

Stock code: 6442



EZconn Corporation

2022 Annual General Shareholders' Meeting Meeting Handbook (Translation)

Notice to readers

This English version handbook is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.

Date: June 27, 2022 (Monday)

Location: Beitou Resort

No. 88, Lane 527, Da-Ye Road, Beitou District,
Taipei City, Taiwan (R.O.C.)

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EZconn Corporation
Procedures
of
2022 Annual General Shareholders' Meeting

I. Opening Address

II. Chairman Address

III. Reporting Items

IV. Items for Acknowledgment

V. Items for Discussion

VI. Ad Hoc Motion

VII. Adjournment

EZconn Corporation

Agenda

of

2022 Annual General Shareholders' Meeting

Meeting time: At 9:00 am, June 27, 2022 (Monday)
Meeting venue: No. 88, Lane 527, Da-Ye Road, Beitou District, 11268, Taipei City, Taiwan (R.O.C.)
Meeting Format: In-person meeting

- I. Opening Address (report the attending number of shares)
- II. Chairman Address
- III. Reports Items
 - (I) 2021 Business Report.
 - (II) 2021 Audit Committee's Audit Report.
 - (III) 2021 Surplus Distribution in Cash Dividends Report.
 - (IV) 2021 Employees' and Directors' Remuneration Distribution Report.
- IV. Items for Acknowledgment
 - (I) 2021 Business Report, Individual Financial Statement, and Consolidated Financial Statement.
 - (II) 2021 Surplus Distribution.
- V. Items for Discussion and Election
 - (I) Amendments to the "Articles of Association."
 - (II) Amendments to the "Procedures for Acquisition and Disposal of Assets."
 - (III) Proposal for a private placement of ordinary shares to increase cash capital
- VI. Ad Hoc Motion
- VII. Adjournment

Reports Items

(I) 2021 Business Report.

Explanation: Please refer to page 10 to 13 (Attachment 1) of this handbook for the 2021 Business Report.

(II) 2021 Audit Committee's Audit Report.

Explanation: Please refer to page 14 (Attachment 2) of this handbook for the 2021 Audit Committee's Audit Report.

(III) 2021 Surplus Distribution in Cash Dividends Report.

Explanation:

1. According to Articles 24 under the Articles of Association of the Company, the Board of Directors is authorized to pay the entire or partial dividends and bonus to be distributed in the form of cash by a resolution and shall report the same to the Shareholders' Meeting.
2. The Company has allocated a Shareholders' bonus of NT\$79,560,000 for the distribution of cash dividends of NT\$1.20 per share. The cash dividend is calculated up to one New Taiwan Dollar (digits after the decimal point to be ignored) according to the distribution proportion, and for the total number of fractional amounts less than one New Taiwan Dollar, numbers after the decimal point will be adjusted in descending order, and the account number will be adjusted from the former to the later, until meeting the total distribution amount of cash dividend.
3. The surplus distribution of the Company has been passed by the resolution of the Board of Directors, and the Chairman is authorized to otherwise determine matters related to the ex-dividend base date. The surplus distribution is calculated based on 66,300,000 shares in the issue of the Company on the date of passing the resolution by the Board of Directors. Subsequently, in case of changes in the share capital of the Company and causing impacts on the number of outstanding shares, and thereby causing changes in yields of Shareholders that require amendments, the Chairman is fully authorized for such matters.

(IV) 2021 Employees' and Directors' Remuneration Distribution Report.

Explanation:

1. According to Article 24 of the Articles of Association, "If profits are available upon final settlement every year, the Company shall allocate no less than five percent as employee's compensation and no more than five percent as director's compensation..."
2. In 2021, the Company appropriated a net profit before tax of NT\$141,877,873 for the remunerations of employees and Directors; the Company intends to appropriate NT\$8,600,000 and NT\$2,200,000 as employees' remuneration and Directors' remuneration, respectively, fully distributed in cash.
3. The above allocation amount has no difference from the expenses recognized in 2021.

Items for Acknowledgment

The first case (Proposed by the Board of Directors)

Cause: 2021 Business Report, Individual Financial Statement, and Consolidated Financial Statement.

Explanation:

1. The 2021 individual financial statement and consolidated financial statement of the Company have been audited by JEFF CHEN and HUANG, HSIU-CHUN, accountants from Deloitte & Touche, and an unqualified opinion report has been issued for the record. And after the business report has also been audited by the supervisor, the written audit report has been issued.
2. Please refer to page 10 to 13 (Attachment 1), page 15 to 34 (Attachment 3) of this manual for the business report, accountant's audit report, and above financial statements.
3. It is hereby proposed to shareholders for acknowledgment.

Resolution:

The second case (Proposed by the Board of Directors)

Cause: 2021 surplus distribution.

Explanation:

1. The 2021 surplus distribution of the Company has been passed by the resolution of the Board of Directors and audited by the supervisors; please refer to page 35 (Attachment 4) of this manual.
2. It is hereby proposed to shareholders for acknowledgment.

Resolution:

Items for Discussion

The first case (Proposed by the Board of Directors)

Cause: Amendments to the “Articles of Association.”

Explanation:

1. It is planned to make amendments to partial provisions of the “Articles of Association” of the Company due to the added scope of business of the Company.
2. Please refer to page 36 to 37 (Attachment 5) for the comparison table on amendments to the Articles of Association.
3. It is hereby proposed to shareholders for making the decision.

Resolution:

The second case (Proposed by the Board of Directors)

Cause: Amendments to the “Procedures for Acquisition and Disposal of Assets.”

Explanation:

1. In accordance with the orders of the competent authority and the demand of the Company, it is intended to amend partial provisions of the “Procedures for Acquisition and Disposal of Assets.”
2. Please refer to pages 38 to 48 (Attachment 6) of the Handbook for the comparison table on the amendments to the Procedures for Acquisition and Disposal of Assets.
3. It is hereby submitted to shareholders for making the decision.

Resolution:

The third case (Proposed by the Board of Directors)

Cause: Proposal for a capital increase in cash by a private placement of ordinary shares.

Explanation:

1. In response to the intense competition within the industry and to the Company's future development, the Company intends to improve the Company's operating performance and increase our working capital for the capital on a timely basis. The Company intends to propose at the shareholders' meeting to authorize the Board of Directors to carry out the capital increase in cash by way of a private placement of ordinary shares in due course subject to the market condition and the actual capital and operating requirements of the Company according to Article 43-6 of the Securities and Exchange Act and the "Directions for Public Companies Conducting Private Placements of Securities." The explanations are as follows.
2. Basis and reasonableness for the pricing
 - (1) The reference price shall be no less than the higher of the two following calculation bases:
 - (a) The simple average closing price of the ordinary shares for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction.
 - (b) The simple average closing price of the common shares of the TWSE listed or TPEX listed company for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.
 - (2) The issue price per share for the private placement shall be no less than 80% of the reference price. Upon the approval of the shareholders' meeting, the Board of Directors will be authorized to determine the actual price for the private placement, which shall be no less than 80% of the reference price.
 - (3) Rationality of the pricing: Except for considering the three-year transfer restriction for

private placement under the Securities and Exchange Act, the determination of the abovementioned issue price is determined according to relevant laws and regulations and the closing price for ordinary shares, which shall be reasonable.

- (4) The actual pricing date Upon the approval of the shareholders' meeting, the Directors are authorized to determine the actual pricing date, subject to the status of communication with specific persons in the future.

3. The method for selecting specific persons:

- (1) The targets for the private placement and the selection of specific persons shall comply with Article 43-6 of the Securities and Exchange Act and the requirements under Letter (91) Tai-Cai-Zheng-(Yi)-Zi No. 0910003455 issued by the former Securities and Futures Supervisory Commission, Ministry of Finance issued on June 13, 2002.

- (2) Selecting method and purpose for places, the necessity, and estimated effect:

(a) Selecting method and purpose for places: The private placement of the resolution may introduce private funds to strengthen our capital structure. The introduction of strategic investors may help the Company to conduct diversified operations and may improve shareholders' interests effectively. Therefore, the introduction of strategic investors will help the Company reinforce its competitive strength or create shareholders' interests as the priority.

(b) Necessity: To take the initiative for creating profiting sources and competitive niche, the Company intends to proactively seek proper strategic investors to help the Company expand its existing product lines, develop new product lines, and conduct diversified operations. Therefore, for the benefit of the Company's sustainable operations and development, the private placement of the resolution for the introduction of strategic investors is necessary.

(c) Estimated effects: The Company intends to introduce strategic investors through the private placement, which facilitates the securing of long-term, stable funds, expansion of existing product lines, development of new product lines, and conducting diversified operations, and may effectively increase shareholders' interests. Therefore, helping the Company in reinforcing its competitive strength is the priority for introducing strategic investors. It is expected that, the experiences, technologies, knowledge, or channels of such investors, either individuals or legal persons, will help the Company in improving its technologies and quality, cost reduction, efficiency increase, market expansion, by way of vertical integration or horizontal integration within the industry, or cooperation in R&D for commodities or development of markets, so as to improve our shareholders' interests.

(d) Currently, there is no confirmed strategic investor.

4. The necessary reasons for conducting private placement:

- (1) Reasons for not adopting a public offering:

Considering the timeliness, convenience, issuing costs, feasibility, stability of equity, and uncertainties of the capital market, it may be difficult to obtain the required capital within a short period for fundraising by way of a public offering; therefore, the Company decided to conduct the capital increase in cash by way of a private placement of ordinary shares.

- (2) Limit on private placement:

The private placement for ordinary shares shall be conducted with a limit of up to 40,000,000 ordinary shares within one year from the day of resolution made at the shareholders' meeting in one to three batches.

- (3) Use of the funds raised by the private placement and the anticipated benefits:

The use of funds raised in batches and the anticipated benefits are for increasing the working capital and the repayment of bank borrowings, so as to respond to the changes

in the industry and strengthen the operating condition and competitiveness of the Company. It is estimated to improve our financial structure and allow the Company to record stable growth in its operations, rendering positive benefits on shareholders' interests.

5. The Company estimates the cap for the private placement shall be 40,000,000 ordinary shares. It is proposed to the shareholders' meeting to authorize the Board for conducting the private placement within one year from the day of resolution made at the shareholders' meeting in one to three batches, which will also improve the mobility and flexibility for the fundraising of the Company effectively. Currently, the management team of the Company is holding the majority of its shares; therefore, the shareholding ratio of places after the private placement shall not cause any change in the right of management.
6. In accordance with the "Directions for Public Companies Conducting Private Placements of Securities," if there is a significant change in managerial control within the 1 year period immediately preceding the day on which the Board resolves on the private placement, or there will be a significant change in managerial control after the introduction of a strategic investor through private placement, the Company shall consult with securities underwriter for the issuance of assessment opinion on the necessity and reasonableness for conducting the private placement.

"A significant change in managerial control" above refers to the changes of one-third of Directors and above; however, this shall not apply to that when over half of the Directors are controlled by the initial major shareholders before and after such changes.

The amount of ordinary shares under the private placement shall be no more than 40,000,000 shares. After the full issuance, such shares will account for 36.60% of the issued share capital after the capital increase. In addition, the term of office of the Company's Board will expire on June 23, 2023, and full re-election will be performed; therefore, it is uncertain whether a significant change will occur after introducing strategic investors through the performance of the private placement. As such, the Company engaged Taichung Bank Securities. to issue the assessment opinion on the necessity and reasonableness for conducting the private placement; please refer to page 49 to 53 (Attachment 7).
7. Rights and obligations of the ordinary shares under the private placement shall be the same as the issued ordinary shares of the Company; however, according to the Securities and Exchange Act, the stock under the Company's private placement may not be resold within three years from the date of delivery, except for fulfilling the transfer conditions under Article 43 of the Securities and Exchange Act. Upon three years from the delivery date of stocks under the private placement, the Board is authorized to determine whether to apply with the Taiwan Stock Exchange for the issuance of the consent for fulfilling the listing standards according to relevant requirements and apply with the Financial Supervisory Commission regarding the supplementary public offering and the listing transactions based on the then conditions.
8. For the major content of the private placement, apart from the ratio of the private placement's pricing, including the number of shares to be issued, issue price, issue conditions, fundraising amount, planned items, capital utilization progress, estimated benefits, and other unaddressed matters, the Company intends to propose to the shareholders' meeting to authorize the Board to establish such matters, subject to the market conditions and the Company's operating requirements, and in accordance with relevant

requirements promulgated by the competent authority. Subsequently, when amendments are required due to the changes in laws and regulations, opinions of the competent authority, or changes in the subjective environment, the Company intends to propose to the shareholders' meeting to authorize the Board to handle at its full discretion. Resolution:

9. To accord with the private placement of ordinary shares, upon passing the proposal for the private placement, it is proposed to the shareholders' meeting to authorize the Chairman of the Company or personnel designated by the Chairman to manage matters related to the private placement of ordinary shares.
10. It is hereby submitted to shareholders for making the decision

Resolution:

Ad Hoc Motion

Adjournment

Attachment 1

Business Report

I. Operating status in 2021

(I) Result of the operational plan implementation

The 2021 consolidated net operating income is NT\$2,813,016 thousand, an increase of 17% from that in 2020; the consolidated gross operating profit margin is 21.37%, an increase of 27% from that in 2020; the consolidated net operating profit is NT\$180,838 thousand, and the consolidated after tax net profit is NT\$103,405 thousand; the consolidated after-tax earnings per share is NT\$1.56, and the net value per share is NT\$26.21.

(II) Analysis of the financial expenses and receipts and profitability

1. Financial expenses and receipts

The 2021 net consolidated operating income is NT\$2,813,016 thousand; an increase of NT\$399,468 thousand compared with NT\$2,413,548 thousand in 2020. In terms of earnings, the 2021 net consolidated profit after tax is NT\$103,405 thousand, an increase of NT\$141,456 thousand compared with a NT\$38,051 thousand net consolidated loss after tax in 2020.

2. Analysis of profitability

Analysis item			2020	2021
Analysis of profitability	Return on asset (%)		-1.13%	3.69%
	Return on equity (%)		-2.08%	6.00%
	Paid-in capital stock (%)	Operating profit	3.94%	26.09%
		Profit (loss) before tax	-6.59%	21.74%
	Net profit margin (%)		-1.58%	3.68%
	Basic Earnings (loss) per share (NTD)		(0.57)	1.56

Note: The calculation is based on the consolidated financial statements in 2021

(III) R&D status:

1. The business group of high-frequency connector

Most of the products developed and produced by the Company are classified as high-frequency connector, which have strict requirements for the stability and reliability of the products. The cable television and wired broadband industry are the major applications of various products. To respond to the rapid development of the industry, our technology R&D team improved the product design and development ability via utilizing the Company's resources and actively attending technology conferences

held by each research institution. In addition, to be a leading company in the industry and correspond to the product demand of the global customers, we joined product standards institutes to grasp the latest standards of product specifications, planned to develop and improve various products and received the certifications of the safety standard units and the customers in each country.

As for the aspect of product expansion, we deployed the products by adding new types of crimp coaxial connector, optoelectronic integrated product, high-frequency isolator, coaxial filter, high shielding jumper and new type of high-frequency connector for cell sites. Regarding the improvement of production efficiency, we promoted lean plans in all plants and introduced intelligent manufacturing and assembly to effectively improve the production efficiency and yield rate. As for the talent cultivation, we continued to implement the education training in each department to enhance the coherence and the multi-skill training of the employees.

2. Optical communication

Our research and development mainly focused on three application markets of fixed broadband, data center and 5G fronthaul and backhaul. For the application of the fixed broadband, our developed products included the XG-PON BOSA on board program, XGS-PON ONU transceiver that entered mass production and 10G-EPON/XGS-PON OLT optical transceiver module that completed the sample submission. Products expected to be developed contains the combo PON to upgrade the coexistence flexibility of GPON /XG-PON and the XGS-PON ONU mini stick applied to the fiber to the home. This mini stick also applies to a wide range of scenarios in the industrial network connection.

For the application of the Data center, the development of QSFP-SR4 AOC was completed and introduced into production due to the new standard of increasing the 25Gps Ethernet interface to 50Gps and the demand of upgrading the data center from 100Gbps to 400Gbps. As for the R&D projects under planning, we had 400G QSFP-DD SR8, SFP28-SR and QSFP56-SR AOC optical transceiver module. Concerning the transmission program of the single mode fiber for long haul, we expected to finish a DML QSFP28-LR4 product program which has a more competitive price in comparison to the traditional EML QSFP28-LR4.

For the 5G fronthaul and backhaul application, the related fronthaul products under developing were SFP28-LR and SFP28-BiDi optical transceiver module while backhaul product was the XGS-PON mini ONU stick that applies to small cell backhaul. It enables the small cell to use existing passive optical network for backhaul.

Besides, to fasten the development of the aforementioned products,

the R&D team constantly increases the capability of high-frequency circuit design, software and firmware integration and packaging and testing as well as the enhancement of manpower to respond to the R&D demand and the challenges in the future.

II. The outline of the operational plan in 2022

(I) Business policies

1. Stabilizing the basis of existing customer and developing new customers in the targeted industry to expand the market share.
2. Continuing to promote standardized products and increase the commonality of each product to provide convenient designs that meets the cost benefit for customers.
3. Reinforcing the human resource cultivation and implementing the performance assessment.
4. Integrating the customer demand and the manufacturing technology of the critical part suppliers to shorten the R&D time and reduce the cost effectively during the R&D phase of new products.
5. Ensuring the product quality and promoting the service satisfaction of the customers.
6. Continuing to introduce automated equipment into the production to increase the production efficiency and decrease the human capital.

(II) Operational objectives

1. The business group of high-frequency connector

The goal of the sales volume is estimated to be 130,607,962.

2. Optical communication

The goal of the sales volume is estimated to be 42,824,784.

(III) Core policies on production and sales

1. Production policy: We continue to optimize the production process, increase the yield rate and shorten the product delivery time. We also form a manufacturing system with economies of scale and rationalized cost via the vertical integration.
2. Sales policy: We actively establish strategic alliance for marketing or partnerships with key customers to promote our core products and plan marketing project management based on the customer-oriented demand. In addition, we grasp the market dynamic messages and consumer trends to respond to the customer demand for diversified and real-time products.

III. The future development strategies of the Company

(I) The business group of high-frequency connector

There is a professional precision mold and automatic assembly equipment development unit, responsible for the design, production and mass production of precision molds and automatic assembly equipment. In

terms of the timeliness of product research and development and the independent control of key technologies, compared with the industry, the Company is already in a leading position.

(II) Optical communication

In terms of long-term development strategy, the Company will improve internal technology in response to market and technology trends, develop vertical technology integration and diversify products for the market and closely follow market trends, such as the demand for high-speed optical receiver modules for 5G wireless access networks, data centers, cloud computing and edge computing applications. In addition, the Company also extends the opportunities of optoelectronic packaging technology in other application markets, such as laser scanning, the medical field, etc.. The training and acquisition of new technology capabilities are through technical cooperation with domestic and foreign customers and domestic industrial research institutions to establish stable and competitive product technologies. In terms of technical R&D personnel and organization, the Company will continue to recruit senior R&D personnel and will also conduct professional and complete on-the-job training to strengthen the professional skills and project management ability of existing R&D personnel.

IV. Impact of the external competitive environment, regulation environment and the overall business environment

Due to the continuous Sino-US trade war, and the COVID-19 global pandemic which is yet to be completely eliminated, the global consumer market has undergone a new generation change, which, associated with various countries' conditional opening of the isolation policy, results in the original normal supply chain's restructuring of its organization. In addition, the vertical integration of some competitors has made low-price competition increasingly fierce, and the Company will continue to face the costs of key material acquisition, inventory control, production efficiency and the severe challenge of product delivery. However, the Company's management team and all employees will still adhere to their unremitting spirit to break through the difficulties and adversity, and make every effort to achieve the Company's annual growth mission and goals in order to create maximum profits for all shareholders and the Company.

Chairman: CHEN STEVE

President: Chang Ying-Hua

Accounting Manager: Chuang Kuo-An

Attachment 2

EZconn Corporation 2021 Audit Committee's Audit Report

Among the 2021 business report, financial statement, , and surplus distribution, etc. of the Company prepared and submitted by Board of Directors, the financial statement has been jointly audited by JEFF CHEN and HUANG, HSIU-CHUN, accountants from Deloitte & Touche, and audit report has been issued, after we have examined the aforesaid business report, financial statement, and surplus distribution etc., we have found no discrepancy, it is hereby issued this report pursuant to Article 219 of Company Act for Audit Committee.

Sincerely submitted to

EZconn Corporation 2022 General Meeting

Audit Committee's chairman:

PENG, XIE-RU (Signature)

March 24, 2022

Attachment 3

NDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
EZconn Corporation

Opinion

We have audited the accompanying financial statements of EZconn Corporation (the “Company”), 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 (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company 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 audit 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 Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

The Key audit matters of the Company's financial statements for the year ended December 31, 2021 are described as follows:

Occurrence of Sales Revenue from Specific Products

The main products of Ezconn Corporation are optical fiber components and radio frequency connectors. The sales revenue of 2021 increased compared to that of 2020, with significant growth in sales revenue from specific products. Since sales revenue from specific products has a significant impact on the financial performance, we identified the occurrence of sales revenue as one of the key audit matters for the year ended December 31, 2021.

Refer to Notes 4 and 22 to the financial statements for the accounting policies, critical accounting estimates and judgments, and other details on the information about sales revenue.

The main audit procedures we performed in response to the above-mentioned key audit matter are as follows:

1. We obtained an understanding of the design of the key controls over sales transactions, selected samples and tested the operating effectiveness of such controls.
2. We obtained the transaction details of the specific products, selected samples and examined the related transaction documents, and we confirmed that such transaction documents comply with the sales policies.
3. We obtained the transaction details of specific products and conducted test of details on the products.
4. We sent confirmation requests to customers of the specific products and confirmed that transactions did occur.
5. We checked for significant sales returns and discounts and for any abnormalities in the payments after the reporting period.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements 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 audits resulting in this independent auditors' report are Chun-Hung Chen and Hsiu-Chun Huang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 24, 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 the financial statements shall prevail.

EZCONN CORPORATION

BALANCE SHEETS

DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars)

ASSETS	2021		2020	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 598,671	20	\$ 461,056	16
Financial assets at amortized cost - current (Notes 4 and 8)	13,024	-	13,094	-
Notes receivable from unrelated parties (Notes 4 and 9)	2,785	-	1,912	-
Trade receivables from unrelated parties (Notes 4 and 9)	559,614	19	471,378	16
Other receivables (Notes 4 and 9)	14,902	1	16,148	1
Current tax assets (Notes 4 and 24)	336	-	336	-
Inventories (Notes 4, 5 and 10)	401,518	13	367,173	13
Prepayments (Note 15)	34,893	1	4,496	-
Other current assets (Note 15)	1,442	-	1,387	-
Total current assets	1,627,185	54	1,336,980	46
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 7)	55,399	2	53,002	2
Financial assets at amortized cost - non-current (Notes 4, 8 and 29)	2,266	-	2,248	-
Investments accounted for using the equity method (Notes 4 and 11)	762,521	25	953,408	33
Property, plant and equipment (Notes 4, 12, 28 and 29)	394,231	13	398,572	14
Right-of-use assets (Notes 3, 4 and 13)	79,510	3	32,098	1
Intangible assets (Notes 4 and 14)	1,172	-	2,420	-
Deferred tax assets (Notes 4 and 24)	92,355	3	101,238	4
Prepayments for equipment	4,688	-	1,507	-
Refundable deposits	2,826	-	2,281	-
Total non-current assets	1,394,968	46	1,546,774	54
TOTAL	\$ 3,022,153	100	\$ 2,883,754	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 16)	\$ 264,000	9	\$ 264,000	9
Notes payable (Note 17)	1,089	-	1,040	-
Trade payables to unrelated parties (Note 17)	245,847	8	219,397	8
Trade payables to related parties (Notes 17 and 28)	116,314	4	144,856	5
Other payables (Notes 18 and 28)	171,591	6	111,111	4
Current tax liabilities (Notes 4 and 24)	25,491	1	-	-
Provisions - current (Notes 4 and 19)	8,055	-	8,055	-
Lease liabilities - current (Notes 3, 4, 13 and 28)	12,529	1	10,960	-
Current portion of long-term borrowings (Notes 16 and 29)	6,000	-	-	-
Other current liabilities (Notes 4, 18 and 22)	69,999	2	48,784	2
Total current liabilities	920,915	31	808,203	28
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 16 and 29)	230,000	8	236,000	8
Deferred tax liabilities (Notes 4 and 24)	12,941	-	48,075	2
Lease liabilities - non-current (Notes 3, 4, 13 and 28)	67,908	2	21,725	1
Net defined benefit liabilities (Notes 4 and 20)	52,860	2	60,318	2
Guarantee deposits received	-	-	400	-
Total non-current liabilities	363,709	12	366,518	13
Total liabilities	1,284,624	43	1,174,721	41
EQUITY (Notes 4 and 21)				
Ordinary shares	693,000	23	693,000	24
Capital surplus	234,872	8	234,872	8
Legal reserve	233,370	8	233,370	8
Special reserve	106,641	3	102,980	4
Unappropriated earnings	697,571	23	662,305	23
Other equity	(117,072)	(4)	(106,641)	(4)
Treasury shares	(110,853)	(4)	(110,853)	(4)
Total equity	1,737,529	57	1,709,033	59
TOTAL	\$ 3,022,153	100	\$ 2,883,754	100

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

EZCONN CORPORATION

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

	2021		2020	
	Amount	%	Amount	%
NET REVENUE (Notes 4, 22 and 28)	\$ 2,486,213	100	\$ 2,148,131	100
COST OF REVENUE (Notes 10, 19, 23 and 28)	<u>2,079,491</u>	<u>84</u>	<u>1,860,994</u>	<u>87</u>
GROSS PROFIT	<u>406,722</u>	<u>16</u>	<u>287,137</u>	<u>13</u>
OPERATING EXPENSES (Notes 9, 19, 23 and 28)				
Selling and marketing expenses	130,429	5	82,082	4
General and administrative expenses	128,903	5	107,999	5
Research and development expenses	78,461	3	95,730	4
Expected credit (gain)/loss	<u>(28,192)</u>	<u>(1)</u>	<u>94</u>	<u>-</u>
Total operating expenses	<u>309,601</u>	<u>12</u>	<u>285,905</u>	<u>13</u>
PROFIT FROM OPERATIONS	<u>97,121</u>	<u>4</u>	<u>1,232</u>	<u>-</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 11 and 23)				
Interest income	839	-	3,464	-
Other income	5,643	-	376	-
Other gains and losses	(23,282)	(1)	(47,526)	(2)
Share of profit or loss of subsidiaries	57,842	2	1,753	-
Finance costs	<u>(7,086)</u>	<u>-</u>	<u>(5,622)</u>	<u>-</u>
Total non-operating income and expenses	<u>33,956</u>	<u>1</u>	<u>(47,555)</u>	<u>(2)</u>
PROFIT/(LOSS) BEFORE INCOME TAX	131,077	5	(46,323)	(2)
INCOME TAX EXPENSE (BENEFIT) (Notes 4 and 24)	<u>27,672</u>	<u>1</u>	<u>(8,272)</u>	<u>-</u>
NET PROFIT (LOSS) FOR THE YEAR	<u>103,405</u>	<u>4</u>	<u>(38,051)</u>	<u>(2)</u>

(Continued)

EZCONN CORPORATION

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

	2021		2020	
	Amount	%	Amount	%
OTHER COMPREHENSIVE LOSS (Notes 4, 7, 20 and 24)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	\$ 2,277	-	\$ (3,948)	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(1,603)	-	(14,713)	(1)
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>232</u>	<u>-</u>	<u>3,732</u>	<u>-</u>
	<u>906</u>	<u>-</u>	<u>(14,929)</u>	<u>(1)</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	(11,894)	-	10,136	1
Income tax relating to items that may be reclassified subsequently to profit or loss	<u>2,379</u>	<u>-</u>	<u>(2,027)</u>	<u>-</u>
	<u>(9,515)</u>	<u>-</u>	<u>8,109</u>	<u>1</u>
Other comprehensive loss for the year, net of income tax	<u>(8,609)</u>	<u>-</u>	<u>(6,820)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	<u>\$ 94,796</u>	<u>4</u>	<u>\$ (44,871)</u>	<u>(2)</u>
EARNINGS/(LOSS) PER SHARE (Note 25)				
Basic	<u>\$ 1.56</u>		<u>\$ (0.57)</u>	
Diluted	<u>\$ 1.55</u>		<u>\$ (0.57)</u>	

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

(Concluded)

EZCONN CORPORATION

STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	Share Capital (Note 21)		Capital Surplus (Note 21)	Retained Earnings (Note 21)				Other Equity (Notes 4 and 21)			Treasury Shares (Note 21)	Total Equity
	Share (In Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total		
BALANCE AT JANUARY 1, 2020	69,300	\$ 693,000	\$ 234,872	\$ 233,370	\$ 64,280	\$ 832,383	\$ 1,130,033	\$ (102,581)	\$ (399)	\$ (102,980)	\$ -	\$ 1,954,925
Appropriation of 2019 earnings												
Special reserve	-	-	-	-	38,700	(38,700)	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(90,168)	(90,168)	-	-	-	-	(90,168)
Net loss for the year ended December 31, 2020	-	-	-	-	-	(38,051)	(38,051)	-	-	-	-	(38,051)
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	-	(3,159)	(3,159)	8,109	(11,770)	(3,661)	-	(6,820)
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	(41,210)	(41,210)	8,109	(11,770)	(3,661)	-	(44,871)
Buy-back of ordinary shares	-	-	-	-	-	-	-	-	-	-	(110,853)	(110,853)
BALANCE AT DECEMBER 31, 2020	69,300	693,000	234,872	233,370	102,980	662,305	998,655	(94,472)	(12,169)	(106,641)	(110,853)	1,709,033
Appropriation of 2020 earnings												
Special reserve	-	-	-	-	3,661	(3,661)	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(66,300)	(66,300)	-	-	-	-	(66,300)
Net profit for the year ended December 31, 2021	-	-	-	-	-	103,405	103,405	-	-	-	-	103,405
Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	-	1,822	1,822	(9,515)	(916)	(10,431)	-	(8,609)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	105,227	105,227	(9,515)	(916)	(10,431)	-	94,796
BALANCE AT DECEMBER 31, 2021	<u>69,300</u>	<u>\$ 693,000</u>	<u>\$ 234,872</u>	<u>\$ 233,370</u>	<u>\$ 106,641</u>	<u>\$ 697,571</u>	<u>\$ 1,037,582</u>	<u>\$ (103,987)</u>	<u>\$ (13,085)</u>	<u>\$ (117,072)</u>	<u>\$ (110,853)</u>	<u>\$ 1,737,529</u>

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

EZCONN CORPORATION

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	\$ 131,077	\$ (46,323)
Adjustments for:		
Depreciation expenses	48,702	48,955
Amortization expenses	1,380	2,373
Expected credit loss (reversed)/recognized on trade receivables	(28,192)	94
Finance costs	7,086	5,622
Interest income	(839)	(3,464)
Share of profit of subsidiaries	(57,842)	(1,753)
Loss on disposal of property, plant and equipment	14	4,557
Gain on lease modification	(344)	(4)
(Reversal of) write-down of inventories	(80)	10,541
Other income	(4,000)	-
Changes in operating assets and liabilities		
Notes receivable	(873)	(457)
Trade receivables from unrelated parties	(60,044)	(79,386)
Trade receivables from related parties	-	57
Other receivables	1,281	(3,978)
Inventories	(34,265)	(68,032)
Prepayments	(30,397)	(2,885)
Other current assets	(55)	(212)
Notes payable	49	716
Trade payables to unrelated parties	26,450	35,822
Trade payables to related parties	(28,542)	(14,056)
Other payables	57,315	32,442
Other current liabilities	21,215	(7,835)
Net defined benefit liability	(5,181)	(5,041)
Cash generated from (used in) operations	43,915	(92,247)
Interest received	804	3,617
Interest paid	(7,071)	(5,403)
Income tax paid	(25,821)	(18,063)
Net cash generated from (used in) operating activities	11,827	(112,096)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	-	(30,000)
Purchase of financial assets at amortized cost	(14,733)	(16,130)
Proceeds from sale of financial assets at amortized cost	14,785	15,905
Payments for property, plant and equipment	(32,310)	(39,544)
Proceeds from disposal of property, plant and equipment	361	333
(Increase)/decrease in refundable deposits	(545)	925
Payments for intangible assets	(132)	(758)
Dividends received from subsidiaries	236,835	-
Net cash generated from (used in) investing activities	204,261	(69,269)

(Continued)

EZCONN CORPORATION

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	\$ 3,088,580	\$ 4,228,000
Repayments of short-term borrowings	(3,088,580)	(4,354,000)
Decrease in other non-current liabilities	(400)	-
Proceeds from long-term borrowings	-	236,000
Repayment of the principal portion of lease liabilities	(11,773)	(11,649)
Dividends paid to owners of the Company	(66,300)	(90,168)
Payments for buy-back of ordinary shares	<u>-</u>	<u>(110,853)</u>
Net cash used in financing activities	<u>(78,473)</u>	<u>(102,670)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	137,615	(284,035)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>461,056</u>	<u>745,091</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u><u>\$ 598,671</u></u>	<u><u>\$ 461,056</u></u>

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

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
EZconn Corporation

Opinion

We have audited the accompanying consolidated financial statements of EZconn Corporation and its subsidiaries (collectively refer to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

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

The key audit matters of the Group's consolidated financial statements for the year ended December 31, 2021 are described as follows:

Occurrence of Sales Revenue from Specific Products

The main products of Ezconn Corporation are optical fiber components and radio frequency connectors. The sales revenue of 2021 increased compared to that of 2020, with significant growth in sales revenue from specific products. Since sales revenue from specific products has a significant impact on the financial performance, we identified the occurrence of sales revenue as one of the key audit matters for the year ended December 31, 2021.

Refer to Notes 4 and 32 to the consolidated financial statements for the accounting policies, critical accounting estimates and judgments, and other details on the information about sales revenue.

The main audit procedures we performed in response to the above-mentioned key audit matter are as follows:

1. We obtained an understanding of the design of the key controls over sales transactions, selected samples and tested the operating effectiveness of such controls.
2. We obtained the transaction details of the specific products, selected samples and examined the related transaction documents, and we confirmed that such transaction documents comply with the sales policies.
3. We obtained the transaction details of specific products and conducted test of details on the products.
4. We sent confirmation requests to customers of the specific products and confirmed that transactions did occur.
5. We checked for significant sales returns and discounts and for any abnormalities in the payments after the reporting period.

Other Matter

We have also audited the parent company only financial statements of EZconn Corporation as of and for the years ended December 31, 2021 and 2020 on which we have issued an unmodified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with 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 and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 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 audits resulting in this independent auditors' report are Chun-Hung Chen and Hsiu-Chun Huang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 24, 2022

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated 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 consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated 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 consolidated financial statements shall prevail.

EZCONN CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

ASSETS	2021		2020	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 727,142	23	\$ 835,870	29
Financial assets at amortized cost - current (Notes 4 and 8)	32,127	1	61,457	2
Notes receivable (Notes 4 and 9)	3,675	-	5,827	-
Trade receivables from unrelated parties (Notes 4 and 9)	640,359	21	548,907	19
Other receivables (Notes 4 and 9)	20,488	1	19,853	1
Current tax assets (Notes 4 and 24)	336	-	336	-
Inventories (Notes 4, 5 and 10)	732,000	24	537,354	18
Prepayments (Notes 3 and 15)	39,082	1	23,379	1
Other current assets (Notes 3 and 15)	4,050	-	3,094	-
Total current assets	2,199,259	71	2,036,077	70
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 7)	55,399	2	53,002	2
Financial assets at amortized cost - non-current (Notes 4, 8 and 29)	2,266	-	2,248	-
Property, plant and equipment (Notes 4, 12 and 29)	611,503	20	628,372	22
Right-of-use assets (Notes 3, 4 and 13)	101,351	3	54,620	2
Intangible assets (Notes 4 and 14)	9,201	-	8,637	-
Deferred tax assets (Notes 4 and 24)	102,806	4	117,880	4
Prepayments for equipment	4,846	-	2,784	-
Refundable deposits	2,947	-	2,404	-
Total non-current assets	890,319	29	869,947	30
TOTAL	\$ 3,089,578	100	\$ 2,906,024	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 16)	\$ 264,000	9	\$ 264,000	9
Notes payable (Note 17)	1,089	-	1,040	-
Trade payables (Note 17)	336,610	11	306,260	11
Other payables (Note 18)	236,064	8	171,947	6
Current tax liabilities (Notes 4 and 24)	33,120	1	-	-
Provisions - current (Notes 4 and 19)	8,055	-	8,055	-
Lease liabilities - current (Notes 3, 4, 13 and 28)	13,072	-	11,396	-
Current portion of long-term borrowings (Notes 16 and 29)	6,000	-	-	-
Other current liabilities (Notes 4, 18 and 22)	80,634	3	56,662	2
Total current liabilities	978,644	32	819,360	28
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 16 and 29)	230,000	8	236,000	8
Deferred tax liabilities (Notes 4 and 24)	12,941	-	48,075	2
Lease liabilities - non-current (Notes 3, 4, 13 and 28)	67,908	2	21,725	1
Net defined benefit liabilities (Notes 4 and 20)	52,860	2	60,318	2
Other non-current liabilities	9,696	-	11,513	-
Total non-current liabilities	373,405	12	377,631	13
Total liabilities	1,352,049	44	1,196,991	41
EQUITY (Notes 4 and 21)				
Ordinary shares	693,000	22	693,000	24
Capital surplus	234,872	8	234,872	8
Legal reserve	233,370	8	233,370	8
Special reserve	106,641	3	102,980	4
Unappropriated earnings	697,571	23	662,305	23
Other equity	(117,072)	(4)	(106,641)	(4)
Treasury shares	(110,853)	(4)	(110,853)	(4)
Total equity	1,737,529	56	1,709,033	59
TOTAL	\$ 3,089,578	100	\$ 2,906,024	100

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

EZCONN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

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

	2021		2020	
	Amount	%	Amount	%
NET REVENUE (Notes 4, 22 and 28)	\$ 2,813,016	100	\$ 2,413,548	100
COST OF REVENUE (Notes 10, 20 and 23)	<u>2,211,763</u>	<u>79</u>	<u>2,006,106</u>	<u>83</u>
GROSS PROFIT	<u>601,253</u>	<u>21</u>	<u>407,442</u>	<u>17</u>
OPERATING EXPENSES (Notes 9, 20, 23 and 28)				
Selling and marketing expenses	142,093	5	92,478	4
General and administrative expenses	207,355	7	174,398	7
Research and development expenses	99,405	4	113,189	5
Expected credit (gain)/loss	<u>(28,438)</u>	<u>(1)</u>	<u>94</u>	<u>-</u>
Total operating expenses	<u>420,415</u>	<u>15</u>	<u>380,159</u>	<u>16</u>
PROFIT FROM OPERATIONS	<u>180,838</u>	<u>6</u>	<u>27,283</u>	<u>1</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 13 and 23)				
Interest income	2,086	-	6,153	-
Other income	6,262	-	2,140	-
Other gains and losses	(31,366)	(1)	(75,504)	(3)
Finance costs	<u>(7,167)</u>	<u>-</u>	<u>(5,758)</u>	<u>-</u>
Total non-operating income and expenses	<u>(30,185)</u>	<u>(1)</u>	<u>(72,969)</u>	<u>(3)</u>
PROFIT/(LOSS) BEFORE INCOME TAX	150,653	5	(45,686)	(2)
INCOME TAX EXPENSE (BENEFIT) (Notes 4 and 24)	<u>47,248</u>	<u>2</u>	<u>(7,635)</u>	<u>-</u>
NET PROFIT (LOSS) FOR THE YEAR	<u>103,405</u>	<u>3</u>	<u>(38,051)</u>	<u>(2)</u>
OTHER COMPREHENSIVE LOSS (Notes 4, 7, 20 and 24)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	2,277	-	(3,948)	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(1,603)	-	(14,713)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>232</u>	<u>-</u>	<u>3,732</u>	<u>-</u>
	<u>906</u>	<u>-</u>	<u>(14,929)</u>	<u>-</u>

(Continued)

EZCONN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

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

	2021		2020	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	\$ (11,894)	-	\$ 10,136	-
Income tax relating to items that may be reclassified subsequently to profit or loss	<u>2,379</u>	<u>-</u>	<u>(2,027)</u>	<u>-</u>
	<u>(9,515)</u>	<u>-</u>	<u>8,109</u>	<u>-</u>
Other comprehensive loss for the year, net of income tax	<u>(8,609)</u>	<u>-</u>	<u>(6,820)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	<u><u>\$ 94,796</u></u>	<u><u>3</u></u>	<u><u>\$ (44,871)</u></u>	<u><u>(2)</u></u>
EARNINGS/(LOSS) PER SHARE (Note 25)				
Basic	<u><u>\$ 1.56</u></u>		<u><u>\$ (0.57)</u></u>	
Diluted	<u><u>\$ 1.55</u></u>		<u><u>\$ (0.57)</u></u>	

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

(Concluded)

EZCONN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	Share Capital (Note 21)		Capital Surplus (Note 20)	Retained Earnings (Note 21)				Other Equity (Notes 4 and 21)			Treasury Shares (Note 21)	Total Equity
	Share (In Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Comprehensive Income	Total		
BALANCE AT JANUARY 1, 2020	69,300	\$ 693,000	\$ 234,872	\$ 233,370	\$ 64,280	\$ 832,383	\$ 1,130,033	\$ (102,581)	\$ (399)	\$ (102,980)	\$ -	\$ 1,954,925
Appropriation of 2019 earnings												
Special reserve	-	-	-	-	38,700	(38,700)	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(90,168)	(90,168)	-	-	-	-	(90,168)
Net loss for the year ended December 31, 2020	-	-	-	-	-	(38,051)	(38,051)	-	-	-	-	(38,051)
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	-	(3,159)	(3,159)	8,109	(11,770)	(3,661)	-	(6,820)
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	(41,210)	(41,210)	8,109	(11,770)	(3,661)	-	(44,871)
Buy-back of ordinary shares	-	-	-	-	-	-	-	-	-	-	(110,853)	(110,853)
BALANCE AT DECEMBER 31, 2020	69,300	693,000	234,872	233,370	102,980	662,305	998,655	(94,472)	(12,169)	(106,641)	(110,853)	1,709,033
Appropriation of 2020 earnings												
Special reserve	-	-	-	-	3,661	(3,661)	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(66,300)	(66,300)	-	-	-	-	(66,300)
Net profit for the year ended December 31, 2021	-	-	-	-	-	103,405	103,405	-	-	-	-	103,405
Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	-	1,822	1,822	(9,515)	(916)	(10,431)	-	(8,609)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	105,227	105,227	(9,515)	(916)	(10,431)	-	94,796
BALANCE AT DECEMBER 31, 2021	<u>69,300</u>	<u>\$ 693,000</u>	<u>\$ 234,872</u>	<u>\$ 233,370</u>	<u>\$ 106,641</u>	<u>\$ 697,571</u>	<u>\$ 1,037,582</u>	<u>\$ (103,987)</u>	<u>\$ (13,085)</u>	<u>\$ (117,072)</u>	<u>\$ (110,853)</u>	<u>\$ 1,737,529</u>

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

EZCONN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Income/(loss) before income tax	\$ 150,653	\$ (45,686)
Adjustments for:		
Depreciation expenses	84,178	85,397
Amortization expenses	2,260	2,742
Expected credit loss (reversed)/recognized on trade receivables	(28,438)	94
Finance costs	7,167	5,758
Interest income	(2,086)	(6,153)
Loss on disposal of property, plant and equipment	788	4,851
Gain on lease modification	(344)	(4)
(Reversal of) write-down of inventories	(1,429)	1,669
Other income	(4,000)	-
Changes in operating assets and liabilities		
Notes receivable	2,152	5,421
Trade receivables from unrelated parties	(59,463)	(85,923)
Trade receivables from related parties	-	57
Other receivables	(648)	(4,412)
Inventories	(192,825)	(78,977)
Prepayments	(15,703)	(14,861)
Other current assets	(956)	589
Notes payable	49	716
Trade payables	30,350	53,993
Other payables	63,334	35,599
Other current liabilities	23,972	(12,006)
Net defined benefit liability	(5,181)	(5,041)
Cash generated from (used in) operations	53,830	(56,177)
Interest received	2,099	6,866
Interest paid	(7,152)	(5,539)
Income tax paid	(31,667)	(18,184)
Net cash generated from (used in) operating activities	17,110	(73,034)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets a fair value through other comprehensive income	-	(30,000)
Purchase of financial assets at amortized cost	(53,266)	(75,728)
Proceeds from sale of financial assets at amortized cost	81,864	75,948
Payments for property, plant and equipment	(60,351)	(54,558)
Proceeds from disposal of property, plant and equipment	2,534	1,568
(Increase)/decrease in refundable deposits	(543)	923
Payments for intangible assets	(3,209)	(4,871)
Proceeds from disposal of intangible assets	-	2,212
Net cash used in investing activities	(32,971)	(84,506)

(Continued)

EZCONN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	\$ 3,088,580	\$ 4,228,000
Repayments of short-term borrowings	(3,088,580)	(4,354,000)
Proceeds from long-term borrowings	-	236,000
Repayment of the principal portion of lease liabilities	(12,724)	(12,609)
(Decrease)/increase in other non-current liabilities	(1,817)	3,597
Payments for buy-back of ordinary shares	-	(110,853)
Dividends paid to owners of the Company	<u>(66,300)</u>	<u>(90,168)</u>
Net cash used in financing activities	<u>(80,841)</u>	<u>(100,033)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(12,026)</u>	<u>(2,025)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(108,728)	(259,598)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>835,870</u>	<u>1,095,468</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 727,142</u>	<u>\$ 835,870</u>

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

(Concluded)

Attachment 4

EZconn Corporation /with stamp/ Surplus Distribution Statement 2021

Opening undistributed surplus	592,342,681
Actuarial gains (losses) listed into reserved surplus	1,821,742
Undistributed surplus after adjustment	594,164,423
Net loss of the term	103,405,448
Allocation of surplus reserve pursuant to law(10%)	(10,522,719)
Allocation of special surplus reserve pursuant to law	(10,430,306)
Distributable surplus of the term	676,616,846
Distribution item	
Cash dividend	(79,560,000)
Ending undistributed surplus	597,056,846

Chairman: CHEN, STEVE
(seal)

Managerial officer: ZHANG,
YING-HUA (seal)

Accounting Supervisor:
CHUANG, KUO-AN (seal)

Attachment 5

EZconn Corporation Comparison Table on Amendments to the “Articles of Association”

	Before amendment	After amendment	Basis of amendment
Article 6	The capital on stock of the Company is NT\$1 billion in 100 million shares with nominal amount par value of NT\$10 per share. The Board of Directors is authorized to issue them in batches. NT\$100 million is reserved from the total capital on stock in preceding paragraph for the exercise of stock option when issuing the stock option certificate, warrant bond and preferred shares with warrants etc., totally ten million shares with NT\$10 per share, and it may be issued in bathes.	The capital on stock of the Company is NT\$1.8 billion in 180 million shares with nominal amount par value of NT\$10 per share. The Board of Directors is authorized to issue them in batches. NT\$100 million is reserved from the total capital on stock in preceding paragraph for the exercise of stock option when issuing the stock option certificate, warrant bond and preferred shares with warrants etc., totally ten million shares with NT\$10 per share, and it may be issued in bathes.	Added scope of business of the Company
Article 9	Shareholders' Meeting is divided into general meeting and interim meeting, the general meeting shall be convened once a year and convened within six months after the end of every accounting year; and the interim meeting may be convened pursuant to relevant laws and decrees when necessary. .	hareholders' Meeting is divided into general meeting and interim meeting, the general meeting shall be convened once a year and convened within six months after the end of every accounting year; and the interim meeting may be convened pursuant to relevant laws and decrees when necessary. The company's shareholders meeting may be held by video conference or other methods announced by the competent authority.	Conform to the amendments to related regulations

Before amendment		After amendment	Basis of amendment
Article 28	<p>These Articles of Association was concluded on August 21, 1996.</p> <p>The first amendment was made on December 9, 2002.</p> <p>The second amendment was made on December 24, 2002.</p> <p>The third amendment was made on June 30, 2003.</p> <p>The fourth amendment was made on June 30, 2004.</p> <p>The fifth amendment was made on August 1, 2005.</p> <p>The sixth amendment was made on September 3, 2007.</p> <p>The seventh amendment was made on November 15, 2012.</p> <p>The eighth amendment was made on December 7, 2012.</p> <p>The ninth amendment was made on May 13, 2013.</p> <p>The tenth amendment was made on May 15, 2015.</p> <p>The eleventh amendment was made on June 21, 2016.</p> <p>The twelfth amendment was made on June 10, 2019.</p> <p>The thirteenth amendment was made on June 24, 2020..</p> <p>The fourteenth amendment was made on June 29, 2021</p>	<p>These Articles of Association was concluded on August 21, 1996.</p> <p>The first amendment was made on December 9, 2002.</p> <p>The second amendment was made on December 24, 2002.</p> <p>The third amendment was made on June 30, 2003.</p> <p>The fourth amendment was made on June 30, 2004.</p> <p>The fifth amendment was made on August 1, 2005.</p> <p>The sixth amendment was made on September 3, 2007.</p> <p>The seventh amendment was made on November 15, 2012.</p> <p>The eighth amendment was made on December 7, 2012.</p> <p>The ninth amendment was made on May 13, 2013.</p> <p>The tenth amendment was made on May 15, 2015.</p> <p>The eleventh amendment was made on June 21, 2016.</p> <p>The twelfth amendment was made on June 10, 2019.</p> <p>The thirteenth amendment was made on June 24, 2020.</p> <p>The fourteenth amendment was made on June 29, 2021</p> <p>The fifteenth amendment was made on June 27, 2022</p>	Added the date and times of amendment.

Attachment 6

EZconn Corporation

(5) Comparison Table on Amendments to the “Procedures for Acquisition and Disposal of Assets”

Article/Chapter	Before amendment	After amendment	Basis of amendment
Article 4	<p>Operating procedures for the acquisition or disposal of assets:</p> <p>(I) In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent 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 of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>1. Where due to special circumstances it is necessary to provide a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to <u>make arrangements in accordance with the SAS No.20 issued by the Accounting Research and Development</u></p>	<p>Operating procedures for the acquisition or disposal of assets:</p> <p>(I) In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent 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 of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction</p>	Amendments to wording in accordance with Articles 9, 10, and 11 of the Regulations.

Article/Chapter	Before amendment	After amendment	Basis of amendment
	<p><u>Foundation, and</u> render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(1) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>(2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>(II) 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, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>Where the certified public accountant requires to adopt reports issued by professionals, it shall comply with the SAS No. 20 issued by the Accounting Research and Development Foundation.</u> This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> <p>(III) Where the Company acquires or</p>	<p>price:</p> <p>(1) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>(2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>(II) 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, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant 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 that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> <p>(III) Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified</p>	

Article/Chapter	Before amendment	After amendment	Basis of amendment																																												
	<p>disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; <u>the certified public accountant shall make arrangements in accordance with the SAS No.20 issued by the Accounting Research and Development Foundation.</u></p> <p>(Omitted below)</p>	<p>public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.</p> <p>(Omitted below)</p>																																													
Article 5	<p>Operating procedures and authorization for the acquisition or disposal of securities:</p> <p>(I) The acquisition or disposal of securities shall be subject to the “investment cycle.”</p> <p>(II) Total investments in securities and individual limits of the Company and subsidiaries:</p> <table><tr><th rowspan="2">Item</th><th colspan="2">Limit (based on the percentage to the net worth of the latest financial statements)</th></tr><tr><th>Individual investments</th><th>Total investments</th></tr><tr><td>Investments in equity accounted for using the equity method</td><td>100%</td><td>100%</td></tr><tr><td>Investments in other securities</td><td>20%</td><td>50%</td></tr></table> <p>(III) Level of decision-making and authorization:</p> <table><tr><th rowspan="2">Item</th><th colspan="3">Permission for approval</th></tr><tr><th>President</th><th>Chairman</th><th>Board of Directors</th></tr><tr><td>Acquisition or disposal of investments in equity</td><td></td><td></td><td>●</td></tr></table>	Item	Limit (based on the percentage to the net worth of the latest financial statements)		Individual investments	Total investments	Investments in equity accounted for using the equity method	100%	100%	Investments in other securities	20%	50%	Item	Permission for approval			President	Chairman	Board of Directors	Acquisition or disposal of investments in equity			●	<p>Operating procedures and authorization for the acquisition or disposal of securities:</p> <p>(III) The acquisition or disposal of securities shall be subject to the “investment cycle.”</p> <p>(IV) Total investments in securities and individual limits of the Company and subsidiaries:</p> <table><tr><th rowspan="2">Item</th><th colspan="2">Limit (based on the percentage to the net worth of the latest financial statements)</th></tr><tr><th>Individual investments</th><th>Total investments</th></tr><tr><td>Investments in equity accounted for using the equity method</td><td>100%</td><td>100%</td></tr><tr><td>Investments in other securities</td><td>20%</td><td>50%</td></tr></table> <p>(III) Level of decision-making and authorization:</p> <table><tr><th rowspan="2">Item</th><th colspan="3">Permission for approval</th></tr><tr><th>President</th><th>Chairman</th><th>Board of Directors</th></tr><tr><td>Acquisition or disposal of investments in equity evaluated by using the</td><td></td><td></td><td>●</td></tr></table>	Item	Limit (based on the percentage to the net worth of the latest financial statements)		Individual investments	Total investments	Investments in equity accounted for using the equity method	100%	100%	Investments in other securities	20%	50%	Item	Permission for approval			President	Chairman	Board of Directors	Acquisition or disposal of investments in equity evaluated by using the			●	Amended the permission for approval.
Item	Limit (based on the percentage to the net worth of the latest financial statements)																																														
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Acquisition or disposal of investments in equity evaluated by using the			●																																												

Article/Chapter	Before amendment					After amendment					Basis of amendment		
	evaluated by using the equity method					equity method							
	Acquisition or disposal of other securities – Securities traded in centralized exchange markets or the OTC market	NT\$20 million (inclusive) and below	●			Acquisition or disposal of other securities – Securities traded in centralized exchange markets or the OTC market	NT\$20 million (inclusive) and below	●					
		NT\$20 million (exclusive) to NT\$50 million (inclusive)			●								
		NT\$50 million (exclusive) and above							●				
	Acquisition or disposal of other securities – Securities not traded in centralized exchange markets or the OTC market	NT\$20 million (inclusive) and below	●			Acquisition or disposal of other securities – Securities not traded in centralized exchange markets or the OTC market	NT\$100 million (inclusive) and below	●					
		NT\$20 million (exclusive) to NT\$50 million (inclusive)			●				●				
		NT\$50 million (exclusive) and above								●			
	●: Means the decision; the same shall apply below.					●: Means the decision; the same shall apply below.							
	Article 7	Operating procedures for the acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights: (I) For the acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights according to the procedures. (II) Level of decision-making and authorization:					Operating procedures for the acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights: (I) For the acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights, after the President approves the evaluation made by the execution unit, the					Amended the permission for approval.	

Article/Chapter	Before amendment				After amendment	Basis of amendment																																														
	Item	Permission for approval			execution unit shall carry out the contract signing according to the procedures. (II) Level of decision-making and authorization: <table><tr><td rowspan="2">Item</td><td colspan="3">Permission for approval</td></tr><tr><td>President</td><td>Chairman</td><td>Board of Directors</td></tr><tr><td>Acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights – NT\$5 million (inclusive) and above</td><td>●</td><td></td><td></td><td rowspan="5">Acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights – NT\$100 million (inclusive) and above</td><td rowspan="5">●</td><td rowspan="5"></td><td rowspan="5"></td></tr><tr><td>Acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights – NT\$5 million (exclusive) to NT\$100 million (inclusive)</td><td></td><td>●</td><td></td><td rowspan="3">Acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights – NT\$100 million (exclusive) to NT\$200 million (inclusive)</td><td rowspan="3"></td><td rowspan="3"></td><td rowspan="3">●</td></tr><tr><td>Acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights – NT\$100 million (exclusive) and above</td><td></td><td></td><td>●</td><td rowspan="2">Acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights – NT\$200 million (exclusive) and above</td><td rowspan="2"></td><td rowspan="2"></td><td rowspan="2">●</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>	Item	Permission for approval			President	Chairman	Board of Directors	Acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights – NT\$5 million (inclusive) and above	●			Acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights – NT\$100 million (inclusive) and above	●			Acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights – NT\$5 million (exclusive) to NT\$100 million (inclusive)		●		Acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights – NT\$100 million (exclusive) to NT\$200 million (inclusive)			●	Acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights – NT\$100 million (exclusive) and above			●	Acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights – NT\$200 million (exclusive) and above			●																
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Article 9	Operating procedures with related parties: (I) When engaging in any acquisition or disposal of assets from or to a related party, the Company shall	Operating procedures with related parties: (I) When engaging in any acquisition or disposal of assets from or to a related party, the Company shall	Amendments to wording in accordance with Article 15
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Article/Chapter	Before amendment	After amendment	Basis of amendment
	<p>perform relevant resolution procedures and ensure that the necessary resolutions are adopted, and the reasonableness of the transaction terms is appraised according to Article 4 and this Article. When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.</p> <p>(II) 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 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors and recognized by the supervisors:</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 appraisal of the reasonableness of the preliminary transaction terms in accordance with paragraphs (III) and (IV) of the Article. 4. The date and price at 	<p>perform relevant resolution procedures and ensure that the necessary resolutions are adopted, and the reasonableness of the transaction terms is appraised according to Article 4 and this Article. When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.</p> <p>(II) 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 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors and recognized by the supervisors:</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 appraisal of the reasonableness of the preliminary transaction terms in accordance with paragraphs (III) and (IV) of the Article. 4. The date and price at 	<p>of the Regulations.</p>

Article/Chapter	Before amendment	After amendment	Basis of amendment
	<p>which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party.</p> <p>5. Monthly cash flow forecasts for the year commencing from the anticipated month of the signing of the contract and evaluation of the necessity of the transaction, and reasonableness of the fund's utilization.</p> <p>6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p>The calculation of the transaction amounts referred to in the paragraph shall be made in accordance with Article 11 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the audit committee and submitted to the board of directors for resolution need not be counted toward the transaction amount.</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 in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the company's board of directors may delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <p>(1) Acquisition or disposal of equipment or right-of-use assets thereof held for business</p>	<p>which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party.</p> <p>5. Monthly cash flow forecasts for the year commencing from the anticipated month of the signing of the contract and evaluation of the necessity of the transaction, and reasonableness of the fund's utilization.</p> <p>6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p>The calculation of the transaction amounts referred to in the paragraph shall be made in accordance with Article 11 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the audit committee and submitted to the board of directors for resolution need not be counted toward the transaction amount.</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 in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the company's board of directors may delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <p>(1) Acquisition or disposal of equipment or right-of-use</p>	

Article/Chapter	Before amendment	After amendment	Basis of amendment
	<p>use.</p> <p>(2) Acquisition or disposal of real property right-of-use assets held for business use.</p> <p>Where the position of independent director has been created, when a matter is submitted for discussion by the board of directors, 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 of directors meeting.</p> <p>Where an audit committee has been established in accordance with the provisions of the Act, the matters for which the paragraph requires recognition by the supervisors shall first be approved by one-half or more of all audit committee members and then submitted to the board of directors for approval, and such matters shall be recorded in the meeting minutes of the audit committee. The terms "all audit committee members" in paragraph 3 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</p> <p>(Omitted below)</p>	<p>assets thereof held for business use.</p> <p>(2) Acquisition or disposal of real property right-of-use assets held for business use.</p> <p>Where the position of independent director has been created, when a matter is submitted for discussion by the board of directors, 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 of directors meeting.</p> <p>Where an audit committee has been established in accordance with the provisions of the Act, the matters for which the paragraph requires recognition by the supervisors shall first be approved by one-half or more of all audit committee members and then submitted to the board of directors for approval, and such matters shall be recorded in the meeting minutes of the audit committee. The terms "all audit committee members" in paragraph 3 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</p> <p><u>When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted, and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the preceding Section and this Section.</u></p> <p>The calculation of the transaction amount referred to in the <u>first</u> paragraph and the <u>preceding</u></p>	

Article/Chapter	Before amendment	After amendment	Basis of amendment
		<p><u>paragraph</u> shall be made in accordance with Article 11 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the <u>shareholders' meeting</u> or board of directors and recognized by the supervisors need not be counted toward the transaction amount.</p> <p>(Omitted below)</p>	
Article 11	<p>Procedures for information disclosure:</p> <p>(I) Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website 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 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. 2. Merger, demerger, acquisition, or transfer of shares. 3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company. 4. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore, the transaction counterparty is not a related party, and 	<p>Procedures for information disclosure:</p> <p>(I) Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website 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 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. 2. Merger, demerger, acquisition, or transfer of shares. 3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company. 4. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and 	<p>Amendments to wording in accordance with Article 31 of the Regulations.</p>

Article/Chapter	Before amendment	After amendment	Basis of amendment
	<p>the transaction amount meets any of the following criteria:</p> <p>(1) For the Company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.</p> <p>(2) For the Company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.</p> <p>5. Acquisition or disposal by the Company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore, the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the Company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.</p> <p>6. Where land is acquired under an arrangement of engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.</p> <p>7. Where an asset transaction other than any of those referred to in the preceding subparagraphs 1 to 6, disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>(1) Trading of domestic government</p>	<p>furthermore, the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:</p> <p>(1) For the Company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.</p> <p>(2) For the Company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.</p> <p>5. Acquisition or disposal by the Company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore, the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the Company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.</p> <p>6. Where land is acquired under an arrangement of engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.</p> <p>7. Where an asset transaction other than any of those referred to in the preceding subparagraphs 1 to 6, disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following</p>	

Article/Chapter	Before amendment	After amendment	Basis of amendment
	<p>bonds.</p> <p>(2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of exchange-traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>(3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(Omitted below)</p>	<p>circumstances:</p> <p>(1) Trading of domestic government bonds <u>or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.</u></p> <p>(2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of <u>foreign government bonds</u>, or of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, <u>or subscription or redemption of securities investment trust funds or futures trust funds</u>, or subscription or redemption of exchange-traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>(3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(Omitted below)</p>	
Article 17	<p>Date of amendments of the Procedures:</p> <p>The Procedures were made on June 24, 2012.</p> <p>The 1st amendment was made on June 30, 2014.</p> <p>The 2nd amendment was made on May 28, 2018.</p> <p>The 3rd amendment was made on June 10, 2019.</p> <p>The 4th amendment was made on June 24, 2020.</p>	<p>Date of amendments of the Procedures:</p> <p>The Procedures were made on June 24, 2012.</p> <p>The 1st amendment was made on June 30, 2014.</p> <p>The 2nd amendment was made on May 28, 2018.</p> <p>The 3rd amendment was made on June 10, 2019.</p> <p>The 4th amendment was made on June 24, 2020.</p> <p><u>The 5th amendment was made on June 27, 2022.</u></p>	<p>Added the date of amendment and number of amendment s.</p>

Attachment 7

EZconn Corporation

Opinion on the Necessity and Reasonableness of Private Placement of Ordinary Shares

The intended private placement with a predefined maximum of 40,000,000 shares for cash capital increase (hereinafter referred to as the "Current Private Placement") is envisaged being effected by a prospective resolution to be adopted by the Board of Directors of EZconn Corporation (hereinafter referred to as the "Group" or the "Company") on May 10, 2022 and implemented in one (1) to three (3) stages within one (1) year from the date of a resolution to be passed at the annual general shareholders' meeting held on June 27, 2022. Pursuant to the "Directions for Public Companies Conducting Private Placements of Securities", opinion on the necessity and reasonableness of private placement of ordinary shares from the securities underwriter should be elicited in case of any significant change in the right of management that occurs within the period from one (1) year prior to the resolution of the Board of Directors to a year from the date of delivery of the shares and be specified on the notice of the shareholders' meeting as a reference for shareholders' approval. According to the proposal put forward by the Board of Directors, the maximum of 40,000 thousand shares for the Current Private Placement should account for 36.60% of the outstanding ordinary shares after the capital increase. In addition, it remains uncertain whether the private placement will eventuate in a significant change in the right of management since the Company's Board of Directors will be re-elected upon the expiry of the term of office on June 23, 2023. The opinions from the underwriter are enumerated as below:

This opinion, based on the proposal to this end put forward at the Board of Directors' meeting held on May 10, 2022 and the announcement in the MOPS, is provided for and only for reference for the purpose of the Current Private Placement of the year 2022 and shall thus be exonerated from all the legal liabilities to which the provider may liable arising from changes in the aforesaid information, modification of the opinion as a consequence of alteration to the proposal, or other factors.

I. Company Profile

The Company, incorporated on September 4, 1996 and listed on the Taiwan Stock Exchange on July 14, 2015, mainly engages in the transaction of high-frequency connectors, primarily used in cable TV systems, broadband networks, antennas, and base stations and optical communication products, primarily used in network and communication equipment, data transmission design and cable network equipment, etc., which makes up 43% and 57% of the revenue respectively with a total paid-up capital of 693,000 thousand dollars. The financial situation of the Company for the last three (3) years is evidenced by the information provided below:

Consolidated Income Statement

Unit: One thousand NT dollars

Items	Year 2019	Year 2020	Year 2021
Operating Income	2,424,158	2,413,548	2,813,016
Gross Profit (Loss)	347,645	407,442	601,253
(Loss)/Profit from Operations	(19,485)	27,283	180,838
Non-operating Income/(Expenses)	13,271	(72,969)	(30,185)
(Loss)/Profit before Income Tax	(6,214)	(45,686)	150,653
Net (Loss)/Profit for the Year	(19,278)	(38,051)	103,405

Source: The audited consolidated financial statements of the Company for each year.

II. Details of the Current Private Placement

To proactively seek for profitable opportunities and create a niche over the competitors while taking into consideration the timeliness, convenience, issuance cost, feasibility, stability of equity and uncertainties of the capital market that may have an impact on the private placement, the Company is planning to initiate a private placement for capital increase with a maximum of 40,000 thousand shares in accordance with Article 43-6 of the Securities and Exchange Act. The said private placement is to be implemented in one (1) to three (3) stages within one (1) year from the date of the resolution of the annual general shareholders' meeting. The price of the ordinary shares shall not be less than 80% of the reference price equaling to the "simple average closing price of the ordinary shares for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction" or "the simple average closing price of the common shares of the TWSE listed or TPEX listed company for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction", whichever higher. The actual price determination date and the actual issue price not less than the pricing ratio adopted by the shareholders' resolution is to be determined by the Board of Directors under the authority of the shareholders based on the status of communication with specific persons and market conditions in the future.

III. Evaluation of the Necessity and Reasonableness of the Current Private Placement

The Company is planning to initiate a private placement with a maximum of 40,000 thousand shares by issuing ordinary shares for the purpose of domestic cash capital increase, which will be fulfilled by the Board of Directors after being duly authorized through a resolution of the shareholders' meeting on June 27, 2022, the fund and gaining raised therefrom will be utilized to enrich the operating capital and repay bank loans. The necessity and reasonableness of the Current Private Placement is elucidated as follows:

(i) Evaluation of the necessity of the private placement

The Company mainly engages in the business of high-frequency connectors, including coaxial connectors and fittings, cable assemblies, filters, isolators, etc. and optical communication products, including optical transceiver modules, fiber optical transceiver components (sub-modules), optical jumper wires, optical connectors, etc.

With the advent of the 5G era, the comprehensive technology upgrade and value enhancement of the RF connector industry is driven by the demand for high frequency signal transmission in the high frequency connector market. QYresearch predicted an increase from US\$7,874 million in 2017 to US\$10.67 billion in 2022 of the RF coaxial connectors market (full application field), with a compound annual growth rate of up to 6.26%; in the optical communication products market, the effort of the US, Japan, China government to proactively deploy optical fiber network infrastructure reflects the sharply increasing demand for big data transfer and storage of businesses and consumers, the gradually enhanced awareness of IoT, coupled with newly constructed data centers, and the emerging cloud application due to the increasing demand in the end market. A research institute, Ondia, indicated that the output value of optical communication components will, with a compound annual growth rate of 14%, see a growth from US\$6,678 million in 2020 to US\$14.789 billion in 2026. The Company's consolidated revenue for the last three years was NT\$2,424 million, NT\$2,414 million, and NT\$2,813 million respectively, suggesting a promising growth potential of the sales momentum compared to the overall industrial market size.

To meet its long-term operational needs, the Company intends to bring in strategic investors through the Current Private Placement in the hope that the experience and technology possessed by the strategic investors may result in enhanced competitiveness. In addition, it is expected that the financial structure may be strengthened by a more flexible fund employment since the fund raised will be utilized to enrich the operating capital and repay bank loans and, in turn, to attain a stable growth in the operations of the Company and impose a positive impact on the shareholders' equity. In the light of the timeliness, convenience, cost of issuance, feasibility, stability of equity and the uncertainties of the capital market, it may not be easy to raise enough funds in a short period of time through public issue of marketable securities. Furthermore, the three-year non-transferability restriction on ordinary shares of private placement is expected to facilitate the formation of a long-term relationship between the Company and its strategic investors. In conclusion, it is necessary for the Company to initiate the Current Private Placement of

ordinary shares for capital increase.

(ii) Evaluation of the reasonableness of the private placement

To be reviewed at the Board of Directors' meeting on May 10, 2022, the proposal will be submitted to the shareholders' meeting on June 27, 2022 for approval. After review of the proposal to be put forward at the Board of Directors' meeting, the content, issue procedure, pricing method, and selection of the targets of the private placement is deemed to be in compliance with the Securities and Exchange Act and the relevant laws and regulations with no material concerns. Pursuant to the relevant laws and regulations, the net income after tax with no accumulated deficit in the recent years should allow the Company to use all of the funds raised through the private placement in bringing in strategic investors in the hope that the experience and technology, and knowledge possessed by the strategic investors may serve as a stimulus to the Company's development of technology, improvement of quality, reduction of costs, improvement of efficiency, and exploitation of new business opportunities so as to achieve a sustainable operation and development of the Company.

Currently, the Company mainly relies on financial institutions in terms of financing. To reduce its reliance on financial institutions, the Company intends to seek for a long-term stable source of funds through private placement to reinforce its financial structure, save interest expenses, enhance operational competitiveness, and increase flexibility in capital employment. Overall, it is reasonable for the Company to initiate the Current Private Placement.

IV. Evaluation of Placees and Significant Change in the Right of Management

(i) Selection of placees and evaluation of the feasibility and necessity

1. Selection of placees

According to proposal to be put forward at the Board of Directors' meeting held on May 10, 2022, for the Current Private Placement, the selection of placees shall be made among the specific persons in accordance with Article 43-6 of the Securities and Exchange Act and the Official Letter (91)Tai-Cai-Zheng(I)-Zi No. 0910003455 dated June 13, 2002 from the former Securities and Futures Commission, Ministry of Finance and be limited to strategic investors who are expected to contribute directly or indirectly to the Company's future operation and development.

2. The feasibility and necessity of placees

For the sake of attainment of sustainable operation and development of the Company, exploitation of new business opportunities, enhancement of competitive edge, and production of long-term shareholder value, the Company intends to leverage the experience and market knowledge possessed by the placees, to refer to their technical and industrial operation capabilities, and in turn to enhance the Company's overall competitiveness. In addition, compared to public issue, the three-year non-transferability restriction on the private placement of marketable securities entails a long-term relationship between the Company and the strategic investors, which may impose a positive impact on the operational stability of the Company as well as on the business, financial condition, and the shareholders' equity and demonstrate the feasibility and necessity by justifying bringing in strategic investors for the Current Private Placement.

(ii) Review of significant changes in the right of management during the year immediately before the resolution of the Board of Directors' meeting to initiate the private placement

After review of the minutes of the annual general shareholders' meeting of the year 2021 and the information available in the MOPS, the Board of Directors confirmed that no change has been made to the Board of Directors of the Company and thus to the right of management as set out in Paragraph 3, Article 4 of the "Directions for Public Companies Conducting Private Placements of Securities" during the year immediately before the resolution of the Board of Directors' meeting to initiate the private placement.

(iii) Evaluation of the possibility of significant changes in the right of management after bringing in strategic investors through the private placement

It is uncertain whether there will be any potential significant change in the right of management after bringing in strategic investors through private placement since the maximum of 40,000 thousand shares issued for the Current Private Placement will account for 36.60% of the outstanding ordinary shares after capital increase and the re-election of the Company's Board of Directors will take place upon the expiry of the term of office on June 23, 2023.

(iv) Impact of the private placement on the business, financial condition, and shareholders' equity of the Company

1. Impact on the Company's business

In response to the growth in demand in the industry, the Company initiates the Current Private Placement in the hope of raising funds, bringing in strategic investors who may directly or indirectly contribute to the Company's future operations, and securing a long-term relationship with the investors. The cooperation with strategic investors is expected to have a positive impact on the Company's business development due to the attainable industrial vertical and horizontal integration, advanced production technology, improved quality, snatched business opportunities, reciprocally benefited development of business and product, and enhanced overall competitiveness.

2. Impact on the Company's financial condition

The total number of shares to be issued for the Current Private Placement shall not exceed 40,000 thousand ordinary shares at a price not less than 80% of the reference price. The funds raised will increase the share of the equity capital of the Company, strengthen the financial structure, and reduce the financial risks. Therefore, the Current Private Placement is deemed to have a positive impact on the Company's financial condition.

3. Impact on the shareholders' equity of the Company

The funds raised through the Current Private Placement will be utilized to enrich the operating capital and repay bank loans. Given the strengthened financial structure and reduced interest expenses, the Current Private Placement is deemed to have a positive impact on the shareholders' equity of the Company.

V. Conclusion

In summary, EZconn Corporation is planning to initiate the Current Private Placement of ordinary shares to bring in strategic investors in the interests of a sustainable long-term operation and development of the Company and a reinforced financial structure. Furthermore, bringing in strategic investors is expected to facilitate the establishment of a long-term and stable cooperative relationship with the strategic investors, resulting in improved competitiveness and operational performance. The Current Private Placement is therefore necessary and reasonable due to being considered to have a positive impact on the Company's business, financial condition, and overall shareholders' equity after review by the securities underwriter in accordance with the provisions of the "Directions for Public Companies Conducting Private Placements of Securities".

Taichung Bank Securities

Person in Charge: YE, XIU-HUI

Dated: May 9, 2022

Declaration of Independence

We are commissioned by the EZconn Corporation (hereinafter referred to as the "Company") to issue an opinion on the necessity and reasonableness of the private placement of ordinary shares for the year 2022.

For the aforesaid commission, we hereby declare that:

1. We are not an investee of the Company in an investment using equity method.
2. We are not an investor of the Company in an investment using equity method.
3. Our Chairman or President is not the same person as the Chairman or President of the Company, nor is he or she related to the Chairman or President of the Company as a spouse or relative within the second degree of consanguinity.
4. We are not serving as a director or supervisor for the Company.
5. The Company is not serving as a director or supervisor for us.
6. Except for the aforesaid commission, we are by no means a "related party" of the Company as defined by Article 18 of the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

This opinion on the necessity and reasonableness of the private placement of ordinary shares of the Company is provided by us independent of the Company.

Taichung Bank Securities

Person in Charge: YE, XIU-HUI
Dated: May 9, 2022

(This opinion is provided for reference as the securities underwriter opinion on the private placement of ordinary shares by EZconn Corporation for the year 2022)

Appendix 1

Articles of Association of EZconn Corporation

Chapter 1: General Principles

Article 1: The Company is incorporated pursuant to the regulations of Company Act and is named as EZconn Corporation.

Article 2: Businesses operated by the Company are as follows:

1. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing
2. CC01060 Wired Communication Mechanical Equipment Manufacturing
3. CC01070 Wireless Communication Mechanical Equipment Manufacturing
4. CC01080 Electronics Components Manufacturing
5. CC01100 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing
6. CC01110 Computer and Peripheral Equipment Manufacturing
7. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing
8. CD01030 Motor Vehicles and Parts Manufacturing
9. CD01040 Motorcycles and Parts Manufacturing
10. CF01011 Medical Devices Manufacturing
11. CQ01010 Mold and Die Manufacturing
12. CZ99990 Manufacture of Other Industrial Products Not Elsewhere Classified
13. F106030 Wholesale of Molds
14. F108031 Wholesale of Medical Devices
15. F113020 Wholesale of Electrical Appliances
16. F113030 Wholesale of Precision Instruments
17. F113070 Wholesale of Telecommunication Apparatus
18. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories
19. F119010 Wholesale of Electronic Materials
20. F206030 Retail Sale of Molds
21. F208031 Retail Sale of Medical Apparatus
22. F213060 Retail Sale of Telecommunication Apparatus
23. F219010 Retail Sale of Electronic Materials
24. F401010 International Trade
25. F601010 Intellectual Property Rights
26. I501010 Product Designing
27. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

- Article 3: The company sets the parent company in New Taipei City, when necessary; the branch may be incorporated both at home and abroad with the board resolution and approval of the competent authority.
- Article 4: The Company may provide guarantee externally according to business needs.
- Article 5: The Company may make foreign reinvestment according to business necessity, and may become the limited partner of other companies per board resolution, and the total investment amount thereof may not be restricted by relevant reinvestment quotas as provided in Article 13 of Company Act.

Chapter 2 Shares

- Article 6: The capital on stock of the Company is NT\$1 billion in 100 million shares with nominal amount par value of NT\$10 per share. The Board of Directors is authorized to issue them in batches.
NT\$100 million is reserved from the total capital on stock in preceding paragraph for the exercise of stock option when issuing the stock option certificate, warrant bond and preferred shares with warrants etc., totally ten million shares with NT\$10 per share, and it may be issued in bathes.

- Article 7: Where the Company plans to transfer the shares bought back pursuant to law to the employees, and it is planned to transfer them to employees at the price lower than the average price in actual shares buyback pursuant to relevant laws and decrees, then it shall only be handled after the resolution by the last Shareholders' Meeting.

Pursuant to Article 56-1 of "Guidelines for Issuer to Raise and Issue Negotiable Securities", when the issuing subscription price of the Company is not restricted by the employee stock option certificate as stipulated in Article 53 of "Guidelines for Issuer to Raise and Issue Negotiable Securities", it shall only be handled after the resolution by the last Shareholders' Meeting.

The objects of transferring the shares bought back by the Company pursuant to law, objects of issuing employee stock option certificate and restricted employee stock awards, and objects for subscribing the new shares issued may include the employees of affiliated companies who have met certain conditions, and the Board of Directors may be authorized to resolve the conditions and distribution methods thereof.

The shares of the Company are registered shares signed or sealed by the director representing the company, and they will be issued after certification by the bank may act as the stock issue certifier pursuant to law. The shares issued by the Company may be exempted from printing share certificate, but they shall be registered in centralized securities depository enterprise.

Provisions in preceding paragraph are applicable to the production and issue of corporate bonds.

Measures for handling stock affairs of the Company are subject to relevant

laws and decrees and the regulations of competent authority.

Article 8: The registration of share transfer shall not be carried out within thirty sixty days before General Meeting, within fifteen thirty days before Interim Shareholders' Meeting, or within five days before the base date on which the Company decides to distribute dividend and bonus or other benefits.

Chapter 3 Shareholders' Meeting

Article 9: Shareholders' Meeting is divided into general meeting and interim meeting, the general meeting shall be convened once a year and convened within six months after the end of every accounting year; and the interim meeting may be convened pursuant to relevant laws and decrees when necessary.

After public offering, the date, location and subject of convocation of the meeting shall be notified to each shareholder thirty days before convening General Meeting and fifteen days before convening Interim Shareholders' Meeting of the Company.

Article 10: When a shareholder cannot attend the Shareholders' Meeting for a reason, such shareholder may issue the power of attorney printed by the Company to specify the scope of authorization to appoint the proxy to attend.

Article 11: Apart from the shares without voting right as prescribed in Article 179 Company Act, shareholders of the Company have one voting right for each share.

Article 12: Unless otherwise prescribed by relevant laws and decrees, the resolution of Shareholders' Meeting shall be agreed by more than half of the voting rights of the shareholders attending in person or by proxy and representing more than half of the total shares issued.

According to the regulations of competent authority, shareholders of the Company may also exercise the voting right electronically, shareholders exercising the voting right electronically will be deemed as attending in person, and relevant matters thereof shall be carrying out self-assessment pursuant to laws and decrees.

Article 13: The Shareholders' Meeting shall be convened by the Chairman and the Chairman is the chairperson, when the Chairman is absent, the Chairman may designate one director as the proxy, if not, directors may elect one person as the proxy; if the Shareholders' Meeting is convened by other entitled convenor other than the Board of Directors, such entitled convenor shall act as the chairperson, when there are more than two entitled convenors, one of them shall be mutually designated to preside.

Article 14: All resolutions of a Shareholders' Meeting shall be recorded in the minutes signed or sealed by the chairperson of Shareholders' Meeting, and the minutes shall be distributed to the shareholders within twenty days after the meeting. The distribution of minutes in preceding paragraph may be made by announcement.

Chapter 4 Directors and the Audit Committee

Article 15: The Company sets five to nine directors with three years of the term of office, they will be elected by the Shareholders' Meeting from the persons with disposing capacity, and reappointment is acceptable if re-elected.

Among the aforesaid seats of directors, the number of independent directors shall be at least two and no less than one-fifth of the total seats of directors. The candidate nomination system as prescribed in 1 of Article 192 of Company Act will be adopted for the election of independent directors. Relevant matters regarding the acceptance and announcement etc. of the nomination of independent director candidates shall be handled pursuant to the Company Act, Securities Exchange Act and relevant laws and decrees. Independent directors and non-independent directors shall be elected concurrently, and election quota will be calculated separately.

The total shareholding ratio of all directors of the Company are subject to the regulations of securities regulatory authority.

Article 15-1: For the election of directors every share shall have the right to vote equivalent to the number of directors should be elected, it may elect one person intensively or elect several persons respectively, and the ones representing votes will be elected.

Article 16: When the director's number of vacancies reaches to one-third of the total number or all independent directors are removed, the Board of Directors shall convene the Interim Shareholders' Meeting within thirty days for the by-election, and the term of office thereof is limited to make up the term of office of the original directors or supervisors. After public offering by the Company, the Board of Directors shall convene the Interim Shareholders' Meeting within sixty days for the by-election.

The Company may buy liability insurance for the directors within their term of office for the compensation liability shall be borne within their scopes of business execution.

When the term of the directors expire and by-election may be arranged in time, extend the directors' term of office until the assuming of office by the re-elected directors.

Article 17: Directors may establish the Board of Directors, and one Chairman and one Deputy Chairman may be mutually elected with the consent of the majority of attending directors in the meeting attended by more than two-thirds of the directors, and the Chairman acts on behalf of the Company externally. When the Chairman cannot exercise its function and power when on leave or for a reason, its proxy shall be handled pursuant to Article 208 of Company Act.

Each director may be notified in writing, by email or fax when convening the Board of Directors Meeting.

When a director cannot attend the Board of Directors Meeting for some reason,

he/she may issue the proxy statement and list the authorization scope in the subject of convocation to appoint other directors to attend, but one director can only represent one other director.

If a director attends the meeting via video, it shall be deemed as attending in person.

Article 18: Unless otherwise prescribed by Company Act, the resolution of Board of Directors shall be agreed by the majority of attending shareholders in a meeting attended by the majority of shareholders.

Article 19: The Company established its Audit Committee according to Article 14-4 of the Securities and Exchange Act, which comprised of all Independent Directors. The Committee is responsible for executing the function of supervisors required by the Company Act, the Securities and Exchange Act, and other laws and regulations. Members, the exercise of functions, and other matters of the Audit Committee to be observed shall comply with relevant laws and regulations, and the organization regulation shall be otherwise formulated by the Board of Directors.

To strengthen the supervisory function and reinforce the management mechanisms, other functional committees may be established in due course according to the requirements of the Company.

Article 20: For the execution of duties of the Company by directors of the Company, regardless of operating profit or loss, the Company shall pay regular compensations such as transportation allowance and remuneration, etc., and Board of Directors is authorized to determine their remuneration based on their degree of participation in and value of the contribution to the company operation and by referring to the normal standard of the industry. When surplus is available, compensation will be otherwise distributed according to the provisions of Article 24 hereof.

Chapter 5 Managerial Officer

Article 21: The company may set the managerial officer, whose appointment, dismissal and remuneration will be subject to the regulations of Article 29 of Company Act.

Article 22: The Company may employ a consultant through board resolution.

Chapter 6 Accounting

Article 23: At the close of each fiscal year, the Board of Directors of the Company shall prepare the following book of tables or forms, and submit the same to the General Meeting for acknowledgment according to the legal process.

- (1) Business report;
- (2) Financial statements; and
- (3) Surplus distribution or loss off-setting.

Article 24:

I If profits are available upon final settlement every year, the Company shall allocate no less than five percent as employee's compensation and no more than five percent as director's compensation, after distribution per resolution of the Board of Directors, taxes shall be paid pursuant to law, and then ten percent shall be allocated as the statutory surplus reserve, but it may be exempted if the statutory surplus reserve has already reached the total paid-up capital of the company; after the balance thereof has been allocated or revolved as special surplus reserve pursuant to laws and decrees or regulations of the competent authority, then it will be accumulated into the undistributed surplus, and Board of Directors may prepare surplus distribution proposal to propose to Shareholders' Meeting for distribution of reservation per resolution.

If the Company had accumulated losses in the previous year, if profits are available in the current year and before allocating employee's compensation and director 's compensation, the losses shall be covered first, and the balance thereof will be allocated according to the proportions mentioned in preceding paragraph; besides, when employee's compensation is distributed by stock or in cash, the objects of distribution include the employees of affiliated companies meeting certain conditions.

Chapter 7 Supplemental Provisions

Article 25: The articles of organization and working rules of the Company shall be otherwise formulated by Board of Directors.

Article 26: Matters not covered herein shall be handled pursuant to the Company Act and relevant laws and decrees.

Article 27: The conclusion or amendment of these Articles of Association shall be carried out with the approval of competent authority.

Article 28: These Articles of Association was concluded on August 21, 1996.

The first amendment was made on December 9, 2002.

The second amendment was made on December 24, 2002.

The third amendment was made on June 30, 2003.

The fourth amendment was made on June 30, 2004.

The fifth amendment was made on August 1, 2005.

The sixth amendment was made on September 3, 2007.

The seventh amendment was made on November 15, 2012.

The eighth amendment was made on December 7, 2012.

The ninth amendment was made on May 13, 2013.

The tenth amendment was made on May 15, 2015.

The eleventh amendment was made on June 21, 2016.

The twelfth amendment was made on June 10, 2019.

The thirteenth amendment was made on June 24, 2020.

The fourteenth amendment was made on July 22, 2021

EZconn Corporation

Chairman: Chen, Steve

Appendix 2

EZconn Corporation

Rules of Procedure for Shareholders' Meetings

Article 1: In order to establish good Shareholders' Meeting governance system and sound supervision function of the Company, and strengthen management function, it is hereby formulated these Rules pursuant to Article 5 of Listed Company Governance Best Practice Principles of the Republic of China to comply with. The laws and decrees mentioned in these Rules are the laws and decrees of the Republic of China.

Article 2: Unless otherwise prescribed by laws and decrees or regulations, the rules of procedure for Shareholders' Meetings of the Company shall be formulated according to these Rules.

Article 3: Unless otherwise prescribed by laws and decrees, Shareholders' Meeting of the Company shall be convened by the Board of Directors.

Upon convening the General Meeting, meeting handbook shall be prepared and each shareholder shall be informed thirty days in advance, shareholders holding less than one thousand registered shares may be informed by inputting the announcement at mops.twse.com.tw thirty days in advance; upon convening Interim Shareholders' Meeting, each shareholder shall be informed fifteen days in advance, and shareholders holding less than one thousand registered shares may be informed by inputting the announcement at mops.twse.com.tw fifteen days in advance.

Notice and announcement shall specify the subject of convocation; if agreed by the counterpart, the notice may be served in electronic way.

Appointment or dismissal of a Director or supervisor; amendment to Articles of Association; capital decrease; application for the suspension of the public offering; permission for the competition in the business of Directors; surplus capitalization, reserve capitalization; company dissolution, merge or division; matters prescribed in Paragraph 1, Article 185 of the Company Act; matters in Article 26-1 and Article 43-6 of the Securities Exchange Act; and matters prescribed in Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be listed in the subject of convocation; a summary shall be provided; and shall not be proposed as an Ad Hoc Motion. The summary shall be uploaded to the websites designated by the competent authority for securities affairs or by the Company, and the link to the website shall be set out in the notice. The reason for convening the shareholders' meeting has set out the full re-election of Directors and the date of assuming office. After the completion of re-election at the shareholders' meeting, the date of assuming office may not be changed through Ad Hoc Motion or in other manners at the same meeting.

Shareholders holding more than one percent of the total outstanding shares may propose a General Meeting motion to the Company. But the motion is limited to one, if there is more than one motion, all of them will not be included in the proposal. Besides, if the motion proposed by a shareholder has any one of the circumstances as prescribed in each subparagraph of Paragraph 4, 1 of Article 172 of the Company Act, the Board of Directors will not include it in the proposal. Shareholders may submit proposals to urge the Company to facilitate the public interests or fulfill its social responsibilities. The procedure shall be subject to the relevant requirements under Article 172-1 of the Company Act; the motion is limited to one, if there is more than one motion, all of them will not be included in the proposal.

The Company shall announce the accepted motion of shareholders, acceptance manner in writing or electronically, acceptance place and acceptance period before the book closure day before convening General Meeting; and the acceptance period thereof shall not be less than ten days. The motion proposed by a shareholder is limited to three hundred words, those exceeding three hundred words will not be included in proposal; the proposing shareholder shall personally

or appoint other person to attend the General Meeting, and participate in the discussion of such motion.

The Company shall notify the proposing shareholder the handling results before the notice day of convening Shareholders' Meeting, and list the motion conforming to the provisions of this article in the meeting notice. For the shareholder's motion not listed in the proposal, the Board of Directors shall describe the reasons therefor in the Shareholders' Meeting.

Article 4: Upon every General Meeting, a shareholder may issue the proxy statement printed by the Company to specify the scope of authorization, so as to entrust the proxy to attend the General Meeting.

A shareholder is limited to issue one proxy statement to appoint one proxy, and the proxy statement shall be served to the Company five days before convening Shareholders' Meeting, in case of repeated proxy statement, the one served first shall prevail, except for announcing the cancellation of previous appointment.

After the proxy statement has been served to the Company, if a shareholder intends to attend the Shareholders' Meeting in person, such shareholder shall serve written notice on canceling the proxy statement to the Company one day before convening the Shareholders' Meeting; or voting right exercised by the attending entrusted proxy shall prevail.

Article 5: The convening place of Shareholders' Meeting shall be at the place where the Company locates in or convenient for shareholders to attend and suitable for convening Shareholders' Meeting, and the meeting start time shall not be earlier than 9:00am in the morning, nor later than 3:00pm in the afternoon; full consideration shall be given to the opinions of independent director regarding the convening place and time.

Article 6: The Company shall set an autograph book for attending shareholder or the agent entrusted by shareholders (hereinafter referred to as shareholder) to sign in, or the attending shareholder may submit the sign card instead of sign in. The attending shares shall be calculated according to the autograph book or the sign card submitted, plus the shares exercising the voting right in writing or electronic way.

The Company shall set out the time for accepting sign-in for shareholders, venue for sign-in, and other matters for notice in the meeting notice. The accepted shareholder's reporting time in the previous paragraph shall be at least thirty minutes before meeting start; the registration location shall be marked explicitly, and sufficient competent personnel shall be assigned for handling.

The Company shall deliver meeting handbook, annual report, certificate of attendance, speech note, vote and other meeting materials to the shareholders attending Shareholders' Meeting; in case of director or supervisor election, the ballot shall be attached otherwise.

Shareholders shall attend the Shareholders' Meeting with certificate of attendance, attendance sign card or other attendance certificates; solicitor of proxy solicitation shall bring identity supporting document for checking.

When a shareholder is the government or legal person, representative attending Shareholders' Meeting is not limited to one person.

When a legal person is entrusted to attend Shareholders' Meeting, it may only assign one representative to attend.

Article 7: If the Shareholders' Meeting is convened by Board of Directors, the Chairman shall preside the meeting, and the Deputy Chairman shall preside the meeting when the Chairman is on leave or unable to preside. If there is no Deputy Chairman or the Deputy Chairman also is on leave or unable to preside, the Chairman shall designate one managing director to preside; if the managing director is not available, designate one director to preside, if the Chairman fails to designate the agent, the managing director or directors will mutually designate one person to preside.

If the chairperson mentioned in preceding paragraph is a managing director or director, such managing director or director shall have taken office for over six months and understand the financial and business condition of the company. The same shall apply if the chairperson is the

representative of juridical person director.

It is better that the Shareholders' Meeting convened by the Board of Directors is attended by the majority of directors. If the Shareholders' Meeting is convened by other entitled convenor other than the Board of Directors, such entitled convenor shall preside the meeting, when there are more than two entitled convenors, one of them shall be mutually designated to preside.

The Company may assign the appointed lawyer, accounting or relevant personnel to attend the Shareholders' Meeting.

Article 8: Starting from accepting shareholders' registration, the Company shall take sound and video recording the whole course of shareholder's registration process, meeting process, voting and counting process, and keep them for at least one year. But if a shareholder files a lawsuit pursuant to Article 189 of Company Act, they shall be kept until the end of litigation.

Article 9: The attendance of Shareholders' Meeting shall be subject to the calculation of shares. The attending shares shall be calculated according to the autograph book or the sign card submitted, plus the shares exercising voting right in writing or electronic way. When it is time for meeting, the chairperson shall immediately make opening address, but if the attending shareholders are not representing the majority of total outstanding shares, the chairperson may announce to postpone the meeting, and its times of postponing is limited to two times, and the total time postponed shall not exceed one hour. If attending shareholders are still not representing more than one third of the total outstanding shares after postponing for two times, the chairperson will announce that the meeting fails to be convened for lack of a quorum.

If there is still lack of a quorum but attending shareholders are representing more than one third of the total outstanding shares after postponing for two times as stated in preceding paragraph, a tentative resolution may be made pursuant to Paragraph 1, Article 175 of Company Act, and the tentative resolution shall be notified to each shareholder to further convene Shareholders' Meeting within one month.

Before the end of the current meeting, if the attending shareholders are representing the majority of total outstanding shares, the chairperson will make a tentative resolution, and propose it again pursuant to Article 174 of Company Act to Shareholders' Meeting for voting.

Article 10: If the Shareholders' Meeting is convened by the Board of Directors, its agenda shall be determined by the Board of Directors, the relevant proposal (including ad hoc motion and amendments to the original proposals) shall be determined by vote on a case-by-case basis, the meeting shall be proceeded according to the scheduled agenda, and it shall not be changed unless by the resolution of Shareholders' Meeting.

If the Shareholders' Meeting is convened by other entitled convenor other than the Board of Directors, the provisions in preceding paragraph shall apply.

Before the end of official business discussion (including ad hoc motion) in the scheduled agenda as prescribed in preceding two paragraphs, the chairperson may not arbitrarily declare meeting adjournment without resolution; if the chairperson declares the meeting adjournment by violating procedures, other members of Board of Directors shall immediately assist attending shareholders to elect one person as the chairperson with the consent of majority attending shareholders with voting rights pursuant to legal procedure to continue the meeting.

For the motion and amendment or ad hoc motions proposed by shareholders, the chairperson shall give opportunity for sufficient description and discussion, when it is suitable for voting to decide, the chairperson may declare the stop of discussion and propose for voting to decide, and sufficient time shall be arranged for voting.

Article 11: Before giving a speech, an attending shareholder shall first fill in speech note to specify the speech topic, shareholder's account number (or certificate of attendance number) and account name, and the chairperson will decide its speech order.

If an attending shareholder only submits speech note but does not give a speech, it shall be deemed as unspoken. In case of any discrepancy between speech contents and the record in speech note, the speech contents shall prevail.

For the same motion, the speech of every shareholder shall not exceed two times and no longer than five minutes per time unless with the consent of the chairperson; if the speech of a shareholder violates the regulation or is beyond scope of motion, the chairperson may stop its speech.

When an attending shareholder is giving a speech, unless agreed by the chairperson and speaking shareholder, other shareholders shall not interrupt the speech, and violator shall be stopped by the chairperson.

When a legal person shareholder assigns more than two representatives to attend the Shareholders' Meeting, the same motion can only be spoken by one representative.

After the speech of an attending shareholder, the chairperson shall personally or designate relevant personnel to reply.

Article 12: The voting of Shareholders' Meeting shall be subject to the calculation of shares.

For the resolution of Shareholders' Meeting, the number of shares of shareholders without voting right will not be calculated into the total number of outstanding shares.

In respect of meeting matters, if a shareholder itself has interested relationship and thereby is suspected of damaging the interests of the Company, such shareholder shall not join in the voting, nor exercise voting right on behalf of other shareholders.

The number of shares cannot exercise voting right as prescribed in preceding paragraph will not be calculated into the number of voting rights of attending shareholders.

Except for trust enterprise or the stock affairs agency approved by competent authority in charge of securities, when one person is appointed by more than two shareholders, the agency voting right thereof shall not exceed three percent of the total outstanding shares with voting right, and the exceeding voting right will not be calculated.

Article 13: Every share of shareholders of the Company has one voting right, except for the voting right is restricted or voting right is not available pursuant to Paragraph 2, Article 179 of Company Act.

Upon convening Shareholders' Meeting, the Company shall may exercise its voting right in electronic way, and may exercise its voting right in writing or electronic way; when exercising voting right in writing or electronic way, the exercising method thereof shall be specified in Shareholders' Meeting convening notice. Shareholders exercising voting right in writing or electronically shall be deemed as attending General Meeting in person. But it shall be deemed as waiver regarding the amendment of ad hoc motion and original proposals of such Shareholders' Meeting, hence the Company should avoid proposing the amendment of ad hoc motion and original proposals.

If the voting right in preceding paragraph is exercised in writing or electronic way, the declaration of intention thereof shall be served to the company two days before convening Shareholders' Meeting, in case of repeated declarations of intention, the one served first shall prevail. Except for announcing the cancellation of previous declaration of intention. After a shareholder has exercised voting right in writing or electronic way, if intends to attend the Shareholders' Meeting in person, such shareholder shall cancel the preceding declaration of intention on exercising voting right in the same way as exercising voting right two days before convening Shareholders' Meeting, or the voting right exercised in writing or electronic way shall prevail. If a shareholder exercises voting right in writing or electronic way and entrusts a proxy through proxy statement to attend the Shareholders' Meeting, the voting right exercised by the attending entrusted proxy shall prevail. Afterwards, the shareholders shall vote on a case-by case basis. The results for the consent, objection, and abstention of shareholders of shareholders shall be uploaded to the MOPS on the date after the shareholders' meeting.

When there is an amendment or replacement for the same proposal, the chairperson will decide its voting order together with the original proposal. If one of the proposals has been passed, the other proposals will be deemed as overruled, and voting therefor will no longer be necessary.

The scrutinizing and counting personnel of proposal voting will be designated by the chairperson, but the scrutinizing personnel shall be of shareholder identity.

The vote counting for the voting or election proposal in Shareholders' Meeting shall be carried out openly in the site of Shareholders' Meeting, and after the completion of vote counting, the

voting right results including statistical weight shall be announced on the spot, and records shall be kept.

Article 14: In case of director or supervisor election in Shareholders' Meeting, it shall be handled according to relevant election procedures stipulated by the Company, and the election results shall be announced on the spot, including the list of elected directors and supervisors and their weight in election.

The ballot of election matters mentioned in preceding paragraph shall be kept properly after sealed and signed by scrutinizing personnel, and it shall be kept for at least one year. But if the General Meeting files a lawsuit pursuant to Article 189 of Company Act, they shall be kept until the end of litigation..

Article 15: All resolutions of a Shareholders' Meeting shall be recorded in the minutes signed or sealed by the chairperson of the meeting, and the minutes shall be distributed to the shareholders within twenty days after the meeting. The record and distribution of minutes may be made in an electronic file.

The distribution of minutes mentioned in preceding paragraph may be announced by inputting it at mops.twse.com.tw.

The minutes shall be recorded actually according to the meeting date, location, name of chairperson, resolution method, essentials of discussion process and its voting results (including statistical weight); where there is a director election, it shall also set out the weight of the receiving vote. During the duration of the Company, it shall be kept permanently

For the resolution method mentioned in preceding paragraph, the chairperson has consulted with shareholders for opinions, if shareholders have no objection to the proposal, "Passed upon the agreement by all attending shareholders per the consultation of the chairperson" shall be recorded; but if shareholders have any disagreement with the proposal, the voting method, the number of pass voting right and the proportion thereof shall be specified.

Article 16: For the number of shares obtained by solicitor and the number of shares represented by entrusted proxy, the Company shall prepare statistical table according to the prescribed form on the date of convening Shareholders' Meeting, and it shall be clearly revealed in the place of Shareholders' Meeting.

For the resolution matter of Shareholders' Meeting, if it is significant information pursuant to the provisions of laws and decrees and the provisions of Taiwan Stock Exchange Corporation (Juridical ROC GreTai Securities Market), the Company shall transmit the contents to mops.twse.com.tw within the specified time.

Article 17: Meeting affairs personnel handling Shareholders' Meeting shall wear ID or arm-badge.

The chairperson may command picketer or security guard to assist to maintain meeting place order. When assisting in maintaining order on the spot, picketer or security guard shall wear the arm-badge with "Picketer" character or ID.

If the meeting place is equipped with amplification system, when a shareholder does not use the equipment configured by the Company to give a speech, the chairperson may be stop it.

If a shareholder violates rules of procedure and disobeys the correction by chairperson, interrupting the proceeding of meeting and disobeying after being stopped, the chairperson may command picketer or security guard to ask such shareholder to leave the meeting place.

Article 18: During the meeting, the chairperson may announce the rest at appropriate time, in case of force majeure circumstance, the chairperson may judge to temporarily stop the meeting, and announce the time for meeting continuation as the case may be.

Before the end of official business discussion (including ad hoc motion) in the agenda scheduled by Shareholders' Meeting, if the meeting place is not available for continuous use at that time, Shareholders' Meeting may make a resolution to find another place to continue the meeting.

Shareholders' Meeting may make a resolution to postpone or continue the assembly within five

days pursuant to Article 182 of Company Act.

Article 19: These Rules will be implemented after the approval of Shareholders' Meeting, and the same shall apply upon amendment.

Article 20: Amendment dates of these Rules of Procedure:

These Rules of Procedure were formulated on June 24, 2012.

The first amendment was made on June 30, 2014.

The second amendment was made on June 22, 2017.

The third amendment was made on June 24, 2020.

The forth amendment was made on July 22, 2021.

Appendix 3

EZconn Corporation

Procedures for Acquisition and Disposal of Assets

Article 1. Purpose:

The Company shall handle the acquisition or disposal of assets in compliance with the Procedures for Acquisition and Disposal of Assets or the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies.” Unaddressed matters in the Procedures shall be subject to relevant laws and regulations.

Article 2. Scope of application of assets

- (I) Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing an 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) Memberships.
- (IV) Patents, copyrights, trademarks, franchise rights, and other intangible assets.
- (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 the law.
- (IX) Other major assets.

Article 3. Definition:

- (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 variables; 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 of through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed of 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 (hereinafter "transfer of shares") 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 people 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 of 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) Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.
- (VIII) 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.
- (IX) 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.
- (X) Laws and regulations or the competent authority: refers to the laws and regulations of the Republic of China or governmental agencies of the Republic of China.
- (XI) The "latest financial statements" in the Procedures: refer to financial statements of the Company certified or reviewed by a certified public accountant according to the law before the acquisition or disposal of assets.
- (XII) Net worth: refers to shareholders' interests in the latest financial statements of the Company certified or reviewed by a certified public accountant. When the Company prepares its financial statements in accordance with the International Financial Reporting Standards, the net worth therein refers to the interests attributable to owners of the parent company in the balance sheet as required under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
- (XIII) For the calculation of 10 percent of total assets, the total assets stated in the latest parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used.

Article 4 Operating procedures for the acquisition or disposal of assets:

- (I) In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent 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 of the event from a professional appraiser and shall further comply with the following provisions:
 - 1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent 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 one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to make arrangements in accordance with the SAS No.20 issued by the Accounting Research and Development Foundation, and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
 - (1) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.
 - (2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent 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 6 months have elapsed, an opinion may still be issued by the original professional appraiser.
- (II) 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, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. Where the certified public accountant requires to adopt reports issued by professionals, it shall comply with the SAS No. 20 issued by the Accounting Research and Development Foundation. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).
- (III) Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the certified public accountant shall make arrangements in accordance with the SAS No.20 issued by the Accounting Research and Development Foundation.
- (IV) The calculation of the transaction amounts referred to in the preceding three paragraphs shall be done in accordance with Article 11 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.
- (V) Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.
- (VI) Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:
 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 the completion of service of the sentence, since the 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.

(VII) 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 in accordance with the Article and Article 9, if the transaction amount reaches 10 percent or more of the Company's total assets, the company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the preceding Section and this Section.

Article 5 Operating procedures and authorization for the acquisition or disposal of securities:

(I) The acquisition or disposal of securities shall be subject to the “investment cycle.”

(II) Total investments in securities and individual limits of the Company and subsidiaries:

Item	Limit (based on the percentage to the net worth of the latest financial statements)	
	Individual investments	Individual investments
Investments in equity accounted for using the equity method	100%	100%
Investments in other securities	20%	50%

(III) Level of decision-making and authorization:

Item		Permission for approval		
		President	Chairman	Board of Directors
Acquisition or disposal of investments in equity evaluated by using the equity method				●
Acquisition or disposal of other securities – Securities traded in centralized exchange markets or the OTC market	NT\$20 million (inclusive) and below	●		
	NT\$20 million (exclusive) to NT\$50 million (inclusive)		●	
	NT\$50 million (exclusive) and above			●
Acquisition or disposal of other securities – Securities not traded in centralized exchange markets or the OTC market	NT\$20 million (inclusive) and below	●		
	NT\$20 million (exclusive) to NT\$50 million (inclusive)		●	
	NT\$50 million (exclusive) and above			●

●: Means the decision; the same shall apply below.

Article 6 Operating procedures for the acquisition or disposal of real property, equipment, or right-of-use assets:

(I) Acquisition or disposal of real property, equipment, or right-of-use assets

1. For the acquisition or disposal of real property, equipment, or right-of-use assets, after the President approves the evaluation made by the execution unit, it shall be submitted to the board of directors for approval.
2. Total amounts of real property and right-of-use assets acquired by the Company and each subsidiary, not for business use, shall not exceed 20% of the net worth of the latest financial statements.

(II) Level of decision-making and authorization:

Item	Permission for approval		
	President	Chairman	Board of Directors
Acquisition or disposal of real property			●
Acquisition or disposal of equipment - NT\$20 million (inclusive) and below	●		
Acquisition or disposal of equipment - NT\$20 million (exclusive) to NT\$50 million (inclusive)		●	
Acquisition or disposal of equipment -NT\$50 million (exclusive) and above			●
Acquisition or disposal of right-of-use assets	●		

Article 7 Operating procedures for the acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights:

- (I) For the acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights, after the President approves the evaluation made by the execution unit, the execution unit shall carry out the contract signing according to the

(II) Level of decision-making and authorization:

Item	Permission for approval		
	President	Chairman	Board of Directors
Acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights – NT\$5 million (inclusive) and above	●		
Acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights – NT\$5 million (exclusive) to NT\$100 million (inclusive)		●	
Acquisition or disposal of memberships, copyrights, trademarks rights, and franchise rights – NT\$100 million (exclusive) and above			●

Article 8 Operating procedures for the acquisition or disposal of derivatives:

- (I) Transaction category:
1. Not for trading: Derivative transactions performed not for the purpose of trading.
 2. For trading: Derivative transactions performed for the purpose of trading. The Company does not engage in transaction operations.
- (II) Operating or risk strategies:
- The Company engages in derivative transactions to avoid risks, in principle, and its hedges by using receivables/payables arising from its operations or the net positions by offsetting amount and currencies on the balance sheet date. The hedging operations are confirmed before performing any transaction.
- (III) Segregation of duties:
1. The trading personnel and the confirming personnel shall be designated by the President.
 2. The trading personnel, the confirming personnel, and the settlement personnel shall not be the same person.
 3. The transaction counterparty shall be notified in writing regarding the appointment or dismissal of the trading personnel and the confirming personnel.
- (IV) Maximum loss limit on total trading and for individual contracts:
1. The overall hedging contracts shall not exceed the hedging by using the receivables/payables arising from its operations or the net positions by offsetting amount and currencies on the balance sheet date for the following six months.
 2. The maximum loss limit on contracts shall not exceed 20% of the contracting amount, which applies to individual contracts and all contracts.
- (V) Performance evaluation: The Company measures and evaluates based on the hedging strategies, and the results are submitted to the President each month.
- (VI) Operating procedures:
1. The personnel responsible for the transaction is approved.
 2. After carrying out the transaction according to the approval, the transaction personnel shall immediately submit the transaction to the confirming personnel to perform confirming matters related to the derivative transaction.
 3. Documents related to completed transactions shall be delivered to the settlement personnel for archiving and safe-keeping.
 4. Level of decision-making and authorization (not for trading): Subject to the following table; for those to be approved by the President or the Chairman, they shall be reported to the upcoming meeting of the board of directors.

Item	President	Chairman	Board of Directors
Accumulated total amount of US\$15 million (inclusive) and below	•		
Accumulated total amount from US\$15 million (exclusive) to US\$25 million (inclusive)		•	
Accumulated total amount from US\$25 million (exclusive) and above			•

- (VII) Risk management measures:

1. Credit risk management – Transaction parties shall be domestic or foreign financial

institutions with favorable credibility, and they shall be able to provide professional information, in principle.

2. Market risk management – Select markets with sufficiently disclosed quotations.
3. Liquidity risk management – To ensure the liquidity, financial institutions with which the Company has transactions shall possess sufficient equipment, information, and transaction capacity and shall be able to transact in all markets.
4. Cash flow risk management – The Company shall maintain sufficient liquid assets and financing limits to respond to the requirements for settlement.
5. Operational risk management – The Company shall duly observe the authorized limits, operating procedures, and other requirements as established to avoid operational risks.
6. Legal risk management – Any document executed with financial institutions shall be formally executed subject to the internal contract execution procedures to avoid legal risks.

(VIII) Regular evaluation method, anomaly handling, and supervision:

1. Hedging transactions shall be evaluated at least twice a month, and the evaluation reports shall be submitted to the President.
2. The board of directors has appointed the President to monitor and evaluate whether the risk management measures used at present are appropriate, whether the derivative transactions are performed according to the requirements, whether the performance of derivative transactions complies with the existing business strategies, and whether the risks assumed are within the risk appetite of the Company. When discovering abnormal transactions or gains/losses, necessary countermeasures shall be adopted, and reports shall be made to the board of directors immediately.
3. The evaluation report for hedging transactions shall be proposed at the meeting of the board or directors. When discovering abnormal transactions or gains/losses, independent directors shall attend the meeting of the board of directors and express their opinions.

(IX) The Company engaging in derivatives trading shall establish a logbook in which details of the types and amounts of derivatives trading engaged in, the board of directors' approval dates, and the matters required to be carefully evaluated under paragraph (VIII) of the Article, and the compliance status with the Procedures and the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" shall be recorded in detail in the logbook. Except for otherwise stated in laws, the transaction certificates shall be kept for at least five years.

(X) The Company's internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully derivatives trading by the trading department adheres to the procedures for engaging in derivatives trading, and prepare an audit report. If any material violation is discovered, the audit committee shall be notified in writing.

Article 9 Operating procedures with related parties:

- (I) When engaging in any acquisition or disposal of assets from or to a related party, the Company shall perform relevant resolution procedures and ensure that the necessary resolutions are adopted, and the reasonableness of the transaction terms is appraised according to Article 4 and this Article. When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.
- (II) 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 percent or more of paid-in capital, 10 percent or more of the company's total assets,

or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors and recognized by the supervisors:

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 appraisal of the reasonableness of the preliminary transaction terms in accordance with paragraphs (III) and (IV) of the Article.
4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party.
5. Monthly cash flow forecasts for the year commencing from the anticipated month of the signing of the contract and evaluation of the necessity of the transaction, and reasonableness of the fund's utilization.
6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.
7. Restrictive covenants and other important stipulations associated with the transaction.

The calculation of the transaction amounts referred to in the paragraph shall be made in accordance with Article 11 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the audit committee and submitted to the board of directors for resolution 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 in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the company's board of directors may delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:

- (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.

Where the position of independent director has been created, when a matter is submitted for discussion by the board of directors, 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 of directors meeting.

Where an audit committee has been established in accordance with the provisions of the Act, the matters for which the paragraph requires recognition by the supervisors shall first be approved by one-half or more of all audit committee members and then submitted to the board of directors for approval, and such matters shall be recorded in the meeting minutes of the audit committee. The terms "all audit committee members" in paragraph 3 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.

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

1. Based upon 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 borrowing in the year the Company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.

2. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.

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 and appraises the cost of the real property or right-of-use assets thereof in accordance with the paragraph shall 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 and one of the following circumstances exists, the acquisition shall be conducted in accordance with the preceding article, and the preceding subparagraphs in the paragraph do not apply:

1. The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.
2. More than 5 years will 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.
3. The real property is acquired through the 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.
4. The real property right-of-use assets for business use are acquired by the public company with its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.

(IV) When the results of the Company's appraisal conducted in accordance with the preceding paragraph are uniformly lower than the transaction price, the matter shall be handled in compliance with paragraph (V). However, where the following circumstances exist, objective evidence has been submitted, specific opinions on reasonableness have been obtained from a professional real property appraiser, and a CPA has been obtained, this restriction shall not apply:

1. 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 in the preceding paragraph, and 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 deemed the average gross operating profit margin of the related party's construction division over the most recent 3 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.
2. 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 the terms of completed transactions involving neighboring or closely valued parcels of land of similar size by unrelated parties within the preceding year.

Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refer 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 involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; 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.

(V) Where a public company acquires real property or right-of-use assets thereof from a related party, and the results of appraisals conducted in accordance with the paragraphs (III) and (IV) are uniformly lower than the transaction price, the following steps shall be taken:

1. A special reserve shall be set aside in accordance with Article 41, paragraph 1 of the Act against the difference between the real property transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where the Company uses the equity method to account for its investment in another company, then the special reserve called for, under Article 41, paragraph of the Act, shall be set aside pro rata in a proportion consistent with the share of the Company's equity stake in the other company.
2. Independent directors who are members of the audit committee shall comply with Article 218 of the Company Act.
3. Actions taken pursuant to items 1 and 2 shall be reported to a shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

The Company that has set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on the decline in the market value of the assets it purchased 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 obtains 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 arms-length transaction.

Article 10 Procedures for merger, demerger, acquisition, and share transfer:

- (I) The Company that conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the board of directors to resolve 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 in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the Company directly or indirectly holds 100 percent of the respective subsidiaries' issued shares or authorized capital.
- (II) The Company participating 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 referred to in paragraph 1 of the preceding paragraph when sending shareholders notification of the shareholders' meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, that 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 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 participating in the merger, demerger or acquisition shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders' meeting.

- (III) The Company participating in a merger, demerger, or acquisition shall convene a board of directors meeting and shareholders' meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

The Company participating in a transfer of shares shall call a board of directors meeting on the day of the transaction, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

When participating in a merger, demerger, acquisition, or transfer of another Company's shares, the 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 5 years for reference:

1. Basic identification data for personnel: Including the occupational 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 another company's shares prior to the disclosure of the information.
2. 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 convening of a board of directors meeting.
3. 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 the board of directors' meetings.

When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days counting inclusively from the date of passage of a resolution by the board of directors, report (in the prescribed format and via the Internet-based information system) the information set out in the paragraph to the FSC for recordation.

Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the Company so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of the paragraph.

- (IV) Every person participating in or privy to the plan for a merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality 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 under the name of another person, in any stock or other equity security of any company related to the plan for a merger, demerger, acquisition, or transfer of shares.

- (V) The Company participating in a merger, demerger, acquisition, or transfer of shares may not arbitrarily alter the share exchange ratio or acquisition price unless under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares:

1. 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.
2. An action, such as disposal of major assets, that affects the Company's financial operations.

3. An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.
 4. An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock.
 5. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
 6. Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.
- (VI) The contract for participation by the Company in a merger, demerger, acquisition, or of shares shall record the rights and obligations of the companies participating in the merger, demerger, acquisition, or transfer of shares, and shall also record the following:
1. Handling of breach of contract.
 2. 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.
 3. The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.
 4. The manner of handling changes in the number of participating entities or companies.
 5. Preliminary progress schedule for plan execution, and anticipated completion date.
 6. Scheduled date for convening the legally mandated shareholders' meeting if the plan exceeds the deadline without completion, and relevant procedures.
- (VII) 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 alter the limits of authority, such participating company may be exempted from calling another shareholders' meeting to resolve on the matter anew.
- (VIII) Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company whereby the latter is required to abide by the provisions of Article 25, Article 26, and the preceding article.

Article 11 Procedures for information disclosure:

- (I) Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:
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 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
 2. Merger, demerger, acquisition, or transfer of shares.

3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company.
 4. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore, the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:
 - (1) For the Company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.
 - (2) For the Company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.
 5. Acquisition or disposal by the Company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore, the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the Company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.
 6. Where land is acquired under an arrangement of engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.
 7. Where an asset transaction other than any of those referred to in the preceding subparagraphs 1 to 6, disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:
 - (1) Trading of domestic government bonds.
 - (2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of exchange-traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.
 - (3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
- (II) The amount of transactions above in paragraph (I) shall be calculated as follows:
1. The amount of any individual transaction.
 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.
 3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.
 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.
 5. "Within the preceding year," as used in the preceding paragraph, refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.

- (III) The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the company and any subsidiaries that are not domestic public 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.
- (IV) 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 publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.
- (V) Information required to be publicly announced and reported in accordance with the provisions of paragraph (I) under Article 11 on acquisitions and disposals of assets by a public company's subsidiary that is not itself a public company in Taiwan shall be reported by the Company.

Article 12 The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, logbooks, appraisal reports and CPA, attorney, and securities underwriter opinions at the Company, where they shall be retained for 5 years except where another act provides otherwise.

Article 13 Where any of the following circumstances occur with respect to a transaction that the Company has already publicly announced and reported in accordance with Article 11, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days counting inclusively from the date of occurrence of the event:

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

Article 14 When the managerial personnel or handling personnel of the Company violates the requirements of the Procedures, they shall be subject to relevant reward and punishment procedures of the Company.

Article 15 Control procedures for the acquisition and disposal of assets by subsidiaries.

- (I) The Company shall procure its subsidiaries to establish procedures for the acquisition or disposal of assets according to the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."
- (II) For the acquisition or disposal of assets by subsidiaries of the Company, they shall compile the acquisition or disposal of assets with an amount, in a single transaction or in accumulation that are of the same nature, reaching NT\$10 million and above for the preceding month and the derivative transactions for the preceding month and declare to the Company in writing before the 5th of each month based on the "internal system" and "procedures for acquisition or disposal of assets" as established, respectively. The Company's audit department shall include the acquisition or disposal of assets by subsidiaries as one of the monthly audit items, and the audit status shall be included as a required item for the report to the board of directors and the independent directors for the audit operations.
- (III) For subsidiaries of the Company that are not public companies, when their acquisition or disposal of assets reaches the standards for announcement and declaration, they shall notify the Company on the date of occurrence, and the Company shall publish announcements according to Article 11.

Article 16 Amendments to the procedures:

The establishment of the Procedures shall be approved by the audit committee and the board of directors, and they shall be implemented after being submitted to the shareholders' meeting for approval; the same shall apply to any amendments. Upon the discussion, 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 of directors meeting. If any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit such dissenting opinions to the shareholders' meeting for discussion.

Article 17 Date of amendments of the Procedures:

The Procedures were made on June 24, 2012.

The 1st amendment was made on June 30, 2014.

The 2nd amendment was made on May 28, 2018.

The 3rd amendment was made on June 10, 2019.

The 4th amendment was made on June 24, 2020.

Appendix 4

EZconn Corporation **Shareholdings of All Directors**

1. As at April 29, 2022, total outstanding shares of the Company is 69,300,000 shares, pursuant to the regulations of “Implementation Rules for Equity Percentage of Directors and Supervisors of Public Companies and Auditing”, the statutory number of shares held by all directors is 5,544,000 shares, and the statutory number of shares held by all supervisors is 554,400 shares.
2. As at the book closure day of this General Meeting, the shareholdings of individual and all directors and supervisors recorded in the register of shareholders are as follows:

Book closure day: April 29, 2022

Title	Name	Date of appointment	Term of office	Shareholdings upon appointment		Shareholdings in register of shareholders as at the book closure day	
				Number of shares	Proportion (%)	Number of shares	Proportion (%)
Chairman	EGTRAN CORPORATION Representative: CHEN, STEVE	109.06.24	Three years	3,565,741	5.15	3,565,741	5.15
Director	SHC CONSOLIDATED INVESTORS LLC Representative: KO, YUAN-YU	109.06.24	Three years	2,175,812	3.14	2,175,812	3.14
Director	Jia Jiu Investment Co., Ltd. Representative: CHANG, YING-HUA	109.06.24	Three years	840,000	1.21	840,000	1.21
Director	TRANSNATIONAL INVESTMENT LIMITED Representative: LAN, CHIN YIN	109.06.24	Three years	1,562,602	2.25	1,562,602	2.25
Independent Director	PENG, XIE-RU	109.06.24	Three years	9,683	0.01	9,683	0.01
Independent Director	CIOU, ER-DE	109.06.24	Three years	0	0.00	0	0
Independent Director	HUANG, KUI WEN	109.06.24	Three years	0	0.00	0	0
Total shareholdings of all directors				8,153,838	11.76	8,153,838	11.76