procedures for derivatives trading.

Article 17: The Company engaging in derivatives trading shall establish a log book in which details of the types and amounts of derivatives traded, and Board of Directors approval dates shall be recorded in detail in the log book for reference.

Internal auditors shall check the suitability of internal control over derivative trading regularly, inspect monthly the trading department's compliance with the procedures for derivatives trading, and prepare an auditing report. In the case of a material violation, the Audit Committee shall be notified in writing.

Article 18: The Company engaging in a merger, demerger, acquisition, or transfer of share, prior to convening the Board of Directors to resolve on the matter, shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the Board of Directors for deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by the Company of a subsidiary of which it directly or indirectly holds 100% of its outstanding shares or total capital, or in the case of a merger between subsidiaries of which the Company directly or indirectly holds 100% of the respective subsidiaries' outstanding shares or total capital.

Article 19: The Company engaging in a merger, demerger, acquisition, or transfer of shares shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders' meeting and include it along with the expert opinion in the notice of

the shareholders' meeting as a reference for them to decide whether to approve the merger, demerger, or acquisition. However, where a provision of another act exempts the Company from convening a shareholders' meeting to approve the merger, demerger, or acquisition, this restriction shall not apply.

Where the shareholders' meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene a shareholders' meeting or pass a resolution due to lack of a quorum, insufficient votes, or other legal restrictions, or the proposal is rejected by the shareholders' meeting, the companies in the merger, demerger or acquisition shall immediately publicly explain the reason, the follow-up measures, and the scheduled date of the next shareholders' meeting.

Article 20: The Company participating in a merger, demerger, or acquisition shall convene a Board meeting and a shareholders' meeting on the same day as other companies in the transaction to resolve matters related to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance of special circumstances and gives its consent.

The Company participating in a transfer of shares shall call a Board meeting on the same day as other companies in the transaction, unless another act provides otherwise or the FSC is notified in advance of special circumstances and gives its consent.

When participating in a merger, demerger, acquisition, or transfer of shares, a company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for five years for reference:

- I. Basic information of personnel: Including the job titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of shares prior to disclosure of the information.
- II. Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the Board meetings convened.
- III. Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of Board meetings.

When participating in a merger, demerger, acquisition, or transfer of shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within two days counting inclusively from the date of passage of a resolution by the Board of Directors, report (in the prescribed format and through the Internet-based information system) the information set out in subparagraphs 1 and 2 of the preceding paragraph to the FSC for review.

Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is neither listed on an exchange nor has its shares traded on an OTC market, the company that is listed on an exchange or has its shares traded on an OTC market shall sign an agreement with such a company whereby the latter

shall comply with the preceding two paragraphs.

Article 21: Every person participating in or privy to the plan for a merger, demerger, acquisition, or transfer of shares shall issue a written non-disclosure agreement and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or the name of another person, any stock or other equity securities of any company related to said plan.

Article 22: The Company engaging in a merger, demerger, acquisition, or transfer of share, shall change the share exchange ratio or the acquisition price except under the following conditions and shall set the conditions for change in the merger, demerger, acquisition, or transfer of share contract:

- I. Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity-based securities.
- II. An action, such as a disposal of major assets, that affects the Company's financial operations.
- III. An event, such as a major disaster or major change in technology, that affects shareholders' equity or share price.
- IV. An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares buys back treasury stock.
- V. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
- VI. Other terms or conditions that the contract stipulates may be revised and that have been publicly disclosed.

Article 23: When the Company engaging in a merger, demerger, acquisition, or transfer of share, the contract shall contain the participating companies' rights and obligations in the merger, demerger, acquisition, or transfer of share as well as the following:

- I. Handling of breach of contract.
- II. Principles for the handling of equity-based securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.
- III. The amount of treasury stock participating companies are permitted to buy back as per laws after the record date of calculation of the share exchange ratio, and the principles for handling thereof.
- IV. The method of handling changes in the number of participating entities or companies.
- V. Preliminary progress schedule for plan execution and anticipated completion date.
- VI. Scheduled date for convening the legally mandated shareholders meeting if the plan exceeds the deadline without completion and relevant procedures.

Article 23-1: In the event of changes in the number of companies engaging in merger, demerger, acquisition, or transfer of shares: After public disclosure of the information, if any company participating in the merger, demerger, acquisition, or share transfer intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the Board of Directors to change the authority, such participating company may be exempted from calling another shareholders' meeting to resolve on the matter anew.

Article 23-2: Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is not a publicly listed company, the Company shall sign an agreement with such a company whereby the latter shall comply with the provisions of Articles 20 and 21 and the preceding article.

Article 24: Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the website designated by the FSC in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:

- I. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10 % or more of the Company's total assets, or NT\$300 million or more. However, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
- II. Merger, demerger, acquisition, or transfer of shares.
- III. Losses on derivatives trading reaching the upper limit on aggregate losses or losses on individual contracts set out in the operating procedures adopted by the Company.
- IV. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million:
- V. Where real property is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented

land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.

VI. For an asset transaction other than any of those referred to in the preceding five subparagraphs, including a disposal of receivables by a financial institution or an investment in the mainland China area, the amount of the transaction reaches 20% or more of Company's paid-in capital or NT\$300 million or more.

(I) Trading of domestic government bonds.

(II) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

The above transaction amounts are calculated as follows:

I. The amount of any individual transaction.

II. The cumulative transaction amount of acquisitions and disposals of the same type of assets with the same transaction counterparty within the preceding year.

III. The cumulative transaction amounts of respective acquisitions and disposals of real property or right-of-use assets thereof within the same development project within the preceding year.

IV. The cumulative transaction amounts of respective acquisitions and disposals of the same security within the preceding year.

The term "within the preceding year" refers to the year preceding the date of the current transaction. The portions that have been announced as per the regulations need not be counted toward the transaction amount.

The Company shall prepare monthly reports on the status of derivatives traded up to the end of the preceding month by the Company and any subsidiaries that are not domestic publicly listed companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.

When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again announced and declared in their entirety within two days counting inclusively from the date of knowing of such error or omission.

The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports, and CPA's, attorney's, and securities underwriter's opinions at the Company, in which they shall be retained for five years except where another act provides otherwise.

Article 25: The acquisition or disposal of assets by the Company's any subsidiary shall be handled in accordance with these Procedures.

Where a subsidiary of the Company is not a domestic publicly listed company and the assets it acquired or disposed of meet the announcement and declaration

standards, the Company shall make announcement on its behalf.

The amount of paid-in capital or total assets in the public announcement and reporting standards applicable to subsidiaries shall be subject to the Company's amount of paid-in capital or total assets.

Article 25-1: For the rule regarding 10% of total assets under these Procedures, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be adopted.

In the case of a company with a no-par-value stock or shares with a par value other than NT\$10, the criterion for the transaction amount reaching 20% of paid-in capital under these Procedures shall be subject to 10% of equity attributable to owners of the parent.

Article 26: Where any of the following circumstances occurs with respect to a transaction that the Company has already announced and declared as per the preceding article, an announcement of relevant information shall be made on the website designated by the FSC within two days counting inclusively from the date of occurrence:

- I. Change, termination, or rescission of a contract signed in regard to the original transaction.
- II. The merger, demerger, acquisition, or transfer of shares not completed by the scheduled date set forth in the contract.
- III. Change to the originally publicly announced and reported information.

Article 27: In the acquisition or disposal of assets by the Company's relevant personnel in violation of these Procedures, it shall be reported regularly as per the Company's personnel management regulations and employee handbook; disciplinary actions shall be imposed according to the severity of the circumstances.

Article 28: If there are any matters not specified in these Procedures, relevant laws and regulations and the Company's applicable regulations shall prevail.

Article 29: These Procedures shall be approved by the Audit Committee, passed by the Board of Director, and ratified by the shareholders' meeting; the same shall apply to any amendment thereto. If a director expresses dissent, which is kept on record or in a written statement, the Company shall submit the director's dissent information to the Audit Committee.

Where an independent director has been appointed, when these Procedures is submitted for discussion by the Board of Directors pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each

independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board meeting.

The Company's formulation or amendment to these Procedures shall be approved by more than half of all members of the Audit Committee and submitted to the Board of Directors for a resolution.

If it fails to be approved by more than half of all members of the Audit Committee as in the preceding paragraph, it may be implemented with the approval of more than two-thirds of all directors, and the resolution by the Audit Committee shall be recorded in the minutes of the Board meeting.

All members of the Audit Committee and all directors referred to in paragraph 3 shall be counted on the basis of the actual incumbents.

Article 30: Amendment records

The 1st amendment was made on March 12, 1999.

The 2nd amendment was made on November 22, 1999.

The 3rd amendment was made on May 27, 2003.

The 4th amendment was made on June 14, 2005.

The 5th amendment was made on June 13, 2007.

The 6th amendment was made on June 15, 2012.

The 7th amendment was made on June 23, 2014.

The 8th amendment was made on June 13, 2017.

The 9th amendment was made on June 13, 2019.

The 10th amendment was made on July 29, 2021.

(Appendix 4)

SYSCOM COMPUTER ENGINEERING CO.
Shareholdings of Directors

- I. As per Article 26 of the Securities and Exchange Act and the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the minimum number of shares held by the Company's all directors is as follows:
- | | |
|---|--------------------|
| Number of ordinary shares issued by the Company | 100,000,000 shares |
| Number of shares held by all directors as required by law | 8,000,000 shares |
- II. As of the book closure date on April 17, 2022 for the 2022 Annual Shareholders' Meeting, the number of shares held by all directors has reached the percentage stipulated in Article 26 of the Securities and Exchange Act.

Job title	Name	Number of shares held	Percentage (%)
Chairman	Raff Liu	18,346,787	18.35
Director	Jui-Lung Liu	402,562	0.40
Director	Po-Wen Wang	0	0
Director	Chih-Chun Liu	3,187,689	3.19
Independent Director	Wang-Ying Yu	0	0
Independent Director	Che-Fu Kung	0	0
Independent Director	Chung-Lieh Kuo	0	0
Number of shares held by all directors		21,937,038	21.94

The Company has established an Audit Committee, so the number of shares legally required to be held by supervisors does not apply.