

Ticker Number: 2360



CHROMA ATE INC.
2022 Annual General Shareholders' Meeting
Meeting Agenda
(Translation)

Date: 9:30am, June 9, 2022

Venue: No. 88, Wenmao Rd., Guishan Dist., Taoyuan City, Taiwan

CHROMA ATE INC.

Meeting Agenda for the 2022 Annual General Shareholders' Meeting

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CHROMA ATE INC.

Procedure for the 2022 Annual General Shareholders' Meeting

1. Call Meeting to order
2. Chairman's statements
3. Report items
4. Acknowledgement items
5. Discussion Items
6. Special motions
7. Meeting adjourned

CHROMA ATE INC.
2022 Annual General Shareholders' Meeting Agenda

Time: 9:30am, June 9, 2022

Venue: No. 88, Wenmao Rd., Guishan Dist., Taoyuan City, Taiwan (Chroma Headquarters)

Type of Meeting: Physical Meeting

1. Call meeting to order
2. Chairman's statements
3. Report items:
 - (1) Business report of 2021
 - (2) Audit Committee's review report of 2021
 - (3) Profit distribution report of 2021
 - (4) Distribution of employee bonuses and directors' remunerations in 2021
 - (5) Itemized list of endorsements and guarantees in 2021
4. Acknowledgement items:
 - (1) Acknowledge the 2021 Business Report and Financial Statements
 - (2) Acknowledge the 2021 Earnings Distribution Proposal
5. Discussion Items
 - (1) Amendments to Articles of Incorporation
 - (2) Amendments to Operational Procedures for Acquisition or Disposal of Assets
 - (3) Employee Restricted Stock Awards (RSAs) Proposal
6. Special motions
7. Meeting adjourned

Report Items

1. Business report of 2021

Explanatory Notes: Please refer to Attachment (1)

2. Audit committee's review report of 2021

Explanatory Notes: Please refer to Attachment (2)

3. Profit distribution report of 2021

Explanatory Notes:

(1) The 2021 earnings distributions proposal is based on the Company Act and the Company's Articles of Incorporation, clause 34-1. It is proposed that Chroma's Board of Directors will be authorized to allocate the cash dividend to be distributed to each common share by special resolution.

(2) The total cash dividend proposed by the Board of Directors is NT\$2,970,000,000 on February 23, 2022. Each common shareholder will be entitled to receive a cash dividend of NT\$7 per share. The Board will also agree upon the ex-dividend date, issuance date, and other relevant issues. Henceforth, if the dividend rate changes as a result of a change in the number of outstanding shares due to the exercise of employee stock options or other reasons, the Chairman of the Board is fully authorized to address the matter.

4. Distribution of employee bonuses and directors' remunerations in 2021

Explanatory Notes: The Board of Directors resolved on February 23, 2022 that the employee bonuses from 2021 is NTD 415,047,000 and directors' remunerations is NTD 9,600,000 will all be distributed in cash.

5. Itemized list of endorsements and guarantees in 2021

Explanatory Notes: As per of December 31, 2021 please refer to attachment (3) for the details of endorsements and guarantees.

Acknowledgement Items

1. Acknowledge the 2021 Business Report and Financial Statements (proposed by the Board of Directors)

Explanatory Notes:

- (1) Chroma 2021 Business Report, Individual Financial Statements, and Consolidated Financial Statements were completed. The Individual Financial Statements and Consolidated Financial Statements were audited by independent auditors, Lin, Wen-Chin and Liu, Chien-Liang of Deloitte & Touche. The Business Report has been reviewed by the Company's Audit Committee.
- (2) Please refer to the Attachments (1) and (4).
- (3) Please accept the aforementioned Business Report and Financial Statements.

Resolution:

2. Acknowledge the 2021 Earnings Distribution Proposal (proposed by the Board of Directors)

Explanatory Notes:

- (1) The 2021 Profit Allocation Proposal has been approved by the Board of Directors and reviewed by the Company's Audited Committee, attached hereto as Attachment (5).
- (2) Please accept the aforementioned 2021 Earnings Distribution Proposal.

Resolution:

Discussion Items

1. Amendments to Articles of Incorporation (Proposed by Board of Directors)

Explanatory Notes:

- (1) In accordance with the amendment of the Company Act and the operating practices of the Company, it is proposed to revise certain provisions of the Articles of Association of the Company.
- (2) The Comparison Table for the "Amendments to Articles of Incorporation" is attached hereto as Attachment (6).
- (3) The proposed amendments are submitted for discussion.

Resolution:

2. Amendments to Operating Procedures for Acquisition or Disposal of Assets (Proposed by Board of Directors)

Explanatory Notes:

- (1) In accordance with the amendment of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies, it is proposed to revise certain provisions of the Company's "Procedures for the Acquisition or Disposal of Assets".
- (2) The Comparison Table for the "Amendments to Operating Procedures for Acquisition or Disposal of Assets" is attached hereto as Attachment (7).
- (3) The proposed amendments are submitted for discussion.

Resolution:

3. Employee Restricted Stock Awards (RSAs) Proposal (Proposed by Board of Directors)

Explanatory Notes:

- (1) In order to attract and retain professional talent needed by the Company, motivate

employees and enhance employee team spirit, the Company intends to issue Employee Restricted Stock Awards (RSAs) for the year 2022 in accordance with Article 267 of the Company Act and the Regulations Governing the Offering and Issuance of Securities by Securities Issuers provided by the Financial Supervisory Commission. In line with the latter legislation, the RSAs will be referred to in the subsequent section as ‘restricted employee shares’.

(2) The detailed information of RSAs stated as below:

I. Amount of Issuance:

The total amount of issuance is NT\$30,000,000 at the par value of NT\$ 10, equals to total of 3,000,000 ordinary shares.

The Company may grant the plan in one or more tranches within one (1) year from the date of receipt of notice from the relevant authority (“Authority”) indicating that the Company’s filing of the Plan with the Authority has become effective. The actual issue date shall be determined by the Chairman of the Board of Directors under the authorization of the Board.

II. Determination of the terms and conditions:

(1) Expected issue price: NT\$40

(2) The period of RSAs plan is four (4) years. The plan will not vest in the first year (“waiting period”) and may be granted in accordance with the following schedule. The award plan will be vested to the qualified grantee when the Company overall performance has reached the targets and grantee meets its achievements. The qualified grantee shall be a full-time employee and still working in the Company at each granted date.

The percentage of shares eligible for vesting is as follows:

Years after the plan started effective	Grant percentage
1 years	10%
2 years	20%
3 years	30%
4 years	40%

(3) Type of the shares: The Company’s ordinary shares.

(4) Disqualification process: when employees do not meet the vesting conditions, the Company will buy the issued new restricted employee shares at the original issue price in accordance with the law and process the cancellation.

(5) In the event of inheritance: new restricted employee shares that have not yet been vested may be fully vested, and the inheritor may apply to receive the shares or disposed interests that he or she should inherit after completing the necessary legal procedures and providing relevant documents.

III. Qualification requirements for employees:

(1) The RSAs only grants to full-time employees and full-time employees of associate companies at the effective date.

(2) The numbers of share granted is subject to employee’s seniority, job grade, achievements, overall performance and special achievements etc. which have been approved by the Chairman to resolute by Board of Directors, except the senior managements and employees represented as board of directors need to be approved by Remuneration Committee beforehand.

(3) In accordance with Article 60-9 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the cumulative number of shares granted to a single subscriber through the issuance of employee stock options under Article 56-1, paragraph 1, plus the cumulative number of new restricted employee shares acquired by the

subscriber shall not exceed 3% of the total number of shares issued. And the cumulative number of shares granted to a single subscriber through the issuance of employee stock options under Article 56, paragraph 1, shall not exceed 1% of the total number of shares issued.

IV. The reason why it is necessary to issue restricted stocks for employees:

To attract and retain the necessary professionals, incentive and to strengthen employees coherence in order to maximize the Company profit and shareholders' value.

V. Calculated expense amount:

a.) The Company should assess the fair value of the shares on the date of grant (issuance date) and recognize the related expense in annual installments over the vesting period. The 3,000,000 new restricted employee shares are proposed to be issued at NT\$40 per share in the year 2022. If all the vesting conditions are met, the estimated amount of possible expenses is NT\$350,865,000 (based on the closing price of NT\$194.5 on February 22, 2022). As if RSAs issued in July 2022, the expenses breakdown into each year is stated as follow:

Year	Expenses Amount (in NT\$)
2022	73,637,000
2023	126,184,000
2024	85,904,000
2025	49,248,000
2026	15,892,000

b.) Dilution of the Company's earnings per share (EPS) and other effects on shareholders' equity: As end of 31st December 2021, the Company's total outstanding shares are 421,874,537 shares. The EPS dilution to each year is stated as follow:

Year	Reduce in EPS (in NT\$)
2022	0.17
2023	0.30
2024	0.20
2025	0.12
2026	0.04

The dilution of the Company's earnings per share is limited and therefore has no significant impact on shareholders' equity.

(3) If there is a need to revise the issuance of new RSAs in the future due to changes in laws and regulations or requests for audits by competent authorities, we intend to request the Shareholders' Meeting to authorize the Board of Directors to address the matter at its discretion.

(4) The proposed amendments are submitted for discussion.

Resolution:

Special Motions

Meeting Adjourned

ATTACHMENT 1

Business Report

In 2021, with the continuation of the Covid-19 pandemic and the spread of the Delta virus, all parts of the world and especially Asian regions have experienced various preventive measures, including shutdowns and local or national lockdowns. The entire manufacturing industry has felt the impact, and suffered from severe shortages of materials and labor, as well as soaring freight costs. Inevitably, the company was also affected from the second half of the year. In the face of this serious predicament, our employees remained fearful yet eager to overcome the difficulties, and still managed to generate a record-high revenue. The operating revenue of Chroma ATE Inc. in 2021 was NTD 10.308 billion, while the Chroma Group revenue was NTD 17.584 billion. Including the sale of the Taoyuan plant, the total net profit amounted to NTD 4.179 billion. Earnings per share equaled to NTD 9.96.

The company's overall product revenue on test equipment grew by 16% over the past year. Especially the semiconductor and photonics test systems contributed greatly, with the continuously growing demand for HPC and 5G communication as well as the strong expansion of the Chinese semiconductor market backed by government policies leading to a 19% increase in revenue. The revenue of power electronic test equipment has also been growing steadily by 14%, since the vigorous development of electric vehicles throughout the world has stimulated the demand for testing related components. Within the Chroma Group, MAS Automation has seen flat revenue, the main reason being the slow growth of the solar industry market. Nevertheless, overall group revenue still increased by a solid 13%. Other relevant consolidated financial figures are as follows:
Financial Performance for Year 2020 ~ 2021

Items		2021	2020
Financial Structure (%)	Debt to Assets Ratio (%)	35.87	41.74
	Long-term Fund to Fixed Assets Ratio (%)	355.40	624.21
Solvency (%)	Current Ratio (%)	186.87	160.57
	Quick Ratio (%)	133.86	122.28
Profitability (%)	Return on Assets (%)	14.62	8.85
	Return on Equity (%)	24.17	15.21
	Profit Margin (%)	23.77	14.96

Looking forward to 2022, we hope that the global epidemic will gradually ease along the raising vaccination rates. From the second half of the year, we expect the shortage of labor and materials to gradually return to the right track, and the global economy to recover. The company welcomes these developments and takes the following measures to overcome the current difficulties, seize the business opportunities brought by the economic recovery, and continue on the road of record high revenue and profit.

1. Actively and properly address the impact of labor and material shortages to meet customer demands.
2. Expedite test solution developments for advanced semiconductor processes, HPC, 5G, and other high-end semiconductor applications.
3. Provide relevant test turnkey solutions in close cooperation with 1st Tier customers.

Finally, we would like to express our gratitude to all our shareholders for their unstinted support and encouragement. We wish everyone good health and all the best!

Chairman & CEO
Leo Huang

Manager
Leo Huang

Accounting Supervisor
Paul Ying

ATTACHMENT 2

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2021 Business Report, Individual Financial Statements, and Consolidated Financial Statements, and proposal for allocation of profits. The CPA firm of Deloitte and Touche was retained to audit Chroma's Individual Financial Statements and Consolidated Financial Statements. The Business report, Financial Statements, and profit allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of CHROMA ATE INC. In compliance with Article 14 of Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

CHROMA ATE INC.

Convener of Audit Committee:

Steven Wu

March 7th, 2022

CHROMA ATE INC. AND SUBSIDIARIES
ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars or Foreign Currency, Unless Stated Otherwise)

No.	Endorser/ Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements	Aggregate Endorsement Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	The Corporation	Chroma Japan Corp.	Subsidiary	\$ 2,777,087	\$ 48,200	\$ 48,200	\$ 36,150	\$ -	0.26%	\$ 5,554,173	Y	-	-
		Chroma ATE Europe B.V.	Subsidiary	2,777,087	46,980	46,980	15,660	-	0.25%	5,554,173	Y	-	-
		Chroma ATE Inc.	Subsidiary	2,777,087	221,440	221,440	138,400	-	1.20%	5,554,173	Y	-	-
		Sajet System Technology (Suzhou) Co., Ltd.	Subsidiary	2,777,087	21,720	21,720	-	-	0.12%	5,554,173	Y	-	Y
		Chroma Electronics (Shanghai) Co., Ltd.	Subsidiary	2,777,087	43,440	43,440	-	-	0.23%	5,554,173	Y	-	Y
		Chroma ATE (Suzhou) Co., Ltd.	Subsidiary	2,777,087	338,832	338,832	77,321	-	1.83%	5,554,173	Y	-	Y
		Wei Kuang Autotech Co., Ltd.	Subsidiary	2,777,087	300,000	300,000	201,000	-	1.62%	5,554,173	Y	-	-

Note 1: According to Regulation of the "Procedures for Endorsement/Guarantee and lending of Funds", the Corporation limits the endorsement/guarantee amount on each entity to within 15% of the net value of the Corporation and the capital issued of the entity endorsed/guaranteed, but 100% held subsidiary is not limited by the regulation.

Note 2: According to Regulation of the "Procedures for Endorsement/Guarantee and Lending of Funds", the Corporation limits the endorsement/guarantee amount within the 30% of the net value of the Corporation.

Note 3: The amounts listed in columns were translated into the New Taiwan dollars at the exchange rate of US\$1=NT\$27.680, JPY1=NT\$0.241, RMB1=NT\$4.344, EUR1=NT\$31.320 as of December 31, 2021.

ATTACHMENT 4

Independent Auditors' Report and Financial Statements **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders
Chroma ATE Inc.

Opinion

We have audited the accompanying consolidated financial statements of Chroma ATE Inc. and its subsidiaries (collectively referred 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.

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 (FSC) of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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, we do not provide a separate opinion on these matters.

Key audit matter of the consolidated financial statements for the year ended December 31, 2021 is stated as follows:

Revenue Recognition

The main source of revenue of the Group comes from the sales of test instruments. Since the main condition of contract with customers is under FOB shipping point, the determination of the point of shipment is important in assessing whether the obligations of delivery are satisfied and recognized as sales revenue; thus, we identified the revenue recognition of contract with customers as a key audit matter.

Our audit procedures included evaluating the appropriateness of accounting policies for the recognition of sales revenue, testing the effectiveness of internal controls related to the timing of revenue recognition in the sales cycle, selecting samples to perform test of details on transactions, identifying material terms and conditions in the contracts or orders, and checking the original documents such as the shipping documents and invoices to confirm the correctness of the identified performance obligations at the time of sales recognition.

We also considered the appropriateness of the disclosure of revenue, refer to Note 4 and Note 22.

Other Matter

We have also audited the parent company only financial statements of Chroma ATE Inc. 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 IFRS, IAS, IFRIC and SIC endorsed and issued into effect by the FSC of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted 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 statements that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Wen-Chin Lin and Chien-Liang Liu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 23, 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.

CHROMA ATE INC. AND SUBSIDIARIES

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

	2021		2020	
	Amount	%	Amount	%
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 3,088,158	10	\$ 2,896,645	10
Financial assets at fair value through profit or loss - current (Note 7)	504,949	2	509,015	2
Financial assets at amortized cost - current (Notes 9 and 30)	1,353,890	5	1,036,691	4
Contract assets - current (Note 22)	779,547	3	1,278,936	4
Notes receivable (Note 10)	198,853	1	127,042	-
Trade receivables (Note 10)	4,292,917	14	4,247,500	15
Trade receivables - related parties (Notes 10 and 29)	33,969	-	19,340	-
Inventories (Note 11)	3,915,791	13	3,028,457	11
Prepayments	261,498	1	197,038	1
Other current assets (Note 29)	<u>294,960</u>	<u>1</u>	<u>187,175</u>	<u>1</u>
Total current assets	<u>14,724,532</u>	<u>50</u>	<u>13,527,839</u>	<u>48</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Note 7)	4,793	-	4,646	-
Financial assets at fair value through other comprehensive income - non-current (Note 8)	1,166,892	4	862,898	3
Investments accounted for using the equity method (Note 13)	3,127,364	11	3,139,227	11
Property, plant and equipment (Notes 14, 29 and 30)	6,096,436	21	3,156,634	11
Right-of-use assets (Notes 15 and 29)	345,318	1	144,921	1
Investment properties (Note 16)	3,137,187	11	3,137,187	11
Goodwill (Note 17)	225,695	1	228,002	1
Other intangible assets	97,413	-	55,578	-
Deferred tax assets (Note 24)	345,338	1	314,987	1
Prepayments for land and equipment	118,865	-	3,463,185	13
Refundable deposits	20,268	-	13,693	-
Non-current prepayments for investments	55,024	-	-	-
Other non-current assets (Note 20)	<u>80,992</u>	<u>-</u>	<u>80,086</u>	<u>-</u>
Total non-current assets	<u>14,821,585</u>	<u>50</u>	<u>14,601,044</u>	<u>52</u>
TOTAL	<u>\$ 29,546,117</u>	<u>100</u>	<u>\$ 28,128,883</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 18)	\$ 1,901,110	7	\$ 2,554,260	9
Contract liabilities - current (Notes 22 and 29)	746,946	3	765,682	3
Notes payable	31,549	-	35,933	-
Notes payable - related parties (Note 29)	2,953	-	4,570	-
Trade payables	3,009,505	10	2,637,070	10
Trade payables - related parties (Note 29)	11,005	-	11,353	-
Other payables (Notes 19 and 29)	1,372,698	5	1,210,998	4
Current tax liabilities	405,049	1	348,441	1
Lease liabilities - current (Notes 15 and 29)	107,604	-	55,247	-
Current portion of long-term borrowings (Notes 18 and 30)	213,053	1	633,456	2
Other current liabilities	<u>78,016</u>	<u>-</u>	<u>153,317</u>	<u>1</u>
Total current liabilities	<u>7,879,488</u>	<u>27</u>	<u>8,410,327</u>	<u>30</u>
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 18 and 30)	1,447,169	5	2,404,616	9
Deferred tax liabilities (Note 24)	767,422	3	621,111	2
Lease liabilities - non-current (Notes 15 and 29)	276,636	1	92,345	-
Net defined benefit liabilities (Note 20)	174,889	-	156,280	1
Guarantee deposits received	43,334	-	40,886	-
Other non-current liabilities	<u>9,721</u>	<u>-</u>	<u>14,625</u>	<u>-</u>
Total non-current liabilities	<u>2,719,171</u>	<u>9</u>	<u>3,329,863</u>	<u>12</u>
Total liabilities	<u>10,598,659</u>	<u>36</u>	<u>11,740,190</u>	<u>42</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 21)				
Ordinary share capital	<u>4,218,745</u>	<u>14</u>	<u>4,212,945</u>	<u>15</u>
Capital surplus	<u>4,087,223</u>	<u>14</u>	<u>4,036,875</u>	<u>14</u>
Retained earnings				
Legal reserve	2,824,310	10	2,592,487	9
Special reserve	86,888	-	176,128	1
Unappropriated earnings	<u>7,255,798</u>	<u>25</u>	<u>5,160,575</u>	<u>18</u>
Total retained earnings	<u>10,166,996</u>	<u>35</u>	<u>7,929,190</u>	<u>28</u>
Other equity	<u>74,633</u>	<u>-</u>	<u>(82,101)</u>	<u>-</u>
Treasury shares	<u>(33,686)</u>	<u>-</u>	<u>(33,686)</u>	<u>-</u>
Total equity attributable to owners of the Corporation	<u>18,513,911</u>	<u>63</u>	<u>16,063,223</u>	<u>57</u>
NON-CONTROLLING INTERESTS	<u>433,547</u>	<u>1</u>	<u>325,470</u>	<u>1</u>
Total equity	<u>18,947,458</u>	<u>64</u>	<u>16,388,693</u>	<u>58</u>
TOTAL	<u>\$ 29,546,117</u>	<u>100</u>	<u>\$ 28,128,883</u>	<u>100</u>

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

CHROMA ATE INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
NET OPERATING REVENUE (Notes 22 and 29)	\$ 17,584,023	100	\$ 15,532,543	100
OPERATING COSTS (Notes 11, 23 and 29)	<u>9,133,871</u>	<u>52</u>	<u>7,988,328</u>	<u>51</u>
GROSS PROFIT	8,450,152	48	7,544,215	49
REALIZED GAIN ON TRANSACTIONS WITH ASSOCIATES AND JOINT VENTURES	<u>1</u>	<u>-</u>	<u>5</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>8,450,153</u>	<u>48</u>	<u>7,544,220</u>	<u>49</u>
OPERATING EXPENSES (Notes 23 and 29)				
Selling and marketing expenses	2,307,707	13	2,080,171	13
General and administrative expenses	1,264,956	7	1,080,518	7
Research and development expenses	1,511,465	9	1,341,956	9
Expected credit impairment losses	<u>291,032</u>	<u>2</u>	<u>244,174</u>	<u>2</u>
Total operating expenses	<u>5,375,160</u>	<u>31</u>	<u>4,746,819</u>	<u>31</u>
PROFIT FROM OPERATIONS	<u>3,074,993</u>	<u>17</u>	<u>2,797,401</u>	<u>18</u>
NON-OPERATING INCOME AND EXPENSES				
Finance costs (Notes 23 and 29)	(44,738)	-	(58,811)	-
Share of profits of associates and joint ventures (Note 13)	304,129	2	135,392	1
Interest income	24,391	-	16,843	-
Dividend income	71,755	-	21,730	-
Other income (Note 29)	175,111	1	194,914	1
Gain on disposal of property, plant and equipment, net (Notes 14 and 29)	1,585,428	9	7,066	-
Gain arising from transfer of right in sale and lease-back transaction	154,510	1	-	-
Gain from lease modification	671	-	-	-
Net foreign exchange loss (Note 34)	(54,773)	-	(86,618)	(1)
Gain on disposal of investment	2,684	-	480	-
(Loss) gain on financial assets at fair value through profit or loss, net	(2,211)	-	8,903	-
Other expenses	<u>(8,104)</u>	<u>-</u>	<u>(8,293)</u>	<u>-</u>
Total non-operating income and expenses	<u>2,208,853</u>	<u>13</u>	<u>231,606</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	5,283,846	30	3,029,007	19
INCOME TAX EXPENSE (Note 24)	<u>978,531</u>	<u>6</u>	<u>648,050</u>	<u>4</u>
NET PROFIT FOR THE YEAR	<u>4,305,315</u>	<u>24</u>	<u>2,380,957</u>	<u>15</u>

(Continued)

CHROMA ATE INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	\$ (40,175)	-	\$ (5,258)	-
Unrealized gain or loss on investments in equity investments designated as at fair value through other comprehensive income	298,132	2	229,747	2
Share of the other comprehensive loss of associates and joint ventures accounted for using the equity method	(4,327)	-	(504)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	(76,832)	(1)	(9,764)	-
Share of the other comprehensive loss of associates and joint ventures accounted for using the equity method	<u>(70,564)</u>	<u>-</u>	<u>(136,084)</u>	<u>(1)</u>
Total other comprehensive income	<u>106,234</u>	<u>1</u>	<u>78,137</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 4,411,549</u>	<u>25</u>	<u>\$ 2,459,094</u>	<u>16</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 4,179,232	24	\$ 2,323,776	15
Non-controlling interests	<u>126,083</u>	<u>-</u>	<u>57,181</u>	<u>-</u>
	<u>\$ 4,305,315</u>	<u>24</u>	<u>\$ 2,380,957</u>	<u>15</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 4,294,625	24	\$ 2,412,798	16
Non-controlling interests	<u>116,924</u>	<u>1</u>	<u>46,296</u>	<u>-</u>
	<u>\$ 4,411,549</u>	<u>25</u>	<u>\$ 2,459,094</u>	<u>16</u>
EARNINGS PER SHARE (NT\$; Note 25)				
Basic	<u>\$ 9.96</u>		<u>\$ 5.56</u>	
Diluted	<u>\$ 9.89</u>		<u>\$ 5.51</u>	

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

(Concluded)

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

	Equity Attributable to Owners of the Corporation							Other Equity							
	Ordinary Share Capital	Advance Receipts for Share Capital	Capital Surplus	Retained Earnings			Total	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value through Other Comprehensive Income	Unearned Employee Benefit	Total	Treasury Shares	Total	Non-controlling Interests	Total Equity
				Legal Reserve	Special Reserve	Unappropriated Earnings									
BALANCE AT JANUARY 1, 2020	\$ 4,192,961	\$ 13,724	\$ 3,629,471	\$ 2,407,039	\$ 86,888	\$ 4,382,043	\$ 6,875,970	\$ (331,073)	\$ 154,946	\$ (11,524)	\$ (187,651)	\$ (35,714)	\$ 14,488,761	\$ 296,699	\$ 14,785,460
Appropriation of the 2019 earnings	-	-	-	185,448	-	(185,448)	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	185,448	-	(185,448)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	89,240	(89,240)	-	-	-	-	-	-	-	-	-
Cash dividends - NT\$3.0 per share	-	-	-	-	-	(1,265,000)	(1,265,000)	-	-	-	-	-	(1,265,000)	-	(1,265,000)
Change in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	273,530	-	-	-	-	-	-	-	-	-	273,530	-	273,530
Net profit for the year ended December 31, 2020	-	-	-	-	-	2,323,776	2,323,776	-	-	-	-	-	2,323,776	57,181	2,380,957
Other comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	(5,556)	(5,556)	(134,969)	229,547	-	94,578	-	89,022	(10,885)	78,137
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	2,318,220	2,318,220	(134,969)	229,547	-	94,578	-	2,412,798	46,296	2,459,094
Buy-back of treasury shares	-	-	-	-	-	-	-	-	-	-	-	(1,235)	(1,235)	-	(1,235)
Cancellation of treasury shares	(1,235)	-	-	-	-	-	-	-	-	-	-	1,235	-	-	-
Stocks of the parent company disposed of by the subsidiary and recognized as treasury shares transaction	-	-	16,629	-	-	-	-	-	-	-	-	2,028	18,657	-	18,657
Adjustment of capital surplus for the Corporation's cash dividends received by subsidiaries	-	-	5,760	-	-	-	-	-	-	-	-	-	5,760	-	5,760
Disposal of investments accounted for using equity method	-	-	(22)	-	-	-	-	-	-	-	-	-	(22)	-	(22)
Exercise of employee share options	21,219	(13,724)	105,068	-	-	-	-	-	-	-	-	-	112,563	-	112,563
Share-based payment transaction	-	-	6,439	-	-	-	-	-	-	10,972	10,972	-	17,411	-	17,411
Share-based payment transaction by subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	20	20
Cash dividends distributed by subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	(17,545)	(17,545)
BALANCE AT DECEMBER 31, 2020	4,212,945	-	4,036,875	2,592,487	176,128	5,160,575	7,929,190	(466,042)	384,493	(552)	(82,101)	(33,686)	16,063,223	325,470	16,388,693
Appropriation of the 2020 earnings	-	-	-	231,823	-	(231,823)	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	231,823	-	(231,823)	-	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	(89,240)	89,240	-	-	-	-	-	-	-	-	-
Cash dividends - NT\$4.5 per share	-	-	-	-	-	(1,897,175)	(1,897,175)	-	-	-	-	-	(1,897,175)	-	(1,897,175)
Change in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	13,428	-	-	-	-	-	-	-	-	-	13,428	-	13,428
Net profit for the year ended December 31, 2021	-	-	-	-	-	4,179,232	4,179,232	-	-	-	-	-	4,179,232	126,083	4,305,315
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	(40,780)	(40,780)	(137,999)	294,172	-	156,173	-	115,393	(9,159)	106,234
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	4,138,452	4,138,452	(137,999)	294,172	-	156,173	-	4,294,625	116,924	4,411,549
Adjustment of capital surplus for the Corporation's cash dividends received by subsidiaries	-	-	8,124	-	-	-	-	-	-	-	-	-	8,124	-	8,124
Changes in ownership interests in subsidiaries	-	-	-	-	-	(3,462)	(3,462)	-	-	-	-	-	(3,462)	21,646	18,184
Exercise of employee share options	5,800	-	27,906	-	-	-	-	-	-	-	-	-	33,706	-	33,706
Share-based payment transaction	-	-	890	-	-	-	-	-	-	552	552	-	1,442	-	1,442
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(30,493)	(30,493)
Unrealized gain or loss transferred to retained earnings from disposal of equity instruments designated at fair value through other comprehensive income and investments accounted for using equity method	-	-	-	-	-	(9)	(9)	-	9	-	9	-	-	-	-
BALANCE AT DECEMBER 31, 2021	\$ 4,218,745	\$ -	\$ 4,087,223	\$ 2,824,310	\$ 86,888	\$ 7,255,798	\$ 10,166,996	\$ (604,041)	\$ 678,674	\$ -	\$ 74,633	\$ (33,686)	\$ 18,513,911	\$ 433,547	\$ 18,947,458

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

CHROMA ATE INC. 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 before income tax	\$ 5,283,846	\$ 3,029,007
Adjustments for:		
Depreciation expenses	572,034	428,009
Amortization expenses	22,035	11,225
Expected credit loss recognized on trade receivables	291,032	244,174
Net loss (gain) on financial liabilities at fair value through profit or loss	2,211	(8,903)
Finance costs	44,738	58,811
Interest income	(24,391)	(16,843)
Dividend income	(71,755)	(21,730)
Compensation costs of share-based payment	1,415	16,968
Share of profit of associates and joint ventures accounted for using the equity method	(304,129)	(135,392)
Gain on disposal of property, plant and equipment, net	(1,585,428)	(7,066)
Gain on disposal of investments accounted for using equity method	(2,684)	(480)
Write-downs of inventories	11,835	46,444
Realized gain on transactions with associates and joint ventures	(1)	(5)
Net loss on foreign currency exchange	89,008	36,798
Gain on sale and leaseback transactions	(154,510)	-
Gain on lease modification	(671)	-
Net changes in operating assets and liabilities		
Contract assets	183,958	(20,890)
Notes receivable	(71,811)	47,879
Trade receivables	(440,983)	74,720
Inventories	(1,059,965)	(472,222)
Prepayments	(37,294)	32,237
Other current assets	(100,528)	47,114
Contract liabilities	(18,736)	(249,175)
Notes payable	(6,001)	(582)
Trade payables	700,694	58,538
Other payables	180,730	(98,893)
Other current liabilities	(75,301)	124,715
Net defined benefit liabilities	(21,566)	(12,067)
Cash generated from operations	<u>3,407,782</u>	<u>3,212,391</u>
Income tax paid	<u>(815,995)</u>	<u>(497,845)</u>
Net cash generated from operating activities	<u>2,591,787</u>	<u>2,714,546</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments to acquire financial assets at fair value through other comprehensive income	(15,750)	(39,157)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	9,660	-
Increase in financial assets at amortized cost	(380,584)	(432,301)

(Continued)

CHROMA ATE INC. AND SUBSIDIARIES

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

	2021	2020
Decrease in financial assets at amortized cost	\$ 57,987	\$ 101,432
Payments to acquire financial assets at fair value through profit or loss	(860,548)	(635,910)
Proceeds from disposal of financial assets at fair value through profit or loss	861,217	654,738
Net cash inflow on disposal of investments accounted for using equity method	3,955	688
Increase in prepayments for investments	(55,024)	-
Payments for property, plant and equipment	(110,760)	(186,589)
Proceeds from disposal of property, plant and equipment	3,107,338	41,941
Increase in advance receipts for real estate	-	308,000
(Increase) decrease in refundable deposits	(6,575)	9,720
Payments to acquire intangible assets	(28,976)	(4,750)
(Increase) decrease in other non-current assets	(2,682)	1,579
Increase in prepayments for equipment	(972,547)	(1,447,454)
Interest received	24,828	16,435
Dividends received	<u>106,089</u>	<u>65,842</u>
Net cash generated from (used in) investing activities	<u>1,737,628</u>	<u>(1,545,786)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in short-term borrowings	(648,950)	208,310
Proceeds from long-term borrowings	77,411	998,506
Repayments of long-term borrowings	(1,449,124)	(401,363)
Increase in guarantee deposits	2,448	20,886
Repayment of lease principal	(121,042)	(102,712)
Decrease in other non-current liabilities	(4,904)	(2,857)
Cash dividends paid	(1,927,668)	(1,288,777)
Exercise of employee share options	33,706	112,563
Payments for buy-back of ordinary shares	-	(1,235)
Proceeds from reissuance of treasury stock	-	18,657
Acquisition of ownership interests in subsidiaries	18,184	-
Interest paid	<u>(51,290)</u>	<u>(64,304)</u>
Net cash used in financing activities	<u>(4,071,229)</u>	<u>(502,326)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(66,673)</u>	<u>(31,320)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	191,513	635,114
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>2,896,645</u>	<u>2,261,531</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 3,088,158</u>	<u>\$ 2,896,645</u>

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

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Chroma ATE Inc.

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter of the financial statements for the year ended December 31, 2021 is described as follows:

Revenue Recognition

The main source of revenue of the Corporation comes from the sales of test instruments. Since the main condition of contract with customers is under FOB shipping point, the determination of the point of shipment is important in assessing whether the obligations of delivery are satisfied and recognized as sales revenue; thus, we identified the revenue recognition of contract with customers as a key audit matter.

Our audit procedures included evaluating the appropriateness of accounting policies for the recognition of sales revenue, testing the effectiveness of internal controls related to the timing of revenue recognition in the sales cycle, selecting samples to perform test of details on transactions, identifying material terms and conditions in the contracts or orders, and checking the original documents such as the shipping documents and invoices to confirm the correctness of the identified performance obligations at the time of sales recognition.

We also considered the appropriateness of the disclosure of revenue, refer to Note 4 and Note 21.

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

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

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going

concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public

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

The engagement partners on the audits resulting in this independent auditors' report are Wen-Chin Lin and Chien-Liang Liu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 23, 2022

Notice to Readers

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

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

CHROMA ATE INC.
BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

ASSETS	2021		2020	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash (Note 6)	\$ 994,158	4	\$ 622,210	3
Financial assets at amortized cost - current (Notes 9 and 29)	279,778	1	279,778	1
Notes receivable (Note 10)	5,147	-	71,003	-
Trade receivables (Notes 5 and 10)	982,111	4	967,254	4
Trade receivables - related parties (Notes 10 and 28)	1,666,038	6	1,936,374	8
Other receivables - related parties (Note 28)	420,055	2	494,093	2
Inventories (Note 11)	2,988,756	12	2,331,084	10
Prepayments	82,156	-	66,209	-
Other current assets (Note 28)	52,990	-	84,853	-
Total current assets	<u>7,471,189</u>	<u>29</u>	<u>6,852,858</u>	<u>28</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Note 7)	4,793	-	4,646	-
Financial assets at fair value through other comprehensive income - non-current (Note 8)	1,066,019	4	801,358	3
Investments accounted for using equity method (Note 12)	7,678,993	30	7,439,923	31
Property, plant and equipment (Notes 13, 28 and 29)	5,325,381	21	2,352,493	10
Right-of-use assets (Note 14)	149,239	1	53,865	-
Investment properties (Note 15)	3,137,187	12	3,137,187	13
Goodwill (Note 16)	94,424	1	94,424	-
Other intangible assets	54,827	-	19,164	-
Deferred tax assets (Note 23)	202,240	1	181,644	1
Prepayments for land and equipment (Note 30)	118,866	1	3,463,185	14
Refundable deposits	10,378	-	5,315	-
Non-current prepayments for investments	55,024	-	-	-
Total non-current assets	<u>17,897,371</u>	<u>71</u>	<u>17,553,204</u>	<u>72</u>
TOTAL	<u>\$ 25,368,560</u>	<u>100</u>	<u>\$ 24,406,062</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 17)	\$ 1,200,000	5	\$ 1,800,000	8
Contract liabilities - current (Notes 21 and 28)	51,033	-	559,721	2
Trade payables	1,501,200	6	989,994	4
Trade payables - related parties (Note 28)	33,599	-	31,891	-
Other payables (Note 18)	1,109,817	5	985,529	4
Current tax liabilities (Note 23)	344,351	1	254,716	1
Lease liabilities - current (Note 14)	46,133	-	20,465	-
Current portion of long-term borrowings (Note 17)	200,000	1	620,000	3
Other current liabilities	24,915	-	24,141	-
Total current liabilities	<u>4,511,048</u>	<u>18</u>	<u>5,286,457</u>	<u>22</u>
NON-CURRENT LIABILITIES				
Long-term borrowings (Note 17)	1,250,000	5	2,230,000	9
Deferred tax liabilities (Note 23)	737,596	3	599,222	2
Lease liabilities - non-current (Note 14)	139,600	-	33,824	-
Net defined benefit liabilities (Note 19)	173,158	1	152,449	1
Guarantee deposits received	43,247	-	40,887	-
Total non-current liabilities	<u>2,343,601</u>	<u>9</u>	<u>3,056,382</u>	<u>12</u>
Total liabilities	<u>6,854,649</u>	<u>27</u>	<u>8,342,839</u>	<u>34</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 20)				
Ordinary share capital	<u>4,218,745</u>	<u>17</u>	<u>4,212,945</u>	<u>17</u>
Capital surplus	<u>4,087,223</u>	<u>16</u>	<u>4,036,875</u>	<u>17</u>
Retained earnings				
Legal reserve	2,824,310	11	2,592,487	10
Special reserve	86,888	-	176,128	1
Unappropriated earnings	<u>7,255,798</u>	<u>29</u>	<u>5,160,575</u>	<u>21</u>
Total retained earnings	<u>10,166,996</u>	<u>40</u>	<u>7,929,190</u>	<u>32</u>
Other equity	<u>74,633</u>	<u>-</u>	<u>(82,101)</u>	<u>-</u>
Treasury shares	<u>(33,686)</u>	<u>-</u>	<u>(33,686)</u>	<u>-</u>
Total equity	<u>18,513,911</u>	<u>73</u>	<u>16,063,223</u>	<u>66</u>
TOTAL	<u>\$ 25,368,560</u>	<u>100</u>	<u>\$ 24,406,062</u>	<u>100</u>

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

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

	2021		2020	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 21 and 28)				
Sales	\$ 10,319,433	100	\$ 9,201,579	100
Less: Sales returns	(7,769)	-	(19,513)	-
Sales allowances	<u>(3,211)</u>	<u>-</u>	<u>(1,826)</u>	<u>-</u>
Net operating revenue	10,308,453	100	9,180,240	100
OPERATING COSTS (Notes 11, 22 and 28)	<u>4,807,190</u>	<u>46</u>	<u>4,355,315</u>	<u>47</u>
GROSS PROFIT	5,501,263	54	4,824,925	53
REALIZED (UNREALIZED) GAIN ON TRANSACTIONS WITH SUBSIDIARIES AND ASSOCIATES	<u>(82,802)</u>	<u>(1)</u>	<u>42,023</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>5,418,461</u>	<u>53</u>	<u>4,866,948</u>	<u>53</u>
OPERATING EXPENSES (Notes 22 and 28)				
Selling and marketing expenses	941,579	9	845,805	9
General and administrative expenses	682,951	7	537,646	6
Research and development expenses	1,350,521	13	1,216,060	14
Expected credit (gain) loss	<u>(2,892)</u>	<u>-</u>	<u>7,000</u>	<u>-</u>
Total operating expenses	<u>2,972,159</u>	<u>29</u>	<u>2,606,511</u>	<u>29</u>
PROFIT FROM OPERATIONS	<u>2,446,302</u>	<u>24</u>	<u>2,260,437</u>	<u>24</u>
NON-OPERATING INCOME AND EXPENSES				
Finance costs (Note 22)	(22,508)	-	(34,842)	-
Share of profit of subsidiaries, associates and joint ventures, net (Note 12)	752,111	7	540,822	6
Interest income (Note 28)	4,910	-	5,719	-
Rental income (Note 28)	15,421	-	15,157	-
Dividend income	55,839	1	17,526	-
Other income (Note 28)	47,573	-	64,481	1
Gain (loss) on disposal of property, plant and equipment, net	1,575,019	15	(995)	-
Gain on disposal of investment	2,684	-	480	-
Profit from lease modification	82	-	-	-
Gains arising from transfer of right in sale and lease- back transaction	154,510	2	-	-
Net foreign exchange loss (Note 32)	(85,978)	(1)	(68,727)	(1)

(Continued)

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

	2021		2020	
	Amount	%	Amount	%
Gain (loss) on financial assets at fair value through profit or loss, net	\$ 390	-	\$ (44)	-
Other expenses	(945)	-	(5,034)	-
Total non-operating income and expenses	<u>2,499,108</u>	<u>24</u>	<u>534,543</u>	<u>6</u>
PROFIT BEFORE INCOME TAX	4,945,410	48	2,794,980	30
INCOME TAX EXPENSE (Note 23)	<u>766,178</u>	<u>7</u>	<u>471,204</u>	<u>5</u>
NET PROFIT FOR THE YEAR	<u>4,179,232</u>	<u>41</u>	<u>2,323,776</u>	<u>25</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 19)	(42,177)	-	(7,804)	-
Unrealized gain (loss) on investments in equity investments designated as at fair value through other comprehensive income	258,571	2	194,230	2
Share of the other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using the equity method	36,998	-	37,565	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	(67,435)	-	1,115	-
Share of the other comprehensive loss of subsidiaries, associates and joint ventures accounted for using the equity method	<u>(70,564)</u>	<u>(1)</u>	<u>(136,084)</u>	<u>(1)</u>
Total other comprehensive income	<u>115,393</u>	<u>1</u>	<u>89,022</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 4,294,625</u>	<u>42</u>	<u>\$ 2,412,798</u>	<u>26</u>
EARNINGS PER SHARE (NT\$; Note 24)				
Basic	<u>\$ 9.96</u>		<u>\$ 5.56</u>	
Diluted	<u>\$ 9.89</u>		<u>\$ 5.51</u>	

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

(Concluded)

CHROMA ATE INC.

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

	Retained Earnings							Other Equity					
	Ordinary Share Capital	Advance Receipts for Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings		Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Unearned Employee Benefit	Total	Treasury Shares	Total Equity
							Total						
BALANCE AT JANUARY 1, 2020	\$ 4,192,961	\$ 13,724	\$ 3,629,471	\$ 2,407,039	\$ 86,888	\$ 4,382,043	\$ 6,875,970	\$ (331,073)	\$ 154,946	\$ (11,524)	\$ (187,651)	\$ (35,714)	\$ 14,488,761
Appropriation of the 2019 earnings													
Legal reserve	-	-	-	185,448	-	(185,448)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	89,240	(89,240)	-	-	-	-	-	-	-
Cash dividends - NT\$3.0 per share	-	-	-	-	-	(1,265,000)	(1,265,000)	-	-	-	-	-	(1,265,000)
Change in capital surplus from investments in subsidiaries, associates and joint ventures accounted for using the equity method	-	-	273,530	-	-	-	-	-	-	-	-	-	273,530
Net profit for the year ended December 31, 2020	-	-	-	-	-	2,323,776	2,323,776	-	-	-	-	-	2,323,776
Other comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	(5,556)	(5,556)	(134,969)	229,547	-	94,578	-	89,022
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	2,318,220	2,318,220	(134,969)	229,547	-	94,578	-	2,412,798
Buy-back of treasury shares	-	-	-	-	-	-	-	-	-	-	-	(1,235)	(1,235)
Cancellation of treasury shares	(1,235)	-	-	-	-	-	-	-	-	-	-	1,235	-
Stocks of the parent company disposed of by the subsidiary and recognized as treasury shares transaction	-	-	16,629	-	-	-	-	-	-	-	-	2,028	18,657
Adjustment of capital surplus for the Corporation's cash dividends received by subsidiaries	-	-	5,760	-	-	-	-	-	-	-	-	-	5,760
Disposal of investments accounted for using equity method	-	-	(22)	-	-	-	-	-	-	-	-	-	(22)
Exercise of employee share options	21,219	(13,724)	105,068	-	-	-	-	-	-	-	-	-	112,563
Share-based payment transaction	-	-	6,439	-	-	-	-	-	-	10,972	10,972	-	17,411
BALANCE AT DECEMBER 31, 2020	4,212,945	-	4,036,875	2,592,487	176,128	5,160,575	7,929,190	(466,042)	384,493	(552)	(82,101)	(33,686)	16,063,223
Appropriation of the 2020 earnings													
Legal reserve	-	-	-	231,823	-	(231,823)	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	(89,240)	89,240	-	-	-	-	-	-	-
Cash dividends - NT\$ 4.5 per share	-	-	-	-	-	(1,897,175)	(1,897,175)	-	-	-	-	-	(1,897,175)
Change in capital surplus from investments in subsidiaries, associates and joint ventures accounted for using the equity method	-	-	13,428	-	-	-	-	-	-	-	-	-	13,428
Net profit for the year ended December 31, 2021	-	-	-	-	-	4,179,232	4,179,232	-	-	-	-	-	4,179,232
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	(40,780)	(40,780)	(137,999)	294,172	-	156,173	-	115,393
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	4,138,452	4,138,452	(137,999)	294,172	-	156,173	-	4,294,625
Adjustment of capital surplus for the Corporation's cash dividends received by subsidiaries	-	-	8,124	-	-	-	-	-	-	-	-	-	8,124
Changes in ownership interests in subsidiaries	-	-	-	-	-	(3,462)	(3,462)	-	-	-	-	-	(3,462)
Exercise of employee share options	5,800	-	27,906	-	-	-	-	-	-	-	-	-	33,706
Share-based payment transaction	-	-	890	-	-	-	-	-	-	552	552	-	1,442
Unrealized gain or loss transferred to retained earnings from disposal of equity instruments designated at fair value through other comprehensive income and investments accounted for using equity method	-	-	-	-	-	(9)	(9)	-	9	-	9	-	-
BALANCE AT DECEMBER 31, 2021	\$ 4,218,745	\$ -	\$ 4,087,223	\$ 2,824,310	\$ 86,888	\$ 7,255,798	\$ 10,166,996	\$ (604,041)	\$ 678,674	\$ -	\$ 74,633	\$ (33,686)	\$ 18,513,911

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

CHROMA ATE INC.
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 before income tax	\$ 4,945,410	\$ 2,794,980
Adjustments for:		
Depreciation expenses	359,674	217,918
Amortization expenses	13,964	5,033
Expected credit (gain) loss recognized on trade receivables	(2,892)	7,000
Net (gain) loss on financial assets at fair value through profit or loss	(390)	44
Finance costs	22,508	34,842
Interest income	(4,910)	(5,719)
Dividend income	(55,839)	(17,526)
Compensation costs of share-based payments	1,415	16,948
Share of profit of subsidiaries, associates and joint ventures accounted for using the equity method	(752,111)	(540,822)
(Gain) loss on disposal of property, plant and equipment	(1,575,019)	995
Gain on disposal of investments accounted for using equity method	(2,684)	(480)
Write-downs of inventories	3,000	42,000
Unrealized loss (gain) on transactions with subsidiaries and associates	82,802	(42,023)
Net loss on foreign currency exchange	97,541	22,713
Gain on sale and leaseback transactions	(154,510)	-
Gain on lease modification	(82)	-
Net changes in operating assets and liabilities		
Notes receivable	65,856	(66,742)
Trade receivables	166,790	386,680
Inventories	(790,330)	(370,985)
Prepayments	11,219	73,237
Other current assets	31,382	26,691
Contract liabilities	(508,688)	(175,636)
Trade payables	526,090	(228,408)
Other payables	129,470	139,896
Other current liabilities	774	5,561
Net defined benefit liabilities	(21,468)	(11,108)
Cash generated from operations	<u>2,588,972</u>	<u>2,315,089</u>
Income tax paid	<u>(558,765)</u>	<u>(266,434)</u>
Net cash generated from operating activities	<u>2,030,207</u>	<u>2,048,655</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments to acquire financial assets at fair value through other comprehensive income	(15,750)	(17,239)
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	17,946
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	9,660	-

(Continued)

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

	2021	2020
Payments to acquire financial assets at amortized cost	\$ -	\$ (279,778)
Payments to acquire financial assets at fair value through profit or loss	(600,188)	(300,000)
Proceeds from disposal of financial assets at fair value through profit or loss	600,431	300,072
Payments to acquire subsidiaries	-	(54,626)
Proceeds from disposal of investment	3,955	688
Increase in prepayments for investments	(55,024)	-
Payments for property, plant and equipment	-	(82,462)
Proceeds from disposal of property, plant and equipment	3,080,000	20,935
Increase in advance receipts for real estate	-	308,000
Increase in refundable deposits	(5,063)	(727)
Increase in other receivables - related parties	63,258	(329,716)
Payments for intangible assets	(23,433)	(4,750)
Increase in prepayments for equipment	(972,549)	(1,451,858)
Interest received	5,347	5,345
Dividends received	<u>236,428</u>	<u>425,190</u>
Net cash generated from (used in) investing activities	<u>2,327,072</u>	<u>(1,442,980)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in short-term borrowings	(600,000)	200,000
Proceeds from long-term borrowings	-	950,000
Repayments of long-term borrowings	(1,400,000)	(400,000)
Increase in guarantee deposits	2,360	20,887
Repayment of the principal portion of lease liabilities	(39,117)	(22,493)
Dividends paid by cash	(1,897,175)	(1,265,000)
Exercise of employee share options	33,706	112,563
Payments for buy-back of ordinary shares	-	(1,235)
Acquisition of subsidiaries	(53,457)	-
Interest paid	<u>(23,336)</u>	<u>(34,898)</u>
Net cash used in financing activities	<u>(3,977,019)</u>	<u>(440,176)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(8,312)</u>	<u>(2,535)</u>
NET INCREASE IN CASH	371,948	162,964
CASH AT THE BEGINNING OF THE YEAR	<u>622,210</u>	<u>459,246</u>
CASH AT THE END OF THE YEAR	<u>\$ 994,158</u>	<u>\$ 622,210</u>

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

(Concluded)

CHROMA ATE INC.
Profit Allocation Proposal
For Year ended December 31, 2021

	Unit: NT\$
Undistributed Earnings of Previous Year	\$ 3,120,818,049
Plus: 2021 Net Income	4,179,231,128
Accrued Pension Costs under Retained Earnings	(40,780,379)
Adjusted Retained Earnings because of Equity Method Investments	(3,462,313)
Disposal of Equity Method Investments Transferred to Retained Earnings through Consolidated Unrealized Gains and Losses of other Equity Instruments Measured at Fair Value	(9,053)
Less: 10% Legal Reserve	<u>(413,497,938)</u>
2021 Earnings Available for Distribution	6,842,299,494
Distribution Item:	
Cash Dividends to Common Share Holders (NT\$7 per Share)	<u>(2,970,000,000)</u>
Unappropriated Retained Earnings	<u><u>3,872,299,494</u></u>

Note:

1. Net Income of 2021 shall be preferred in the profit distribution.
2. The total cash dividends allotted to each shareholder will be rounded off to NT dollar. The fractional shares with a value less than one dollar are accumulated and adjusted to meet the total amount of profit resolved to be distributed.

Chairman Leo, Huang

CEO Leo, Huang

CFO Paul, Ying

ATTACHMENT 6

Comparison Table for the “Amendments to Articles of Incorporation”

After Revision	Before Revision	Explanation
<p><u>Article 8</u> Where the exercise price of the employee stock options is set to be lower than the closing price of the Corporation’s common shares on the date that the options are issued, the Corporation may need over two-thirds of the votes in the shareholders’ meeting attended by over 50% of shares represented by the shareholders present at the meeting. Where the exercise price of the employee stock options is set to be lower than the average buyback price of common shares, the Corporation may transfer the buy-back common shares to the employees, by over two-thirds of the votes in the shareholders’ meeting attended by over 50% of shares presented by the shareholders present at the meeting.</p>	<p><u>Article 7-1</u> Where the exercise price of the employee stock options is set to be lower than the closing price of the Corporation’s common shares on the date that the options are issued, the Corporation may need over two-thirds of the votes in the shareholders’ meeting attended by over 50% of shares represented by the shareholders present at the meeting. Where the exercise price of the employee stock options is set to be lower than the average buyback price of common shares, the Corporation may transfer the buy-back common shares to the employees, by over two-thirds of the votes in the shareholders’ meeting attended by over 50% of shares presented by the shareholders present at the meeting.</p>	<p>Adjusted article number</p>
<p><u>Article 9</u> The Company may, upon approval, repurchase treasury shares to any employees of the Company and its Subsidiaries. The Company may, upon approval by a majority of the Directors at a meeting, adopt incentive programmes and may issue restricted shares or options, warrants, or other similar instruments, to employees of the Company and its Subsidiaries. Where the Company increases its capital in cash by issuing new shares in R.O.C., the Company may reserve a number of new shares to be issued to employees of the Company and its Subsidiaries.</p>	<p><u>Article 7-2</u> The Company may, upon approval, repurchase treasury shares to any employees of the Company and its Subsidiaries. The Company may, upon approval by a majority of the Directors at a meeting, adopt incentive programmes and may issue restricted shares or options, warrants, or other similar instruments, to employees of the Company and its Subsidiaries. Where the Company increases its capital in cash by issuing new shares in R.O.C., the Company may reserve a number of new shares to be issued to employees of the Company and its Subsidiaries.</p>	<p>Adjusted article number</p>
<p><u>Article 10</u> Registered shares issued by the Company may be exempted from <u>printing on a share certificate</u>, <u>but must</u> be registered with a centralized securities depository.</p>	<p><u>Article 8</u> <u>All share certificates of this Corporation shall be issued in registered form after being signed by and affixed with the seals of at least three directors.</u> <u>The representative of any legal person shareholder shall record its name and address in the shareholders’ roster. If the representation consist of two or more</u></p>	<p>(1) Adjusted article number. (2) Revised in accordance with the Company Act.</p>

After Revision	Before Revision	Explanation
	<p><u>persons, only one person shall act as the major representative.</u></p> <p><u>The Corporation may issue registered stocks by combining and printing multiple shares in one share certificate, placed under the custody of a custodian.</u></p> <p>The Corporation may issue registered stocks without printing shared certificates. Any shares shall be recorded by a centralized securities custodian. The preceding two provisions do not apply.</p>	
<p><u>Article 11</u> Shareholders shall provide a seal (or specimen signature) card and submit it to the Company for verification when collecting dividends and exercising their shareholder rights.</p>	<p><u>Article 9</u> The shareholder shall provide a signature (or seal) card and submit it to the Corporation for record. Claims for collection of shared dividend, or exercise of shareholders' rights must be verified truthfully with the imprint of the seal shown on the before mentioned card.</p>	Adjusted article number
<p><u>Article 12</u> <u>Shareholders of the Company shall handle share affairs such as stock transfer, pledge, loss, inheritance and gift, as well as seal loss, change or change of address in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies", except if otherwise provided by securities laws and regulations.</u></p>	<p><u>Article 10</u> <u>For all transfer of stocks and pledge of rights, the shareholder shall fill in the application form signed and sealed by the transferor and transferee, pledgor and pledgee, and apply to the Corporation for alternation of the entries in the shareholders' roster. Inheritance and gift needs supporting documents.</u></p>	(1) Adjusted article number. (2) Revised in accordance with Corporation's operating practices.
<p><u>Removed</u></p>	<p><u>Article 11</u> <u>The Corporation shall charge for administrative fees for the reissue of share certificates due to loss and damage of the original share certificates.</u></p>	Removed in accordance with Corporation's operating practices.
<p><u>Article 13</u> Registration of share transfers shall be suspended for sixty (60) days prior to any ordinary meeting of shareholders, thirty (30) days prior to any extraordinary meeting of shareholders, and five (5) days prior to any rate on which dividends, and bonuses or any other benefits are scheduled to be distributed by the Corporation.</p>	<p><u>Article 12</u> Registration of share transfers shall be suspended for sixty (60) days prior to any ordinary meeting of shareholders, thirty (30) days prior to any extraordinary meeting of shareholders, and five (5) days prior to any rate on which dividends, and bonuses or any other benefits are scheduled to be distributed by the Corporation.</p>	Adjusted article number.
<p><u>Removed</u></p>	<p><u>Article 13</u> <u>All matters regarding the Corporation's shares shall be conducted in accordance</u></p>	Removed and incorporate

After Revision	Before Revision	Explanation
	<u>with the Company Law and relevant laws and regulations.</u>	d into Article 12.
<p><u>Article 14</u> Shareholders' meetings may be ordinary meetings or extraordinary meetings. Ordinary meetings shall be convened <u>at least once a year, and shall be</u> convened by the Board of Directors within six months after the end of each fiscal year. Extraordinary meetings may be convened when necessary in accordance with applicable laws. <u>The shareholders' meeting may be conducted by video conference or other means announced by the Ministry of Economic Affairs.</u></p>	<p>Article 14 Shareholders' meetings may be ordinary meetings or extraordinary meetings. Ordinary meetings shall be convened annually by the Board of Directors within six months after the end of each fiscal year, and extraordinary meetings may be convened when necessary in accordance with applicable laws.</p>	Revised in accordance with the Company Act.
<p>Article 20 The Company shall establish the Board of Directors constituted by five (5) to <u>nine (9)</u> directors. The shareholders' meeting votes shall be cast among candidates on the candidates list through the cumulative ballot system specified in Article 198 of the Company Act. The term of office for Directors shall be three (3) years, and all Directors shall be eligible for re-election. <u>As per the Company Act</u> and Securities and Exchange Act, the Company shall have, among the aforementioned directors, <u>at least</u> three independent directors. The directors (including independent directors) shall be elected from among the nominees listed as director candidates pursuant to the candidates' nomination system. Compliance matters with respect to independent directors shall be subject to the regulations prescribed by the Company Act and the securities authority. When the posts of one-third or more of the directors have been vacated, a special meeting of shareholders shall be convened to elect directors to fill the vacancies within sixty (60) days. The term of office of the new directors shall be the same as the original director(s)' term(s). The Company may purchase liability insurance for directors and management</p>	<p>Article 20 The Company shall establish the Board of Directors constituted by five (5) to <u>seven (7)</u> directors. The shareholders' meeting votes shall be cast among candidates on the candidates list through the cumulative ballot system specified in Article 198 of the Company Law. The term of office for Directors shall be three (3) years, and all Directors shall be eligible for re-election. Conform to the Company Law and Securities and Exchange Act, the Company shall have, among the aforementioned directors, <u>have</u> three independent directors. The directors (including independent directors) shall be elected from among the nominees listed as director candidates pursuant to the candidates' nomination system. Compliance matters with respect to independent directors shall be subject to the regulations prescribed by the Company Law and the securities authority. When the posts of one-third or more of the directors have been vacated, a special meeting of shareholders shall be convened to elect directors to fill the vacancies within sixty (60) days. The term of office of the new directors shall be the same as the original director(s)' term(s). The Company may purchase liability insurance for directors and management</p>	Revised in accordance with the Corporation's operating practices.

After Revision	Before Revision	Explanation
in accordance with business requirements.	in accordance with business requirements.	
<p>Article 22</p> <p><u>Except for the Board meetings convened pursuant to the provisions of Article 203 or Article 203-1 of the Company Act,</u> Board meetings shall be convened by the Chairman, who shall also be the chairman of the meeting. The agenda of the Board of Directors meeting shall be arranged in advance and sent to all directors seven (7) days in advance with detailed information of the meeting's date, venue, and agenda. A Board meeting may be convened at any time, without such prescribed notice, in case of urgent circumstances. Notifications for the meetings of the Board of Directors may be communicated through written notice, fax, and electronic mail.</p>	<p>Article 22</p> <p><u>Except for the first meeting of each term of the Board which shall be convened by the director who received a ballot representing the largest number of votes at the election of directors,</u> Board meetings shall be convened by the Chairman, who shall also be the chairman of the meeting. The agenda of the Board of Directors meeting shall be arranged in advance and send to all directors seven (7) days in advance with detailed information of the meeting's date, venue, and agenda. A Board meeting may be convened at any time, without such prescribed notice, in case of urgent circumstances. Notifications for the meetings of the Board of Directors may be communicated through written notice, fax, and electronic mail.</p>	Revised in accordance with the Company Act.
<p>Article 25</p> <p><u>If a director is unable to attend the Board meeting for any reason, they shall issue a proxy describing the scope of the authorization as regards the subjects to be discussed at the meeting, and thereby appoint another director to attend the meeting on their behalf. Each director is limited to act as the representative of one other director only.</u></p>	<p>Article 25</p> <p><u>Directors shall attend the Board meeting in person. A director who is unable to attend the Board meeting may designate a representative among the other directors. Each time a director appoints another director to attend a meeting of the Board of Directors in his/her behalf, he/she shall issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. A director may accept the appointment to act as the representative referred to in the preceding paragraph of one director only.</u></p>	Revised in accordance with the Company Act.
<p>Article 32</p> <p>The fiscal year of the Company shall begin on 1 January and end on 31 December of each year. Upon closing of each fiscal year, the Board of Directors shall prepare the following statements and reports, and shall submit these to the Shareholders' Meeting <u>in accordance with the procedures as prescribed by law.</u></p> <ol style="list-style-type: none"> 1. Business report. 2. Financial Statements. 3. Proposal for distributing earnings or covering losses. 	<p>Article 32</p> <p>The fiscal year of the Corporation shall begin on 1 January and end on 31 December of each year. Upon closing of each fiscal year, the Board of Directors shall prepare the following statements and reports and shall submit these to the <u>Audit Committee for inspection no later than thirty (30) days prior to the meeting date of the general shareholders' meeting.</u></p> <ol style="list-style-type: none"> 1. Business report. 2. Financial statements. 3. Proposal for distributing earnings or 	Revised in accordance with the Company Act.

After Revision	Before Revision	Explanation
	covering losses.	
<p>Article 36 The Articles of Incorporation were made on [...]. The 31st amendment was made on 7 June, 2016. The 32nd amendment was made on 8 June, 2017. The 33rd amendment was made on 8 June, 2018. The 34th amendment was made on 18 June, 2019. <u>The 35th amendment is made on 9 June, 2022.</u></p>	<p>Article 36 The Articles of Incorporation were made on [...]. The 31st amendment is made on 7 June, 2016. The 32nd amendment is made on 8 June, 2017. The 33rd amendment is made on 8 June, 2018. The 34th amendment is made on 18 June, 2019.</p>	<p>Added latest amendment and date.</p>

Comparison Table for the Operational Procedures for Acquisition or Disposal of Assets

After Revision	Before Revision	Explanation
<p>8. Procedures of Public Announcement and Report: Procedures of Public Announcement and Report: For the Company to acquire or dispose of assets, if any of the following occurs, the Company shall proceed with the public announcement and report on the website designated by the FSC within two (2) days starting immediately from the day such event occurs in the format and with contents prescribed.</p> <p>8.1 Acquisition or disposal of real property and right-of-use assets from or to a related party, or acquisition or disposal of assets other than real property from and right-of-use assets 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, excluding trading of government bonds or bonds under repurchase or resale agreements and subscribing or redeeming domestic investment trust from money market funds.</p> <p>8.2 Engagement in merger, split, acquisition or transfer of shares</p> <p>8.3 Engagement in transactions of derivative products where the loss thereof reaches the ceiling amount for loss of all or individual contract as specified in these Handling Procedures.</p> <p>8.4 Where the type of asset acquired or disposed is equipment/machinery and right-of-use assets for business use, and the trading counterparty is not a related party and the transaction amount is less than NT\$500 million.</p> <p>8.5 Acquisition of real estate by way of contracting third parties to construct on land owned or rented by this Company, distribution of building under joint construction project,</p>	<p>8. Procedures of Public Announcement and Report: Procedures of Public Announcement and Report: For the Company to acquire or dispose assets, if any of the following occurs, the Company shall proceed with the public announcement and report on the website designated by the FSC within two (2) days starting immediately from the day such event occurs in the format and with contents prescribed.</p> <p>8.1 Acquire or dispose of real property and right-of-use assets from or to a related party, or acquire or dispose of assets other than real property from and right-of-use assets 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, excluding trading of government bonds or bonds under repurchase or resale agreements and subscribing or redeeming domestic investment trust from money market funds.</p> <p>8.2 Engage in merger, split, acquisition or transfer of shares</p> <p>8.3 Engage in transactions of derivative products where the loss thereof reaches the ceiling amount for loss of all or individual contract as specified in these Handling Procedures.</p> <p>8.4 Where the type of asset acquired or disposed is equipment/machinery and right-of-use assets for business use, the trading counterparty is not a related party and the transaction amount is less than NT\$500 million.</p> <p>8.5 Acquisition of real estate by way of contracting third parties to construct on land owned or rented by this Company, distribution of building under joint construction project,</p>	<p>Revised in accordance with Regulations Governing the Acquisition and Disposal of Assets by Public Companies</p>

After Revision	Before Revision	Explanation
<p>distribution of profit under joint construction project, or selling building under joint construction project, and the amount of transaction not exceeding NT\$ 500 million (based on the amount this Company plans to contribute).</p> <p>8.6 Where an asset transaction other than any of those referred to in the preceding five subsections, or an investment in Mainland China area reaches 20 percent or more of paid-in capital or three hundred million NT dollars (NT\$300,000,000); provided, this shall not apply to the following circumstances:</p> <p>(1) Trading of <u>domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.</u></p> <p>(2) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises;</p> <p>The amount of transactions specified in the preceding section shall be calculated as follows:</p> <p>(1) The amount of an individual transaction.</p> <p>(2) The accumulative transaction amount of acquisition or disposal of the same type of underlying asset with the same counterparty within the preceding year.</p> <p>(3) The accumulative transaction amount of real property and right-of-use assets acquired or disposed under the same development project within the preceding year (with acquisition and disposal calculating separately).</p> <p>(4) The accumulative transaction amount of the same security acquired or disposed within the preceding year (with acquisition and disposal calculating separately)</p>	<p>distribution of profit under joint construction project, or selling building under joint construction project, and the amount of transaction not exceeding NT\$ 500 million (based on the amount this Company plans to contribute).</p> <p>8.6 Where an asset transaction other than any of those referred to in the preceding five subsections, or an investment in Mainland China area reaches 20 percent or more of paid-in capital or three hundred million NT dollars (NT\$300,000,000); provided, this shall not apply to the following circumstances:</p> <p>(1) Trading of local government bonds.</p> <p>(2) Buying or selling bonds under repurchase and resale agreements, or subscribing or redeeming the investment trust issued domestic money market funds;</p> <p>The amount of transactions specified in the preceding section shall be calculated as follows:</p> <p>(1) The amount of an individual transaction.</p> <p>(2) The accumulative transaction amount of acquisition or disposal of the same type of underlying asset with the same counterparty within the preceding year.</p> <p>(3) The accumulative transaction amount of real property and right-of-use assets acquired or disposed under the same development project within the preceding year (with acquisition and disposal calculating separately).</p> <p>(4) The accumulative transaction amount of the same security acquired or disposed within the preceding year (with acquisition and disposal calculating separately)</p> <p>The aforesaid “the preceding” year period shall mean the one (1) year period immediately preceding the date of occurrence of the current transaction, and items duly announced in accordance with</p>	

After Revision	Before Revision	Explanation
<p>The aforesaid “the preceding” year period shall mean the one (1) year period immediately preceding the date of occurrence of the current transaction, and items duly announced in accordance with the Handling Procedures need not be counted toward the transaction amount. With regard to transactions of derivative products carried out by the Company and its subsidiaries which are not publicly listed companies, the Company shall file information designated by the FSC as of the end of the previous month on the website under the format shown in the attachment on a monthly basis by the tenth day of each month.</p> <p>If any item subject to the requirement of public announcement is erroneous or missing and needs to be corrected, all items shall be re-filed for public announcement within two (2) days. The contracts, memorandum, appraisal reports, and opinions of certified public accounts, lawyers or securities underwriters in connection with this Company’s acquisition or disposal of assets shall, except as otherwise specified by relevant laws, be kept in this Company for at least five years.</p>	<p>the Handling Procedures need not be counted toward the transaction amount. With regard to transactions of derivative products carried out by the Company and its subsidiaries which are not publicly listed companies, the Company shall file information designated by the FSC as of the end of the previous month on the website under the format shown in the attachment on a monthly basis by the tenth day of each month.</p> <p>If any item subject to the requirement of public announcement is erroneous or missing and needs to be corrected, all items shall be re-filed for public announcement within two (2) days. The contracts, memorandum, appraisal reports, and opinions of certified public accounts, lawyers or securities underwriters in connection with this Company’s acquisition or disposal of assets shall, except as otherwise specified by relevant laws, be kept in this Company for at least five years.</p>	
<p>10. In acquiring or disposing of real property or other fixed assets and right-of-use assets where the transaction amount reaches 20 percent of the Company's paid-in capital or three hundred million NT dollars (NT\$300,000,000) or more, the Company, unless transacting with a local government , engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of machinery and equipment for business use or right-of-use assets, 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>10.1 Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a</p>	<p>10. In acquiring or disposing of real property or other fixed assets and right-of-use assets where the transaction amount reaches 20 percent of the Company's paid-in capital or three hundred million NT dollars (NT\$300,000,000) or more, the Company, unless transacting with a local government , engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of machinery and equipment for business use or right-of-use assets, 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>10.1 Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a</p>	<p>Revised in accordance with “Regulations Governing the Acquisition and Disposal of Assets by Public Companies”</p>

After Revision	Before Revision	Explanation
<p>reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors, and the same procedure shall be followed for any future changes to the terms and conditions of the transaction.</p> <p>10.2 Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>10.3 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 CPA shall be engaged to 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>10.4 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>reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors, and the same procedure shall be followed for any future changes to the terms and conditions of the transaction.</p> <p>10.2 Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>10.3 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 CPA shall be engaged to <u>perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF 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>10.4 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>	

After Revision	Before Revision	Explanation
<p>11. Before the Date of the Event of the acquisition or disposal of securities, the latest financial statements of the target company audited or reviewed by a certified public accountant should be acquired for the assessment and reference of transaction price. Should the transaction price reach 20% of this Company's paid-in capital or NT\$300 million, an opinion with regards to a rational transaction price shall be sought from a certified public accountant before the Date of the Event of the subject acquisition or disposal of securities. <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).</u></p>	<p>11. Before the Date of the Event of the acquisition or disposal of securities, the latest financial statements of the object company audited or reviewed by certified public accountant should be acquired for the assessment and reference of transaction price. Should the transaction price reaches 20% of this Company's paid-in capital or NT\$300 million, opinions in respect of a rational transaction price have to be sought from certified public accountant before the Date of the Event of the subject acquisition or disposal of securities. <u>If the certified public accountant engaged needs to use the report of an expert as evidence, such certified public accountant shall do so in accordance with the provisions of Auditing Standard No. 20; provided however, these requirements are not applicable if such securities have a public price from an active market or if the regulatory authorities require otherwise.</u></p>	<p>Revised in accordance with "Regulations Governing the Acquisition and Disposal of Assets by Public Companies"</p>
<p>12. If this Company's acquisition or disposal of membership or intangible assets or right-of-use assets reaches 20% of this Company's paid-in capital or NT\$300 million, excluding transactions with government, opinions with regards to a rational transaction price shall be sought from a certified public accountant prior to the Date of the Event of the subject acquisition or disposal of assets.</p>	<p>12. If this Company's acquisition or disposal of membership or intangible assets or right-of-use assets reaches 20% of this Company's paid-in capital or NT\$300 million, excluding transactions with government, opinions in respect of a rational transaction price shall be sought from certified public accountant prior to the Date of the Event of the subject acquisition or disposal of assets. <u>Certified public accountant shall handle the matter in accordance with the provision of Auditing Standard No.20.</u></p>	<p>Revised in accordance with "Regulations Governing the Acquisition and Disposal of Assets by Public Companies"</p>
<p>16. If this Company intends to acquire or dispose of real estate and right-of-use assets from or to a related party, or when it intends to acquire or dispose of assets other than real estate and right-of-use assets from or to a related party and the transaction amount reaches 20% of this Company's paid-in capital, 10% of this Company's total assets, or NT\$300 million, except for buying or selling local government bonds, bonds under repurchase and resale agreements and</p>	<p>16. If this Company intends to acquire or dispose of real estate and right-of-use assets from or to a related party, or when it intends to acquire or dispose of assets other than real estate and right-of-use assets from or to a related party and the transaction amount reaches 20% of this Company's paid-in capital, 10% of this Company's total assets, or NT\$300 million, except for buying or selling local government bonds, bonds under repurchase and resale agreements and</p>	<p>(1) Revised in accordance with "Regulations Governing the Acquisition and Disposal of Assets by Public</p>

After Revision	Before Revision	Explanation
<p>subscribing or redeeming the investment trust issued domestic money market funds, this Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and then submitted to the Board for a resolution:</p> <p>(1) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.</p> <p>(2) The reason for choosing the related party as a trading counterparty.</p> <p>(3) With respect to the acquisition of real estate and right-of-use assets from a related party, information regarding the evaluation of the reasonableness of the preliminary transaction terms in accordance with applicable regulations.</p> <p>(4) The date and price at which the related party originally acquired the real estate, the original trading counterparty, and that trading counterparty's relationship to this Company and the related party.</p> <p>(5) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>(6) An appraisal report from a professional appraiser or an opinion by the certified public accountant.</p> <p>(7) Restrictive covenants and other important stipulations associated with the transaction.</p> <p>With respect to the acquisition or disposal of operation-purpose equipment and right-of-use assets or operation-purpose of right-of-use assets between this Company and its subsidiaries or between the subsidiaries that the Company direct or indirect 100% owned or capital invested, the Board may delegate the Chairman to decide such matters when the transaction is within the <u>10% of total assets</u> of the Company and have the</p>	<p>subscribing or redeeming the investment trust issued domestic money market funds, this Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and then submitted to the Board for a resolution:</p> <p>(1) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.</p> <p>(2) The reason for choosing the related party as a trading counterparty.</p> <p>(3) With respect to the acquisition of real estate and right-of-use assets from a related party, information regarding the evaluation of the reasonableness of the preliminary transaction terms in accordance with applicable regulations.</p> <p>(4) The date and price at which the related party originally acquired the real estate, the original trading counterparty, and that trading counterparty's relationship to this Company and the related party.</p> <p>(5) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>(6) An appraisal report from a professional appraiser or an opinion by the certified public accountant.</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 preceding paragraph shall be made in accordance with Article 8, Section 2, 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 board of directors and recognized by the Audit Committees in accordance with the Handling Procedures need not be counted toward</p>	<p>Companies”</p> <p>(2) Changed position of paragraph 2 of the current provisions to paragraph 5 of the amended provisions, and in conjunction with the addition of paragraph 4, included the transaction amount in the transactions to be submitted to the Shareholder s' Meeting for approval.</p>

After Revision	Before Revision	Explanation
<p>decisions subsequently submitted to and ratified at the next Board meeting.</p> <p>If the Company has independent directors, opinions of each independent director shall be taken into consideration during discussions at the board and their consents or clear opinion against the proposal and the reasons for such objection shall be include into the minutes of the board meetings.</p> <p><u>If the Company or any of its subsidiaries that is not a domestic public company will have a transaction set out in paragraph 1 and the transaction amount will reach 10 percent or more of the Company's total assets, the Company shall submit the materials in all the subparagraphs of paragraph 1 to the Shareholders' Meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the Company and its subsidiaries or between its subsidiaries.</u></p> <p>The calculation of the transaction amounts referred to in <u>paragraph 1</u> and the preceding paragraph shall be made in accordance with Article 8, Section 2, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction.</p> <p>Items that have been <u>submitted to the Shareholder's Meeting</u>, approved by the Board of Directors and recognized by the Audit Committees in accordance with the Handling Procedures need not be counted towards the transaction amount.</p>	<p>the transaction amount.</p> <p>With respect to the acquisition or disposal of operation-purpose equipment and right-of-use assets or operation-purpose of right-of-use assets between this Company and its subsidiaries or between the subsidiaries that the Company direct or indirect 100% owned or capital invested, the Board may delegate the Chairman to decide such matters when the transaction is within the <u>20% of net value</u> of the Company and have the decisions subsequently submitted to and ratified at the next Board meeting.</p> <p>If the Company has independent directors, opinions of each independent director shall be taken into consideration during discussions at the board and their consents or clear opinion against the proposal and the reasons for such objection shall be include into the minutes of the board meetings.</p>	
<p>25. Amendments and Execution</p> <p>These procedures and their amendments shall receive over one-third of Audit Committee's consent and approved by the Board of Directors, and proposed at the shareholders' meeting for approval. If any director expresses objection on the record or in a written statement, the Company shall submit the objection to the Audit Committee and the shareholders' meeting for discussion.</p>	<p>25. Amendments and Execution</p> <p>These procedures and their amendments shall receive over one-third of Audit Committee's consent and approved by the Board of Directors, and proposed at the shareholders' meeting for approval. If any director expresses objection on the record or in a written statement, the Company shall submit the objection to the Audit Committee and the shareholders' meeting for discussion.</p>	<p>Added latest amendment and date</p>

After Revision	Before Revision	Explanation
<p>The Company has established independent directors; it shall consider the dissenting opinions from all independent directors fully and list the consenting and objecting opinions and their reasons in the meeting minutes of the Board of Directors.</p> <p>These procedures and their amendments shall receive over one-third of Audit Committee's consent and approved by the Board of Directors, and proposed at the shareholders' meeting for approval. If any director expresses objection on the record or in a written statement, the Company shall submit the objection to the Audit Committee and the shareholders' meeting for discussion.</p> <p>1st amendment approved by General Shareholder's Meeting held on 15 May, 2003.</p> <p>2nd amendment approved by General Shareholder's Meeting held on 30 May, 2007.</p> <p>3rd amendment approved by General Shareholder's Meeting held on 6 June, 2012.</p> <p>4th amendment approved by General Shareholder's Meeting held on 11 June, 2014.</p> <p>5th amendment approved by General Shareholder's Meeting held on 8 June, 2017.</p> <p>6th amendment approved by General Shareholder's Meeting held on 18 June, 2019.</p> <p><u>7th amendment approved by General Shareholder's Meeting held on 9 June, 2022.</u></p>	<p>The Company has established independent directors; it shall consider the dissenting opinions from all independent directors fully and list the consenting and objecting opinions and their reasons in the meeting minutes of the Board of Directors.</p> <p>These procedures and their amendments shall receive over one-third of Audit Committee's consent and approved by the Board of Directors, and proposed at the shareholders' meeting for approval. If any director expresses objection on the record or in a written statement, the Company shall submit the objection to the Audit Committee and the shareholders' meeting for discussion.</p> <p>1st amendment approved by General Shareholder's Meeting held on 15 May, 2003.</p> <p>2nd amendment approved by General Shareholder's Meeting held on 30 May, 2007.</p> <p>3rd amendment approved by General Shareholder's Meeting held on 6 June, 2012.</p> <p>4th amendment approved by General Shareholder's Meeting held on 11 June, 2014.</p> <p>5th amendment approved by General Shareholder's Meeting held on 8 June, 2017.</p> <p>6th amendment approved by General Shareholder's Meeting held on 18 June, 2019.</p>	

**CHROMA ATE INC.
Articles of Incorporation (Before Amendment)**

Chapter One: General Provisions

Article 1

The Corporation shall be incorporated, as a company limited by shares, under the Company Law of the Republic of China, and its name shall be CHROMA ATE INC.

The Company English name is CHROMA ATE INC.

Article 2

The scope of business of the Corporation shall be as follow:

1. CC01110 Computers and peripheral equipment manufacturing.
2. F113050 Wholesale of computers and clerical machinery equipment.
3. F213030 Retail sale of computers and clerical machinery equipment.
4. E605010 Computing equipment installation.
5. CC01080 Electronics components manufacturing.
6. F119010 Wholesale of electronic materials.
7. F219010 Retail sale of electronic materials.
8. JA02010 Electrical appliance and electronic products repair.
9. CC01120 Data storage media manufacturing and duplicating.
10. F118010 Wholesale of computer software.
11. F218010 Retail sale of computer software.
12. I301010 Information software services.
13. CE01010 General instrument manufacturing.
14. F113030 Wholesale of precision instruments.
15. F213040 Retail sale of precision instruments.
16. EZ05010 Apparatus installation.
17. CC01060 Wired communication mechanical equipment manufacturing.
18. CC01070 Wireless communication mechanical equipment manufacturing.
19. CC01101 Controlled telecommunications radio-frequency devices and materials manufacturing.
20. F401021 Controlled telecommunications radio-frequency devices and materials import.
21. F401010 International trade.
22. CB01010 Mechanical equipment manufacturing.
23. CE01030 Optical instruments manufacturing.
24. CF01011 Medical devices manufacturing.
25. F113070 Wholesale of telecommunication instruments.
26. F213060 Retail sale of telecommunication apparatus.
27. H701040 Specific area development.
28. H701060 New towns, new community development.
29. H701010 Housing and building development and rental.
30. H701020 Industrial factory development and rental.
31. H702010 Construction manager.
32. H703090 Real estate business.
33. H703100 Real estate leasing.
34. F108031 Wholesale of medical devices.
35. F208031 Retail sale of medical apparatus.
36. ZZ99999 All businesses that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3

The Corporation shall be able to render guarantee (including endorsement) to a third party for business purposes.

Article 4

When the Corporation invests in other companies as a shareholder, it shall not be subject to the restriction of the Company Law which provides that the total amount of such investment shall not exceed forty percent (40%) of the amount of this Corporation's paid-in capital. Any such investment by this Corporation shall be made in accordance with a resolution adopted by the Board of Directors.

Article 5

The head office of the Company shall be in Taoyuan City, Taiwan. Pursuant to the resolutions adopted by the Board of Directors, the Company may, if necessary, set up branches or factories within and outside the R.O.C.

Article 6

Any public announcement by this Corporation shall be made in accordance with the Company Law.

Chapter Two: Capital Stock

Article 7

The total authorized capital stock of the Corporation is Five Billion New Taiwan Dollars (NT\$5,000,000,000), divided into Five Hundred Million (500,000,000) shares with a par value of Ten New Taiwan Dollars (NT\$10). The Board of Directors is authorized to issue the un-issued shares in installments, of which Three Hundred Million New Taiwan Dollars (NT\$300,000,000), divided into Thirty Million (30,000,000) shares with a par value of Ten New Taiwan Dollars (NT\$10) are reserved for issuance of employee stock options. The Board of Directors is authorized to issue the unissued shares at a premium in installments.

Article 7-1

Where the exercise price of the employee stock options is set to be lower than the closing price of the Corporation's common shares on the date that the options are issued, the Corporation may need over two-thirds of the votes in the shareholders' meeting attended by over 50% of shares represented by the shareholders present at the meeting.

Where the exercise price of the employee stock options is set to be lower than the average buyback price of common shares, the Corporation may transfer the buy-back common shares to the employees, by over two-thirds of the votes in the shareholders' meeting attended by over 50% of shares presented by the shareholders present at the meeting.

Article 7-2

The Company may, upon approval, repurchase treasury shares to any employees of the Company and its Subsidiaries.

The Company may, upon approval by a majority of the Directors at a meeting, adopt incentive programmes and may issue restricted shares or options, warrants, or other similar instruments, to employees of the Company and its Subsidiaries.

Where the Company increases its capital in cash by issuing new shares in R.O.C., the Company may reserve a number of new shares to be issued to employees of the Company and its Subsidiaries.

Article 8

All share certificates of this Corporation shall be issued in registered form after being signed by and affixed with the seals of at least three directors.

The representative of any legal person shareholder shall record its name and address in the shareholders' roster. If the representation consist of two or more persons, only one person shall act as the major representative.

The Corporation may issue registered stocks by combining and printing multiple shares in one share certificate, placed under the custody of a custodian.

The Corporation may issue registered stocks without printing shared certificates. Any shares shall be recorded by a centralized securities custodian. The preceding two provisions do not apply.

Article 9

The shareholder shall provide a signature (or seal) card and submit it to the Corporation for record. Claims for collection of shared dividend, or exercise of shareholders' rights must be verified truthfully with the imprint of the seal shown on the before mentioned card.

Article 10

For all transfer of stocks and pledge of rights, the shareholder shall fill in the application form signed and sealed by the transferor and transferee, pledgor and pledgee, and apply to the Corporation for alternation of the entries in the shareholders' roster. Inheritance and gift needs supporting documents.

Article 11

The Corporation shall charge for administrative fees for the reissue of share certificates due to loss and damage of the original share certificates.

Article 12

Registration of share transfers shall be suspended for sixty (60) days prior to any ordinary meeting of shareholders, thirty (30) days prior to any extraordinary meeting of shareholders, and five (5) days prior to any rate on which dividends, and bonuses or any other benefits are scheduled to be distributed by the Corporation.

Article 13

All matters regarding the Corporation's shares shall be conducted in accordance with the Company Law and relevant laws and regulations.

Chapter Three: Shareholders' Meetings

Article 14

Shareholders' meetings may be ordinary meetings or extraordinary meetings. Ordinary meetings shall be convened annually by the Board of Directors within six months after the end of each fiscal year, and extraordinary meetings may be convened when necessary in accordance with applicable laws.

Article 15

The Chairman of the Board of Directors shall preside at each meeting of shareholders. In the event the Chairman of the Board of Directors is absent, he shall designate one director to act on his behalf. In the absence of such a designation, the directors shall elect a director from among themselves to preside at the meeting.

If the shareholders' meeting is called by any convener external to the Board of Directors, the chairperson shall be assumed by the convener. If there are more than two conveners, the chairperson shall be elected out of the conveners.

Article 16

If a shareholder is unable to attend a meeting, he / she may appoint a representative to attend it, and to exercise, on his / her behalf, all specified rights at the meeting, in accordance with Article 177 of the Company Law.

Article 17

A shareholder shall be entitled to one vote for each share held by him / her; except those shares for which the voting rights are restricted or excluded as stipulated in Article 179 Item 2 of the Company Law.

Article 18

Unless otherwise provided in the Company Law, any resolution at a shareholders' meeting shall be adopted if voted in favor by the majority of votes at a shareholders' meeting at which shareholders of more than one-half of the total issued and outstanding shares are present.

A shareholder who exercises his voting right in the way of electronic transmission shall be deemed to have attended the shareholders' meeting in person.

Article 19

The resolution adopted by the shareholders' meeting shall be recorded in writing; the meeting minutes must be signed by or imprinted with the seal of the chairperson and distributed to shareholders within twenty (20) days after the meetings. The minutes of the shareholders' meeting shall record the date and place of the meeting, the name of the chairperson, the method of adopting resolutions, and a summary of the essential points of the proceedings and results of the meetings. The minutes shall be kept permanently throughout the life of the Corporation.

The attendance list bearing the signatures of shareholders present at the meeting and the powers of attorney of the proxies shall be kept by the Corporation for the minimum period of one year.

Chapter 4: Directors and Audit Committee**Article 20**

The Company shall establish the Board of Directors constituted by five (5) to seven (7) directors. The shareholders' meeting votes shall be casted among candidates on the candidates list through the cumulative ballot system specified in Article 198 of the Company Law. The term of office for Directors shall be three (3) years, and all Directors shall be eligible for re-election.

Conform to the Company Law and Securities and Exchange Act, the Company shall have, among the aforementioned directors, have three independent directors. The directors (including independent directors) shall be elected from among the nominees listed as director candidates pursuant to the candidates' nomination system. Compliance matters with respect to independent directors shall be subject to the regulations prescribed by the Company Law and the securities authority.

When the posts of one-third or more of the directors have been vacated, a special meeting of shareholders shall be convened to elect directors to fill the vacancies within sixty (60) days. The term of office of the new directors shall be the same as the original director(s)' term(s).

The Company may purchase liability insurance for directors and management in accordance with business requirements.

Article 21

The Board of Directors shall be organized by the directors in accordance with the relevant laws. The Chairman of the Board of Directors shall be elected by a majority of the directors present at a meeting attended by two-thirds of the directors. The Chairman of the Board of Directors shall be the

authorized representative of the Corporation. If necessary, Chairman may appoint consultants as resolute by the Board of Directors.

Article 22

Except for the first meeting of each term of the Board which shall be convened by the director who received a ballot representing the largest number of votes at the election of directors, Board meetings shall be convened by the Chairman, who shall also be the chairman of the meeting. The agenda of the Board of Directors meeting shall be arranged in advance and send to all directors seven (7) days in advance with detailed information of the meeting's date, venue, and agenda.

A Board meeting may be convened at any time, without such prescribed notice, in case of urgent circumstances.

Notifications for the meetings of the Board of Directors may be communicated through written notice, fax, and electronic mail.

Article 23

Unless provided in the Company Law or the Corporation's Articles of Incorporation, all resolutions of the Board shall be passed by the approval of over 50% of the directors present at the Board meetings with the attendance of over 50% of all the directors.

Article 24

In case the Chairman of the Board of Directors is on leave or otherwise cannot exercise his powers, he may designate in accordance with Article 208 of the Company Law.

Article 25

Directors shall attend the Board meeting in person. A director who is unable to attend the Board meeting may designate a representative among the other directors. Each time a director appoints another director to attend a meeting of the Board of Directors in his/her behalf, he/she shall issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. A director may accept the appointment to act as the representative referred to in the preceding paragraph of one director only.

Article 26

The duties of the Board of Directors are as follows:

1. Formulate the business plan.
2. Approve the profit allocation plan.
3. Propose the increase/decrease of capital.
4. Formulate and amend the Articles of Incorporation.
5. Approve important contracts.
6. Approve the appointment, dismissal of, and remuneration payable to the Managerial Officers.
7. Establish or dissolve branch office.
8. Approve proposed budget and closing accounting.
9. Approve the merchandise of real estate or investment of other companies.
10. Other matters required by the laws and regulations and authorized by the shareholders' meeting.

Article 27

The established Audit Committee will be constituted by all the independent directors and replace the duty of supervisors.

Article 28

Responsibilities of the Audit Committee or the members of Audit Committee shall be those specified under the Company Law, Securities and Exchange Law, and other relevant laws and regulations.

Article 29

The remuneration of the directors shall be determined by the Board of Directors in consideration of the directors' participation in and devotion to the operation of the Corporation as well as reference to industry standards, regardless of the Corporation's profits or losses. If the Corporation has earnings, the remuneration will be distributed in accordance with Article 34 of the Corporation's Articles of Incorporation.

Chapter 5: Managerial Officers

Article 30

The Corporation has one President and several Vice Presidents. The President shall be nominated by the Chairman; and his appointment shall be approved by more than 50% of the directors. The Vice Presidents shall be nominated by the President; and their appointment shall be approved by Chairman of the directors and report to Board of Directors.

Article 31

The President shall be authorized by the Board of Directors to execute the Corporation business in accordance with the Articles of Incorporation and excluded from managerial office defined in the Article 26 Item 6.

Chapter 6: Accounting

Article 32

The fiscal year of the Corporation shall begin on 1 January and end on 31 December of each year. Upon closing of each fiscal year, the Board of Directors shall prepare the following statements and reports and shall submit these to the Audit Committee for inspection no later than thirty (30) days prior to the meeting date of the general shareholders' meeting:

1. Business report.
2. Financial statements.
3. Proposal for distributing earnings or covering losses.

Article 33

The allocation of net profits will be distributed after taking into consideration of the Corporation's business environment and growth phase as well as the profitability, capital expenditures, and capital needs for future development plans. Such distribution may be made in ways and amount of payout. When the Corporation is currently in a growth phase, in concerning the cash needs for future development, the annual distributable cash earnings shall be no less than 20% of the total distributed cash and dividends.

Article 34

If the Company has surplus of that fiscal year, it shall allocated the profit to (1) 5-20% to employee bonuses, either in shares or cash as decided by the Board of Directors, persons eligible for such distribution shall include employees of the Company's subsidiaries who meet certain qualifications; (2) no more than 1.5% as the remuneration for directors. Employee bonuses and remuneration for directors should be presented in the shareholders' meeting.

The Company shall make up losses for preceding years before above mentioned payments are made.

Article 34-1

The Corporation shall allocate the earnings for each fiscal year in the order of paying tax, making up losses for preceding years, and a legal reserve at 10% of the earnings unless the accumulated amount of the legal reserve has reached the total authorized capital of the Corporation. The Corporation may also set aside earnings, for operation or reverse a special reserve according to relevant regulations when necessary. Any surplus balance after the above mentioned payments are made, together with the undistributed earnings as of the beginning of that fiscal year, shall be allocated pursuant to resolution by the shareholders' meeting. When the Corporation has no surplus, no dividends and bonuses will be distributed.

If the Corporation's earnings distribution made by the way of cash dividend, the Board of Directors shall be authorized through special resolution to distribute and report to the shareholders meeting. Where the Corporation incurs no loss, it may, pursuant to a resolution to be adopted by a shareholders' meeting as required in the preceding Article, distribute its legal reserve and the following capital reserve, in whole or in part. The legal reserve can be distributed by issuing new shares or by cash and shall be limited to the part of the reserve exceeding, 25% of the paid-in capital. If above mentioned article are made to distribute the Corporation's legal reserve and the following capital reserve, in whole or in part of cash payment, the Board of Directors are authorized through special resolution to distribute and report to the shareholders' meeting.

Chapter 7: Supplementary Articles

Article 35

Any matters not provided for in these Articles of Incorporation shall be governed by the Company Law.

Article 36

The Articles of Incorporation were made on 23 October, 1984.

The first amendment was made on 15 November, 1986.

The second amendment was made on 16 May, 1987.

The third amendment was made on 3 October, 1988.

The fourth amendment was made on 20 September, 1989.

The fifth amendment was made on 14 May, 1990.

The sixth amendment was made on 8 November, 1990.

The seventh amendment was made on 30 April, 1991.

The eighth amendment was made on 20 June, 1991.

The ninth amendment was made on 28 December, 1991.

The tenth amendment was made on 25 June, 1993.

The eleventh amendment was made on 10 September, 1993.

The twelfth amendment was made on 7 April, 1994.

The thirteenth amendment was made on 21 July, 1995.

The fourteenth amendment was made on 25 March, 1996.

The fifteenth amendment was made on 11 October, 1996

The sixteenth amendment was made on 24 May, 1997.

The seventeenth amendment was made on 28 April, 1998.

The eighteenth amendment was made on 13 May, 1999.

The nineteenth amendment was made on 10 May, 2000.

The twentieth amendment was made on 30 May, 2001.

The twentieth-first amendment was made on 21 May, 2002.

The twentieth-second amendment was made on 15 May, 2003.

The twentieth-third amendment was made on 18 May, 2005.

The twentieth-four amendment was made on 16 May, 2006.
The twentieth-five amendment was made on 30 May, 2007.
The twentieth-six amendment was made on 13 June, 2008.
The twentieth-seven amendment was made on 22 May, 2009.
The twentieth-eight amendment was made on 9 June, 2011.
The twentieth-nine amendment was made on 6 June 2012.
The thirtieth amendment is made on 10 June, 2015.
The 31st amendment is made on 7 June, 2016.
The 32nd amendment is made on 8 June, 2017.
The 33rd amendment is made on 8 June, 2018.
The 34th amendment is made on 18 June, 2019.

Chroma Ate Inc.
Operational Procedures for Acquisition or Disposal of Assets
(Before Amendment)

1. Purpose:

This Company's acquisition or disposal of assets shall be made in accordance with the following Procedures.

2. Basis

The acquisition or disposal of assets by the Company shall be done in accordance with this Procedure in addition to the "Rules Governing the Acquisition or Disposal of Assets by Public Companies" promulgated by the Financial Supervisory Commission of the Executive Yuan (hereinafter the "FSC") in Article 36-1 and any other laws and regulations.

3. Definition

3.1 "Assets" used herein should mean:

- (1) Long/short term security investments (including stocks, bonds, corporate bonds, bank indentures, fund securities, depository receipts, warrants, beneficiary securities, asset-based securities, etc.);
- (2) Real estate (including lands, plants and buildings, investment property, construction inventory) and equipment;
- (3) Membership;
- (4) Patent, copyright, trademark, charter right, any intangible assets, etc.;
- (5) Right-of-use assets;
- (6) Creditor right of financial institution (including accounts receivable, foreign exchange discounting and debt release and collection).
- (7) Derivative products;
- (8) Assets that are acquired or disposed through merger, spin-off, acquisition or share transfer, and other major assets;
- (9) Other important assets.

3.2 "Date of the Event" used herein should mean, in principle, the contracting day, the payment day, the transaction day, the title transferring day, the day of board resolution or other date when the transaction party and the transaction amount can be ascertained (whichever is earlier); for investments required to be approved by government authority, the Date of the Event will be any of the above-mentioned dates or the date on which the approval letter of government authority is received, whichever is earlier.

3.3 "Professional Appraiser" used herein should mean any appraisers/appraisal institutions specialized in real estate or other lawful appraisers/appraisal institutions of real estate and equipment.

3.4 "Related Parties" and "Subsidiaries" used herein should mean the companies meeting with the definition stipulated in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

3.5 The term "10% of the company's total asset" used herein shall be calculated based on the total asset stated in the most recent standalone financial report prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Any unspecified terms in the Procedures shall be subject to the “Guidelines for Handling Acquisition or Disposal of Assets by Public Companies” announced by the regulatory authority.

4. Assessment Procedure:

- 4.1 For the acquisition or disposal of securities that are not traded on any centralized trading market or over-the-counter trading center, the price shall be determined in consideration of the net value per share, technical and profit-making capabilities, future development potential, market interest rate, face value interest rate of the bond and debtor’s creditworthiness, etc. and also in reference to the latest closing price at that time.
- 4.2 For the acquisition or disposal of securities that are already traded on any centralized trading market or over-the-counter trading center, the price shall be determined based on the price of the stock or bond at the time of trading.
- 4.3 For the acquisition or disposal of other than above mentioned assets, the price shall be determined in reference to the current value under public announcement, appraised current value, actual closing price or book value of real estate in the vicinity. If the assets meet the criteria to make a public announcement, an appraisal report need from Professional Appraiser.

5. Processing Procedure:

- 5.1 When the Company intends to acquire or dispose of assets, the undertaking department needs to report the purpose, target, trading counterparty, transfer price, transaction term and condition for evaluation and approval. The approved items will be executed in accordance with the Handling Procedures.
- 5.2 For acquisition or disposal of long/short term security investment, the departments responsible therefore should be Finance Division or other related department. For any purchase and sale of fixed assets, the affiliated department is authorized to make engage in transaction. Other assets are authorized to related execution department.
- 5.3 If the personnel of the Company responsible for the acquisition or disposal of assets violates the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” or the Handling Procedures any violation of related regulations or the Procedures, subsequent castigation is subject to the related Personnel Articles of the Company.

6. Resolution

When the Company engages in any acquisition or disposal of assets, the resolution is based on division of functions in accordance to the Handling Procedures.

7. Limits of Amounts

The acquisition of real estate and right-of-use assets by this Company for non-operating purpose should not exceed 30% of this Company’s net worth. The total amount of all long/short term security investments by this Company should not exceed 80% of this Company’s net worth. The amount of investment by this Company in each respective security should not exceed 25% of this Company’s net worth.

8. Procedures of Public Announcement and Report:

Procedures of Public Announcement and Report:

For the Company to acquire or dispose assets, if any of the following occurs, the Company shall proceed with the public announcement and report on the website designated by the FSC within two (2) days starting immediately from the day such event occurs in the format and with contents prescribed.

8.1 Acquire or dispose of real property and right-of-use assets from or to a related party, or acquire or dispose of assets other than real property from and right-of-use assets 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, excluding trading of government bonds or bonds under repurchase or resale agreements and subscribing or redeeming domestic investment trust from money market funds.

8.2 Engage in merger, split, acquisition or transfer of shares

8.3 Engage in transactions of derivative products where the loss thereof reaches the ceiling amount for loss of all or individual contract as specified in these Handling Procedures.

8.4 Where the type of asset acquired or disposed is equipment/machinery and right-of-use assets for business use, the trading counterparty is not a related party and the transaction amount is less than NT\$500 million.

8.5 Acquisition of real estate by way of contracting third parties to construct on land owned or rented by this Company, distribution of building under joint construction project, distribution of profit under joint construction project, or selling building under joint construction project, and the amount of transaction not exceeding NT\$ 500 million (based on the amount this Company plans to contribute).

8.6 Where an asset transaction other than any of those referred to in the preceding five subsections, or an investment in Mainland China area reaches 20 percent or more of paid-in capital or three hundred million NT dollars (NT\$300,000,000); provided, this shall not apply to the following circumstances:

(1) Trading of local government bonds.

(2) Buying or selling bonds under repurchase and resale agreements, or subscribing or redeeming the investment trust issued domestic money market funds;

The amount of transactions specified in the preceding section shall be calculated as follows:

(1) The amount of an individual transaction.

(2) The accumulative transaction amount of acquisition or disposal of the same type of underlying asset with the same counterparty within the preceding year.

(3) The accumulative transaction amount of real property and right-of-use assets acquired or disposed under the same development project within the preceding year (with acquisition and disposal calculating separately).

(4) The accumulative transaction amount of the same security acquired or disposed within the preceding year (with acquisition and disposal calculating separately)

The aforesaid "the preceding" year period shall mean the one (1) year period immediately preceding the date of occurrence of the current transaction, and items duly announced in accordance with the Handling Procedures need not be counted toward the transaction amount.

With regard to transactions of derivative products carried out by the Company and its subsidiaries which are not publicly listed companies, the Company shall file information designated by the FSC as of the end of the previous month on the website under the format shown in the attachment on a monthly basis by the tenth day of each month.

If any item subject to the requirement of public announcement is erroneous or missing and needs to be corrected, all items shall be re-filed for public announcement within two (2) days.

The contracts, memorandum, appraisal reports, and opinions of certified public accounts, lawyers or securities underwriters in connection with this Company's acquisition or disposal of assets shall, except as otherwise specified by relevant laws, be kept in this Company for at least five years.

9. Filing and Public Announcement

Should any of the following conditions occur after the filing and public announcement of transactions, this Company needs to file and make public announcement accordingly within two days commencing immediately from the Date of the Event:

- (1) Amendment, termination or cancellation of the original agreement;
- (2) Merger, spin-off, acquisition or share transfer not completed as scheduled in the agreement;
- (3) Change to the originally publicly announced and reported information.

10. In acquiring or disposing of real property or other fixed assets and right-of-use assets where the transaction amount reaches 20 percent of the Company's paid-in capital or three hundred million NT dollars (NT\$300,000,000) or more, the Company, unless transacting with a local government, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of machinery and equipment for business use or right-of-use assets, 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:

10.1 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, and the same procedure shall be followed for any future changes to the terms and conditions of the transaction.

10.2 Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.

10.3 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 CPA shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF 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.

10.4 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.

11. Before the Date of the Event of the acquisition or disposal of securities, the latest financial statements of the object company audited or reviewed by certified public accountant should be acquired for the assessment and reference of transaction price. Should the transaction price reaches 20% of this Company's paid-in capital or NT\$300 million, opinions in respect of a rational transaction price have to be sought from certified public accountant before the Date of the Event of the subject acquisition or disposal of securities. If the certified public accountant engaged needs to use the report of an expert as evidence, such certified public accountant shall do so in accordance with the provisions of Auditing Standard No. 20; provided however, these requirements are not applicable if such securities have a public price from an active market or if the regulatory authorities require otherwise.

12. If this Company's acquisition or disposal of membership or intangible assets or right-of-use assets reaches 20% of this Company's paid-in capital or NT\$300 million, excluding transactions with government, opinions in respect of a rational transaction price shall be sought from certified public accountant prior to the Date of the Event of the subject acquisition or disposal of assets. Certified public accountant shall handle the matter in accordance with the provision of Auditing Standard No.20.
- 12.1 The calculation of the transaction price referred to in the preceding paragraph shall be done in accordance with Article 8, item 2, and "within one year" refers to one year preceding the Date of Event of the current transaction. Items for which an appraisal report from a professional appraiser or an opinion by the certified public accountant has been obtained need not be counted toward the transaction price.
13. For acquisition or disposal of assets through auction procedures of courts, the appraisal report or certified public accountants opinion can be replaced by documents issued by the courts.
14. Any Professional Appraiser and its appraisal personnel, certified public accountants, lawyers, or securities underwriters whom this Company has acquired appraisal reports and opinions shall be in accordance with the "Regulations Governing the Acquisition or Disposal of Assets by Public Companies, clause 5 item 1, promulgated by the Competent Authority. The professional appraiser or related parties from above mentioned shall be in accordance with the "Regulations Governing the Acquisition or Disposal of Assets by Public Companies, clause 5 item 2.
15. 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 in accordance with both the previous Chapter and this Chapter 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. The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 12, Section 1 herein. When judging whether a trading counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.
16. If this Company intends to acquire or dispose of real estate and right-of-use assets from or to a related party, or when it intends to acquire or dispose of assets other than real estate and right-of-use assets from or to a related party and the transaction amount reaches 20% of this Company's paid-in capital, 10% of this Company's total assets, or NT\$300 million, except for buying or selling local government bonds, bonds under repurchase and resale agreements and subscribing or redeeming the investment trust issued domestic money market funds, this Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and then submitted to the Board for a resolution:
- (1) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
 - (2) The reason for choosing the related party as a trading counterparty.
 - (3) With respect to the acquisition of real estate and right-of-use assets from a related party, information regarding the evaluation of the reasonableness of the preliminary transaction terms in accordance with applicable regulations.

- (4) The date and price at which the related party originally acquired the real estate, the original trading counterparty, and that trading counterparty's relationship to this Company and the related party.
- (5) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
- (6) An appraisal report from a professional appraiser or an opinion by the certified public accountant.
- (7) Restrictive covenants and other important stipulations associated with the transaction. The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 8, Section 2, 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 board of directors and recognized by the Audit Committees in accordance with the Handling Procedures need not be counted toward the transaction amount.

With respect to the acquisition or disposal of operation-purpose equipment and right-of-use assets or operation-purpose of right-of-use assets between this Company and its subsidiaries or between the subsidiaries that the Company direct or indirect 100% owned or capital invested, the Board may delegate the Chairman to decide such matters when the transaction is within the 20% of net value of the Company and have the decisions subsequently submitted to and ratified at the next Board meeting.

If the Company has independent directors, opinions of each independent director shall be taken into consideration during discussions at the board and their consents or clear opinion against the proposal and the reasons for such objection shall be include into the minutes of the board meetings.

17. When the Company acquires real estate and right-of-use assets from a related party, the reasonableness of the transaction cost shall be evaluated in the following of "Rules Governing the Acquisition or Disposal of Assets by Public Companies" clause 16.

Merger purchase or lease a land or housing, the reasonableness of the transaction cost shall be evaluated as above mentioned.

The valuation from above mentioned of acquires real estate and right-of-use assets, an accountant shall be engaged to verify the result and provide substantial opinion, unless the any of following item occurs.

Any of following item shall not apply to the circumstances stated above:

- (1) Related party acquired the real estate and right-of-use assets pursuant to succession or gift.
- (2) Five years have lapsed since the time when the related party signed a contract for the acquisition of such real estate and right-of-use assets and the date of signature for this transaction.
- (3) The related party acquired the real estate pursuant to signature of a contract for joint construction with others.
- (4) Acquires operation-purpose of right-of-use assets between the Corporation and subsidiaries, or with the Corporation direct and indirect 100% owned or capital investment subsidiaries.

18. When the Company acquires real estate or right-of-use assets from a related party, if the transaction cost calculated from the evaluation in accordance with the previous article is lower than the transaction price, the following shall be carried out. Except the transaction

cost meets “Rules Governing the Acquisition or Disposal of Assets by Public Companies” clause 17, item 1 and an accountant or professional appraiser have engaged to verify the result and provide substantial opinion. :

(1) The difference between the real estate or right-of-use assets transaction price and the evaluation cost shall be provided as special profit reserve and may not be distributed or used for capital increase and share distribution. Same procedures for investor, who invests the Company as equity method investment, shall be provided as special profit reserve.

(2) The independent directors of Audit Committee shall proceed in accordance with Article 218 of the Company Law.

(3) The processing under subsections 1 and 2 shall be reported to the shareholders meeting and the details of the transaction shall be disclosed in the annual report and prospectus. The special profit reserve so provided may only be used when the decrease in value has been provided for the asset purchased or lease at high price, or when the asset is disposed or terminated, or has been duly compensated or reinstated to its original condition, or when there is other evidence confirming that the price is not unreasonable and consent from the FSC has been obtained.

If there is an unreasonable manner when the Company acquires real estate or right-of-use assets from a related party, the Company shall follow the procedures stated above.

19. This Company’s financial derivatives transactions shall be in compliance with this Company’s “Procedures for Financial Derivatives Transactions”.

20. When the Company engages in a merger, split, acquisition or transfer of shares, accountant, attorney or securities underwriter shall be engaged prior to convening a board meeting for resolution in order for opinions to be provided about the reasonableness of the share exchange ratio, acquisition price or distribution of cash or other asset to the shareholders. The proposal shall then be submitted to the board of directors for discussion and approval. The above clause doesn’t apply to the Company directly or indirectly 100% owned subsidiaries or other directly and indirectly 100% affiliates.

When the Company engages in a merger, split, acquisition or transfer of shares and related matters shall be included into public documents to the attention of shareholders prior to the shareholders meeting. Such documents shall be submitted to the shareholders together with the expert opinions referred to in the previous article and the notice for the meeting as reference for whether such proposed merger, split or acquisition should be approved. However, this provision shall not be applicable if other laws allow the merger, split or acquisition without resolution by the shareholders meeting. If the shareholders meeting of any party participating in the merger, split or acquisition cannot be convened, resolution cannot be reached or if the proposal is denied by the shareholders meeting, the Company shall immediately make a public announcement to explain the reasons therefore, subsequent handling process and the expected date for convening the shareholders meeting.

21. Unless otherwise provided by law or if there is any special reason requiring prior approval by the FSC, when the Company participates in any merger, split or acquisition, it shall convene the board meeting and the shareholders meeting on the same day as the other participating companies to resolve on matters of merger, split or acquisition. When the Company participates in any transfer of shares, it shall convene the board meeting on the same day as the other participating companies.

When the Company participates in any merger, split, acquisition or transfer of shares shall complete written records for the following information shall be prepared and maintained for five years for future verification.

- (1) Basic staff information: including persons who participated in the project of merger, split, acquisition or transfer of shares or who executed the project prior to the announcement of the news, including their titles, names, ID numbers (passport numbers in case of foreign nationals).
- (2) Dates of important matters: including the dates on which the letter of intent or memorandum of understanding is signed, financial or legal advisors is engaged, contract is signed and the board meetings, etc.
- (3) Important documents and minutes: including the report, letter of intent or memorandum of understanding, important contract and minutes of board of director meeting.

The Company that participates in any merger, split, acquisition or transfer of shares shall file the information referred to under subsections 1 and 2 of the previous section in the specified format on the internet information system within two days from the date on which the board resolution is passed.

When the Company that participates in any merger, split, acquisition or transfer of shares and who is not a listed company or whose shares are not traded in any securities dealer's business premises, the Company shall sign an agreement with the former company and proceed in accordance with provisions from above mentioned two items.

22. The share exchange ratio or acquisition price for any merger, split, acquisition or transfer of shares shall not be changed unless there are any of the following events:

- (1) Capital increase in cash, issuance of convertible corporate bonds, issuance of shares without consideration, issuance of corporate bonds with warrants attached, special shares with warrants attached, warrants for share subscription and other securities with the nature of shareholding entitlement.
- (2) Disposal of significant assets of the Company that impact the financial business of the Company.
- (3) Occurrence of any significant disaster or significant change of technology that impacts the shareholders interest or price of the securities.
- (4) Adjustment made pursuant to repurchase of treasury shares by any company participating in the merger, split, acquisition or transfer of shares in accordance with law.
- (5) Change of entity, or increase or decrease of the number of entities participating in the merger, split, acquisition or transfer of shares.
- (6) Change of any other condition that may be changed under the contract and for which public disclosure has been made.

The Company's policy for any merger, split, acquisition or transfer of shares have stated in the Handling Procedures in order to protect the Company's rights and benefits.

23. Control procedures for the acquisition and disposal of assets by subsidiaries:

- (1) Subsidiaries' to acquisition and disposal of assets shall follow the procedures stated by the parent company.
- (2) If any subsidiary of the Company is not a publicly listed company and if the asset acquired or disposed of reaches the threshold for public announcement filing, the Company shall make filing for public announcement on the designated website in accordance with the rules.
- (3) The subsidiaries' filing criteria is the transaction price reaches 20% of the Company's paid-in capital or 10% of total assets.

- (4) The Company shall supervise the subsidiaries to establish the “Subsidiaries of the Company shall establish the “Processing Procedure for Acquisition or Disposal of Asset” in accordance with the “Rules Governing the Acquisition or Disposal of Asset by Public Companies”.
- (5) The internal audit staff of the Company shall follow the annual audit plan regularly review the subsidiaries in processing procedure for acquisition or disposal of assets. If any significant breach of this rule is discovered, the president (or chairman) shall be notified in writing.

24. Financial Report Disclosure

Based on the Company’s “Operational Procedure for Acquisition or Disposal of Asset” in Article 8 Procedures of Public Announcement and Report, the transaction with related parties need to disclose in the notes of financial report and report in the shareholders meeting.

25. Amendments and Execution

These procedures and their amendments shall receive over one-third of Audit Committee’s consent and approved by the Board of Directors, and proposed at the shareholders’ meeting for approval. If any director expresses objection on the record or in a written statement, the Company shall submit the objection to the Audit Committee and the shareholders’ meeting for discussion.

The Company has established independent directors; it shall consider the dissenting opinions from all independent directors fully and list the consenting and objecting opinions and their reasons in the meeting minutes of the Board of Directors.

These procedures and their amendments shall receive over one-third of Audit Committee’s consent and approved by the Board of Directors, and proposed at the shareholders’ meeting for approval. If any director expresses objection on the record or in a written statement, the Company shall submit the objection to the Audit Committee and the shareholders’ meeting for discussion.

1st amendment approved by General Shareholder’s Meeting held on 15 May, 2003.

2nd amendment approved by General Shareholder’s Meeting held on 30 May, 2007.

3rd amendment approved by General Shareholder’s Meeting held on 6 June, 2012.

4th amendment approved by General Shareholder’s Meeting held on 11 June, 2014.

5th amendment approved by General Shareholder’s Meeting held on 8 June, 2017.

6th amendment approved by General Shareholder’s Meeting held on 18 June, 2019.

CHROMA ATE INC.
Rules of Procedure for Shareholders' Meeting

1. The Shareholders' Meeting of the Corporation (the "Meeting") shall be conducted in accordance with these Rules and Procedures.
2. The term "shareholders" as set forth herein denotes the shareholders themselves and the proxies authorized by shareholders.
3. Shareholders attending the Meeting shall submit the attendance card for the purpose of signing in. The number of shares represented by shareholders attending the Meeting shall be calculated in accordance with the attendance cards submitted by the shareholders.
4. The Meeting shall be held at the head office of the Company or at any other appropriate place that is convenient for the shareholders to attend. The time to start the Meeting shall not be earlier than 9:00am or later than 3:00pm.
5. The Chairman of the Board of Directors shall be the chairman presiding at the meeting in the case that the meeting is convened by the Board of Directors. If, for any reason, the Chairman of the Board of Directors cannot preside at the meeting, the Vice Chairman of the Board of Directors or an appointed Director shall preside at the Meeting. Where no such designee is designated, the chairman shall be elected out of the directors.
If the Meeting is convened by any other person entitled to convene the Meeting, such person shall be the chairman to preside at the Meeting. If there are more than two conveners, the chairman shall be elected from the conveners.
6. The company may appoint designated counsel, CPA, or other related persons to attend the meeting. Persons handling affairs of the Meeting shall wear identification cards or badges.
7. The process of the Meeting shall be tape-recorded or videotaped and these tapes or videos shall be preserved for at least one year.
8. The chairman shall call the meeting to order at the time scheduled for the Meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chairman may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one-third of the total outstanding shares, tentative resolutions may be made in accordance with Section 1 of Article 175 of the Company Law of the Republic of China. The aforesaid tentative resolutions shall be executed in accordance with relevant provisions of the Company Law.
If during the process of the Meeting the number of outstanding shares represented by the shareholders present becomes sufficient to constitute the quorum, the chairman may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Law of the Republic of China.
9. The agenda of the Meeting shall be set by the Board of Directors if the Meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda.
The above provision set forth in the preceding paragraph shall apply to cases where the Meeting is convened by any person, other than the Board of Directors, entitled to convene such Meeting. Unless otherwise resolved at the Meeting, the chairman cannot announce adjournment of the Meeting before all the discussion items (including special motions) listed in the agenda are resolved.
In the case that the chairman adjourns the Meeting in violation of these Rules and Procedures, the

shareholders may designate, by a majority of votes represented by shareholders attending the Meeting, one person as chairman to continue the Meeting.

The shareholders cannot designate any other person as chairman and continue the Meeting in the same or other place after the Meeting is adjourned.

10. When a shareholder present at the Meeting wishes to speak, a Speech Note should be filled out with a summary of the speech, the shareholder's number (or the number of Attendance Card), and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman.

If any shareholder present at the Meeting submits a Speech Note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of the actual speech shall prevail.

Unless otherwise permitted by the chairman and the shareholder in speaking, no shareholder shall interrupt the speeches of other shareholders, otherwise the chairman shall stop such interruption. Unless otherwise permitted by the chairman, each shareholder shall not, for each discussion item, speak more than two times (each time not exceeding 5 minutes). In case the speech of any shareholder violates the above provision or exceeds the scope of the discussion item, the chairman may stop the speech of such shareholder.

Any legal entity designated as proxy by a shareholder(s) to be present at the Meeting may appoint only one representative to attend the Meeting.

If a corporate shareholder designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.

After the speech of a shareholder, the chairman may respond himself / herself or appoint an appropriate person to respond.

11. The chairman may announce to end the discussion of any resolution and go into voting if the chairman deems it appropriate.

The person(s) to check and the person(s) to record the ballots during a vote by casting ballots shall be appointed by the chairman. The person(s) checking the ballots shall be (a) shareholder(s). The result of voting shall be announced at the Meeting and placed on record.

The chairman may announce a break as appropriate during the proceedings of a shareholders' meeting.

Except otherwise specified in the Company Law of the Republic of China or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the meeting. The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after solicitation by the chairman.

If there are amendments to or substitutes for a single discussion item, the chairman shall decide the sequence of voting for such discussion item, the amendment or the substitute. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is necessary.

12. The chairman may instruct the disciplinary officers or security guards to assist in keeping order in the Meeting place. Such disciplinary officers or security guards, shall wear badges marked "Disciplinary Officers" for identification purposes.

13. Any matters insufficiently provided for herein shall be subject to the Company Law, Articles of Incorporation, and other laws and regulations concerned.

14. These Rules and Procedures shall be effective from the date they are approved by the Shareholders' Meeting. The same applies in case of revision.

Shareholding of DirectorsBook Closure Date: April 11th, 2022

Title	Name	Date Elected	Shareholding when Elected		Current Shareholding	
			Shares	%	Shares	%
Chairman	Leo, Huang	2020.06.10	20,763,897	4.94%	20,859,897	4.94%
Director	Ishih, Tseng	2020.06.10	424,548	0.10%	240,548	0.06%
Director	Tsun-I, Wang	2020.06.10	19,339	0	19,000	0
Director	Chung-Ju Chang	2020.06.10	0	0	0	0
Independent Director	Tai-Jen George, Chen	2020.06.10	0	0	0	0
Independent Director	Jia-Ruey Duann	2020.06.10	0	0	0	0
Independent Director	Steven Wu	2020.06.10	0	0	0	0

Note:

- Total issued shares: 422,487,037 shares on April 11, 2022.
- As required under the article 2 of Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the Company has elected more than 2 independent directors, the share ownership figures calculated at the rates are set forth in the preceding paragraph for all directors other than the independent directors and shall be decreased by 80 percent.
- The minimum required combined shareholding of all directors by law: 16,000,000 shares.
The minimum required combined shareholding of all supervisors by law: N/A (replaced by established Audit Committee).
- The combined shareholding of all directors on the book closure date is 21,119,445 shares, which has met the minimum required combined shareholding.