



**AP Memory Technology Corporation  
Handbook  
2022 Annual Meeting of Shareholders**

**MEETING DATE:** May 27<sup>th</sup>, 2022

**PLACE:** 3F, No.265, Dong Sec. 1, Guangming 6th Rd., Zhubei City,  
Hsinchu County 302, Taiwan (Sheraton Hsinchu Hotel)

**(This English translation is provided for reference only and might not precisely reflect the original language's true meaning and full text.)**

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# **AP Memory Technology Corp.**

## **Procedures for the 2022 Annual Meeting of Shareholders**

1. Call the Meeting to Order
2. Open Speech by Chairman
3. Report Items
4. Proposed Resolutions
5. Discussions
6. Independent Director Election
7. Extemporaneous Motions
8. Adjournment

# **AP Memory Technology Corp.**

## **Agenda of the 2022 Annual Meeting of Shareholders**

**Time:** 9:00 a.m. on Friday, May 27, 2022

**Place:** 3F, No.265, Dong Sec. 1, Guangming 6th Rd., Zhubei City, Hsinchu County 302,  
Taiwan (Sheraton Hsinchu Hotel)

### **Procedure:**

1. Call the Meeting to Order.
2. Open Speech by the Chairman.
3. Report Items
  - A. To report the business of 2021
  - B. The 2021 Audit Committee's Review Report
  - C. To report 2021 employees' profit sharing bonus and directors' compensation
  - D. To report 2021 earnings distribution
4. Proposed Resolutions
  - A. To accept the 2021 Business Report and Financial Statements
  - B. To accept the proposal for distribution of 2021 earnings
5. Discussions
  - A. Amendment of the "Articles of Incorporation"
  - B. Amendment of the "Procedures for Acquisition or Disposal of Assets"
  - C. Amendment of the "Rules Governing the Procedures for Shareholders Meetings"
6. Independent Director's Election  
To elect one new Independent Director to fill the vacancy
7. Extemporaneous Motions
8. Adjournment

# Report Items

## **Item 1: To report the business of 2021**

**Explanatory Notes:** Please refer to Page 9-11 (Attachment 1).

## **Item 2: The 2021 Audit Committee's Review Report**

**Explanatory Notes:** Please refer to page 33 (Attachment 3).

## **Item 3: To Report 2021 employees' profit sharing bonus and directors' compensation**

**Explanatory Notes:**

- A. The Board of Directors approved 2021 employees' profit sharing bonus and directors' compensation on February 25, 2022. The employees' profit sharing bonus and directors' compensation are to be distributed in cash.
- B. 2021 employees' total cash bonus and profit sharing bonus is NT\$74,262,104, and directors' compensation is NT\$8,000,000.

## **Item 4: To report 2021 earnings distribution**

**Explanatory Notes:**

2021 earnings distribution adopted at the meeting of the Board of Directors is as follows:

- A. Earnings Available for Distribution as of December 31, 2021: NT\$2,428,979,442.
- B. Cash dividends to common shareholders: Totaling NT\$ 968,275,476. Each common shareholder will be entitled to receive a cash dividend of NT\$6.0 per share.
- C. The Board Chairman is delegated to decide any matters in terms of the change of record date and payout ratio.

# Proposed Resolutions

## Item 1: To accept the 2021 Business Report and Financial Statements.

(Proposed by the Board of Directors)

### Explanatory Notes:

- A. 2021 Financial Statements, including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows, were audited by independent auditors, Mr. Chien, Ming-Yen and Mr. Chiu, Cheng-Chu of Deloitte & Touche.
- B. 2021 Business Report, the aforementioned Financial Statements and Audit Committee's Review Report hereto as Page 9~33 (Attachments 1, 2, and 3).

## Item 2: To accept the proposal for distribution of 2021 profit distribution

(Proposed by the Board of Directors)

### Explanatory Notes:

Description	Amount(NTD)	Remarks
Unappropriated retained earnings of previous years	606,068,162	
Add:Net Income of 2021	2,025,456,978	
Less: Legal Serve	<u>( 202,545,698 )</u>	
Earnings available for distribution	2,428,979,442	
Distribution items:		
Cash Dividend to common shareholders	<u>( 968,275,476 )</u>	NT\$6.0 / per share
Unappropriated retained earnings	<u><u>1,460,703,966</u></u>	

# Discussions

## **Item 1: Amendment of the “Articles of Incorporation”**

(Proposed by the Board of Directors)

### **Explanatory Notes:**

In order to operation flexibility, it is proposed to amend the Company’s “Articles of Incorporation”. The comparison table for before and after revision is attached hereto as Page 34(Attachment 4).

## **Item 2: Amendment of the “Procedures for Acquisition or Disposal of Assets”**

(Proposed by the Board of Directors)

### **Explanatory Notes:**

For the regulation compliance, it is proposed to amend the Company’s “Procedures for Acquisition or Disposal of Assets ”. The comparison table for before and after revision is attached hereto as Page 35~36(Attachment 5).

## **Item 3: Amendment of the “Rules Governing the Procedures for Shareholders Meetings”**

(Proposed by the Board of Directors)

### **Explanatory Notes:**

For the regulation compliance, it is proposed to amend the Company’s “Rules Governing the Procedures for Shareholders Meetings ”. The comparison table for before and after revision is attached hereto as Page 37~43(Attachment 6).

# Directors Election

**To elect one Independent Director to fill the vacancy.**

(Proposed by the Board of Directors)

**Explanatory Notes:**

- A. The former Independent Director Chen, Tze-Ching resigned on December 27, 2021. And a by-election of independent director as prescribed in the Company's Articles of Incorporation will take place.
- B. The Board of Directors approved to elect one new independent director to fill such vacancy at the 2022 Annual Meeting of Shareholders. The term of office of the independent director to be elected shall expire on the same date as the term of the existing directors (from May 27, 2022 to June 14, 2023).
- C. The independent director shall be elected by adopting candidates nomination system as specified in Article 192-1 of the R.O.C. Company Law. The independent director shall be elected from the nominated candidate, whose education and professional qualifications, experience and relevant information are attached hereto as Page 44 (Attachment 7).

**Voting by Poll :**



## **Extemporany Motions**

## **Adjournment**

# Attachment

## Attachment 1. Business Report

AP Memory had a record year in 2021. On consolidated basis, AP Memory earned NT\$2,025 million (NT\$13.67 per share) in net income in 2021. Compared to 2020 net income of NT\$821 million (NT\$5.50 per share, adjusted for stock split), the company's net income increased by 147%. Excluding one-time gain in 2020, net income increased by more than [300%]. Revenue increased from NT\$3.6 billion to NT\$6.6 billion, by 86%, in the same period.

In 2021, not only has our revenue expanded to a record level, our gross margin rate has also stabilized in the 40-50% target range, and net margin rate reached above 25%.

	2021 (A)	2020(B)	Unit : In Thousands of New Taiwan Dollars	
			$\Delta$ AMT(C=A-B)	$\Delta$ %(C/B)
Revenue	6,617,215	3,549,497	3,067,718	86%
Gross Profit Margin (%)	46%	29%	17%	59%
Operating Expenses Rate (%)	10%	14%	( 4% )	( 29% )
Operating Income	2,370,157	519,746	1,850,411	356%
Non-Operating P/L	144,109	420,609	( 276,500 )	( 66% )
Net Income before Tax	2,514,266	940,355	1,573,911	167%
Income from Continuing Operation	2,025,457	815,370	1,210,087	148%
Income from Discontinued Operation	-	5,613	( 5,613 )	( 100% )
Net Income	2,025,457	820,983	1,204,474	147%
Net income(%)	31%	23%	8%	35%

Balance sheet also strengthened. Liquidity ratios are very healthy. Inventory level is consistent with our revenue run rate and current operating environment. We have no long-term debt.

	2021(D)	2020(E)	Unit : In Thousands of New Taiwan Dollars	
			$\Delta$ AMT(F=D-E)	$\Delta$ %(F/E)
Cash and cash equivalents	2,517,447	662,967	1,854,480	280%
Financial assets at FVTPL - current	-	930,536	( 930,536 )	( 100% )
Inventories	1,696,621	625,055	1,071,566	171%
Current assets	5,124,533	3,310,027	1,814,506	55%
Total assets	6,278,643	3,983,400	2,295,243	58%
Total liabilities	1,483,688	880,430	603,258	69%
Total equity	4,794,955	3,102,970	1,691,985	55%

### ■ Rapid Revenue Growth in IoT Business Unit

Our IoT Business Unit, under the leadership of Vice President Hung, Chih-Hsun, saw another year of rapid growth, nearly doubling its revenue on YoY basis, while maintaining a stable and improving gross margin.

Our IoTRAM is a family of non-JEDEC standard products, customized for optimal performance for target applications. Our customers must design in our memory interface in order to use our products. Conversely, customers cannot easily replace our products with competitors' products without significant effort. Therefore customer design-in is a good leading indicator of our mid-term IoTRAM business growth. In 2019/2020, we saw an explosive growth in number of customer design-ins, which resulted in record revenue in 2021. In 2021, the pace of customer design-ins continues to be strong.

Our IoTRAM has become the standard bearer for cost-effective, low-pin-count, low-power IoT memory. We continue to push the limits of our products to enable more and better IoT products for our customers.

As our IoTRAM gains market presence, we also attracted the attention of some potential competitors. However we are confident that we will continue to out run our competitors, and continue to grow IoT Business Unit.

Besides IoTRAM, our IoT Business Unit has incubated a new business in silicon capacitors, also often referred to as IPD (Integrated Passive Devices). I will discuss more about this later.

## ■ Successful Production of VHM™ Technology in AI Business Unit

Our AI Business Unit, under the leadership of Vice President Liu, Chin-Hong, made a major breakthrough in wafer-on-wafer 3DIC technology. Our VHM™, Very High bandwidth Memory customized for 3DIC, entered production in mid 2021. Using relatively mature logic technology, combined with our VHM™, our customers are able to achieve computing performance a few times that of state-of-the-art GPU. The leap in computing performance is world's first true demonstration of the performance potential of 3DIC. This is the culmination of almost three years of joint effort among our customers, our DRAM, logic, stacking foundry partners, as well as our design service partners.

AI BU achieved revenue of about [NT\$900M] in 2021, an outstanding achievement for a new business unit. However, we are still just at the beginning of our 3DIC vision. Our revenue consists primarily of our early adopter customers. In time, customers in other applications will also ramp up and contribute to our revenue stream.

As a leader and pioneer of 3DIC technology, we face significant challenges in supply chain. We will partner with our foundry and OSAT partners to build 3DIC ecosystem.

## ■ New Innovative Product Directions

As advanced packaging technology becomes increasingly main stream, the availability of miniaturized and low-parasitic passive devices has become a bottleneck. Since 2017, we have been incubating an idea to build silicon capacitor (IPD) using stack capacitors rather than deep trenches. Our products are thinner, denser, and higher performance than current industry state-of-the-art. Although our products have been in production for a few years, we have not attracted mainstream customers until recently. Since early 2021, we have been designing our products into multiple mainstream volume platforms.

In the meantime, we are also incubating other ideas in stealth mode. As these ideas find commercial applications, we will make them public.

## ■ Getting Ready to Invest for the Future

AP Memory continues to push the envelope of technology, especially in 3DIC and advanced packaging. Our foundry and OSAT partners see us as a key partner in finding the best solution to these new problems. In these partnerships, we have an increasingly important role and correspondingly heavy responsibilities to invest and share risks. We believe the potential reward far outweighs the investments we will make.

We initiated an equity fundraising in the form of GDR (Global Depositary Receipts) in late 2021. We successfully closed in January 2022 with net proceeds of about US\$190M, at the cost of [7.9%] of share capital dilution. This is the war chest we will use to invest for the future.

## ■ Business Environment and 2022 Outlook

The semiconductor industry experienced a phenomenal up cycle in 2021, with capacity shortage pushing up demand and prices across the board. Like all other up cycles, some degree of correction is only a matter of time.

In our customized memory business, which tends to be less cyclical or non-cyclical, we did experience demand increase and some modest price increase as well. However, we started seeing the downside of high demand. Some customers have difficulty finding sufficient logic wafer. As a result, we started seeing moderation in our customer demand in late Q3.

In 2022, we expect the logic wafer shortage to continue at least throughout the first half. This will put a damper on

our growth in the first half of the year. This situation applies to both business units.

Despite the short term moderation in growth, we continue to see rapid growth in number of design-ins in IoT Business Unit, and high interest in our AI Business Unit offering. We are more optimistic than ever in our long-term growth prospects. In 2022, we strive to solidify our leadership in IoT, AI, and IPD, and continue to innovate and deliver financial results for our shareholders.

We deeply appreciate the support and encouragement of our shareholders, as well as that of our customers, suppliers, employees, and other ecosystem partners.

Chairman and President: Chen, Wen-Liang

Finance Center Vice President: Lin, Yu-Hsin

Accounting Senior Manager: Hung, Mao-Chuan

## Attachment 2. Independent Auditors' Report and the Financial Statements

### INDEPENDENT AUDITORS'S REPORT

The Board of Directors and Stockholders

AP Memory Technology Corporation

#### Opinion

We have audited the accompanying parent company only financial statements of AP Memory Technology Corporation (hereinafter referred to as the Corporation), which comprise the parent company only balance sheet as of December 31, 2021 and 2020, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2021 and 2020, and its parent company only financial performance and its parent company only 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 Parent Company Only 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 judgement, were of the most significance in our audit of the Corporation's parent company only financial statements for the year ended 2021. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the Corporation's parent company only financial statements for the year ended 2021 are described as follows:

#### Sales Revenue from Specific Customers

The sales revenue of AP Memory Technology Corporation was \$6,206,697 thousand in 2021. The revenue from sales to some customers, which increased significantly comparing with the previous year, counts for a large portion of the total sales revenue and is therefore determined as one of the key audit matters.

Our main audit procedures performed in response to the key audit matter described above were as follows:

1. Understand and evaluate revenue recognition related internal control system and test the design and implementation of thereof.
2. Target specific customers to randomly select related revenue transactions and issue an inquiry letter thereto accordingly. If the inquiry letter cannot be taken back on time, implement alternative procedures, such as checking transaction certificates and post-period payment collection status.
3. Target specific customers to sample the sales revenue records thereof; and review related transaction documents, such purchase order, shipping documents and payment collection receipts to confirm the authenticity of revenue recognition.
4. Sample post-period sales returns, discounts and payment collection status to confirm the rationality of revenue recognition.

#### **Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements**

Management is responsible for the preparation and fair presentation of the parent company only 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 parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## **Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements**

Our objectives are to obtain reasonable assurance about whether the parent company only 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 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 parent company only financial statements.

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

We also:

1. Identify and assess the risks of material misstatement of the parent company only 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 parent company only 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 parent company only financial statements, including the disclosures, and whether the parent company only 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 Corporation to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the Corporation audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Corporation's parent company only financial statements for the year ended 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Ming-Yen Chien and Cheng-Chun Chiu.

Deloitte & Touche

Taipei, Taiwan

Republic of China

February 25, 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 accepted and 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 auditors' report and financial statements shall prevail.*

AP Memory Technology Corporation  
Parent Company Only Balance Sheets  
As of December 31, 2021 and 2020

(In Thousands of New Taiwan Dollars)

Assets	December 31, 2021		December 31, 2020	
	Amount	%	Amount	%
<b>Current assets</b>				
Cash and cash equivalents	\$ 2,303,832	37	\$ 225,802	6
Valuation gain on financial assets at fair value through profit or loss - Current	-	-	180,197	5
Financial assets at amortized cost - Current	2,763	-	2,744	-
Accounts receivable	740,801	12	556,225	15
Accounts receivable from related parties	110,246	2	200,474	5
Current tax assets	-	-	14,836	-
Other receivables	38,095	-	401,081	10
Inventories	1,696,402	27	624,862	16
Other current assets	<u>7,015</u>	<u>-</u>	<u>1,009</u>	<u>-</u>
Total current assets	<u>4,899,154</u>	<u>78</u>	<u>2,207,230</u>	<u>57</u>
<b>Non-current assets</b>				
Valuation gain on financial assets at fair value through profit or loss- Non-current	141,989	2	68,016	2
Investments accounted for using equity method	329,481	5	1,103,817	29
Property, plant and equipment	80,347	1	5,723	-
Right-of-use assets	97,499	2	40,955	1
Other intangible assets	6,098	-	13,973	-
Deferred income tax assets	25,486	1	78,811	2
Prepayments for business facilities	-	-	1,869	-
Refundable deposits	464,609	8	208,194	6
Other non-current assets	<u>205,876</u>	<u>3</u>	<u>122,764</u>	<u>3</u>
Total non-current assets	<u>1,351,385</u>	<u>22</u>	<u>1,644,122</u>	<u>43</u>
<b>Total assets</b>	<u>\$ 6,250,539</u>	<u>100</u>	<u>\$ 3,851,352</u>	<u>100</u>
<b>Liabilities and equity</b>				
<b>Current liabilities</b>				
Short-term loans	\$ -	-	\$ 85,140	2
Contract liabilities	172,570	3	-	-
Accounts payable	600,046	10	228,188	6
Other payables	153,178	2	305,268	8
Other payables from related parties	14,532	-	15,843	1
Current tax liabilities	387,146	6	71,602	2
Lease liabilities — Current	40,872	1	15,696	-
Other current liabilities	<u>3,392</u>	<u>-</u>	<u>1,726</u>	<u>-</u>
Total current liabilities	<u>1,371,736</u>	<u>22</u>	<u>723,463</u>	<u>19</u>
<b>Non-current liabilities</b>				
Deferred tax liabilities	19,278	-	233	-
Lease liabilities - Non-current	50,570	1	24,686	-
Guarantee deposits received	<u>14,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total non-current liabilities	<u>83,848</u>	<u>1</u>	<u>24,919</u>	<u>-</u>
<b>Total liabilities</b>	<u>1,455,584</u>	<u>23</u>	<u>748,382</u>	<u>19</u>
<b>Equity</b>				
<b>Share capital</b>				
Ordinary share	744,136	12	742,316	19
Advance receipts for ordinary share	<u>2,861</u>	<u>-</u>	<u>532</u>	<u>-</u>
Total shares	<u>746,997</u>	<u>12</u>	<u>742,848</u>	<u>19</u>
Capital surplus	<u>1,054,788</u>	<u>17</u>	<u>1,020,722</u>	<u>27</u>
<b>Retained earnings</b>				
Legal reserve	364,163	6	282,992	8
Special reserve	-	-	4,576	-
Unappropriated retained earnings	<u>2,631,525</u>	<u>42</u>	<u>1,053,036</u>	<u>27</u>
Total retained earnings	<u>2,995,688</u>	<u>48</u>	<u>1,340,604</u>	<u>35</u>
Other equity interest	<u>8,728</u>	<u>-</u>	<u>10,042</u>	<u>-</u>
Treasury shares	( <u>11,246</u> )	<u>-</u>	( <u>11,246</u> )	<u>-</u>
Total equity	<u>4,794,955</u>	<u>77</u>	<u>3,102,970</u>	<u>81</u>
<b>Total liabilities and equity</b>	<u>\$ 6,250,539</u>	<u>100</u>	<u>\$ 3,851,352</u>	<u>100</u>

AP Memory Technology Corporation  
Parent Company Only 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	\$ 6,461,280	100	\$ 3,535,263	100
Operating costs	<u>3,593,354</u>	<u>56</u>	<u>2,549,684</u>	<u>72</u>
Gross profit	<u>2,867,926</u>	<u>44</u>	<u>985,579</u>	<u>28</u>
Operating expense				
Selling expense	101,916	2	69,721	2
Administrative expense	166,463	2	85,305	3
Research and development expense	278,473	4	294,269	8
Expected credit/ impairment (gain on reversal of impairment loss) loss	( <u>602</u> )	<u>-</u>	<u>2,086</u>	<u>-</u>
Total operating expense	<u>546,250</u>	<u>8</u>	<u>451,381</u>	<u>13</u>
Net operating income	<u>2,321,676</u>	<u>36</u>	<u>534,198</u>	<u>15</u>
Non-operating income and expense				
Share of profit of subsidiaries and associates accounted for using equity method	85,024	1	326,833	9
Interest income	3,110	-	2,038	-
Interest income	982	-	25,212	1
Net loss on disposals of investments	-	-	( 5,078 )	-
Net foreign exchange loss	( 14,849 )	-	( 44,017 )	( 1 )

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	2021		2020	
	Amount	%	Amount	%
Net gains on financial assets at fair value through profit or loss	\$ 118,983	2	\$ 38,050	1
Interest expense	( 1,806 )	-	( 1,727 )	-
Loss on disposals of property, plant and equipment	<u>          -</u>	<u>      -</u>	( <u>      142</u> )	<u>      -</u>
Total non-operating income and expense	<u>      191,444</u>	<u>      3</u>	<u>      341,169</u>	<u>      10</u>
Income before tax	2,513,120	39	875,367	25
Income tax expense	( <u>      487,663</u> )	( <u>      8</u> )	( <u>      63,657</u> )	( <u>      2</u> )
Net profit (loss) for the year	<u>      2,025,457</u>	<u>      31</u>	<u>      811,710</u>	<u>      23</u>
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	( 1,299 )	-	( 1,832 )	-
Share of the other comprehensive income of subsidiaries accounted for using equity method	( <u>          15</u> )	<u>      -</u>	<u>      12,857</u>	<u>      -</u>
	( <u>      1,314</u> )	<u>      -</u>	<u>      11,025</u>	<u>      -</u>
Other comprehensive income for the year (net of income tax)	( <u>      1,314</u> )	<u>      -</u>	<u>      11,025</u>	<u>      -</u>
Total comprehensive income for the year	<u>\$ 2,024,143</u>	<u>      31</u>	<u>\$ 822,735</u>	<u>      23</u>
Earnings per share				
Basic	<u>\$ 13.67</u>		<u>\$ 5.50</u>	
Diluted	<u>\$ 13.45</u>		<u>\$ 5.42</u>	

AP Memory Technology Corporation  
Parent Company Only Statements of Changes in Equity  
For the years ended December 31, 2021 and 2020

(In Thousands of New Taiwan Dollars)

	Share capital			Retained earnings					Other equity				
	Ordinary share	Advance receipts for ordinary share	Total	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translating the financial statements of foreign operations	Unearned compensation cost	Total	Treasury shares	Total equity
Balance at January 1, 2020	\$ 738,535	\$ -	\$ 738,535	\$ 838,388	\$ 282,992	\$ 3,225	\$ 316,359	\$ 602,576	( \$ 4,576 )	( \$ 1,120 )	( \$ 5,696 )	( \$ 11,246 )	\$2,162,557
Appropriation of the 2019 earnings													
Special reserve	-	-	-	-	-	1,351	( 1,351 )	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	-	( 73,682 )	( 73,682 )	-	-	-	-	( 73,682 )
Compensation cost for employee share options	-	-	-	10,365	-	-	-	-	-	-	-	-	10,365
Net profit for the year 2020	-	-	-	-	-	-	811,710	811,710	-	-	-	-	811,710
Other comprehensive income after tax for the year 2020	-	-	-	-	-	-	-	-	11,025	-	11,025	-	11,025
Total comprehensive income for the year 2020	-	-	-	-	-	-	811,710	811,710	11,025	-	11,025	-	822,735
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	153,042	-	-	-	-	3,593	-	3,593	-	156,635
Changes in ownership interests in subsidiaries	-	-	-	401	-	-	-	-	-	-	-	-	401
Issuance of ordinary shares under the employee share option plan	3,781	532	4,313	18,526	-	-	-	-	-	-	-	-	22,839
Issuance of restricted stock awards (RSAs) by the Corporation	-	-	-	-	-	-	-	-	-	1,120	1,120	-	1,120
Balance at December 31, 2020	742,316	532	742,848	1,020,722	282,992	4,576	1,053,036	1,340,604	10,042	-	10,042	( 11,246 )	3,102,970
Appropriation of the 2020 earnings													
Legal reserve	-	-	-	-	81,171	-	( 81,171 )	-	-	-	-	-	-
Special reserve	-	-	-	-	-	( 4,576 )	4,576	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	-	( 370,373 )	( 370,373 )	-	-	-	-	( 370,373 )
Compensation cost for employee share options	-	-	-	25,465	-	-	-	-	-	-	-	-	25,465
Net profit for the year 2021	-	-	-	-	-	-	2,025,457	2,025,457	-	-	-	-	2,025,457
Other comprehensive income after tax for the year 2021	-	-	-	-	-	-	-	-	( 1,314 )	-	( 1,314 )	-	( 1,314 )
Total comprehensive income for the year 2021	-	-	-	-	-	-	2,025,457	2,025,457	( 1,314 )	-	( 1,314 )	-	2,024,143
Issuance of ordinary shares under the employee share option plan	1,820	2,329	4,149	8,601	-	-	-	-	-	-	-	-	12,750
Balance at December 31, 2021	\$ 744,136	\$ 2,861	\$ 746,997	\$1,054,788	\$ 364,163	\$ -	\$2,631,525	\$2,995,688	\$ 8,728	\$ -	\$ 8,728	( \$ 11,246 )	\$4,794,955

AP Memory Technology Corporation  
Parent Company Only Statements of Cash Flows  
For the years ended December 31, 2021 and 2020

(In Thousands of New Taiwan Dollars)

	2021	2020
Cash flow from operating activities		
Income before tax for the year	\$ 2,513,120	\$ 875,367
Adjustments to reconcile profit (loss)		
Depreciation expense	43,001	13,814
Amortization expense	14,439	16,403
Expected credit/ impairment (gain on reversal of impairment loss) loss	( 602 )	2,086
Valuation gain on financial assets at fair value through profit or loss	( 118,983 )	( 38,050 )
Interest expense	1,806	1,727
Interest income	( 3,110 )	( 2,038 )
Dividend income	( 503 )	( 155 )
Cost of share-based payment	20,135	11,917
Share of profit (loss) of subsidiaries and associates accounted for using equity method	( 85,024 )	( 326,833 )
Loss on disposal and scrap of property, plant and equipment	-	142
Gains on disposal of associates accounted for using equity method	-	( 461 )
Loss of inventory falling price and slow-moving inventory	63,481	26,333
Reversal of (reserve for) unrealized loss on transaction with associates	-	9,728
Unrealized foreign exchange loss (gain)	( 24,446 )	24,645
Loss on disposal of subsidiaries	-	5,539
Changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	225,207	( 134,192 )
Accounts receivable	( 91,907 )	( 516,817 )
Other receivables	383,337	( 1,374 )
Inventories	( 1,135,021 )	324,657
Prepayment	( 89,037 )	( 7,847 )
Other current assets	( 81 )	431
Refundable deposits	( 243,440 )	-
Contract liabilities	172,570	-
Accounts payable	373,870	( 180,946 )

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	2021	2020
Other payables	( \$ 153,094 )	( \$ 24,147 )
Other current liabilities	<u>1,251</u>	( <u>1,375</u> )
Cash inflow (outflow) generated from operations	1,866,969	78,554
Interest received	3,030	2,014
Dividend received	503	155
Interest paid	( 1,808 )	( 1,806 )
Income taxes paid	( <u>84,913</u> )	( <u>160</u> )
Net cash inflow (outflow) generated from operating activities	<u>1,783,781</u>	<u>78,757</u>
Cash flows from investing activities		
Acquisition of investment accounted for using equity method	-	( 500 )
Proceeds from disposal of subsidiaries	-	6,946
Purchase of property, plant and equipment	( 88,055 )	( 3,107 )
Decrease (increase) in refundable deposits	( 12,975 )	( 4,761 )
Acquisition of intangible assets	( 6,564 )	( 1,518 )
Increase in prepayments for business facilities	-	( 1,869 )
Dividends received from associates and subsidiaries	<u>492,041</u>	<u>107,740</u>
Net cash flows from investing activities	<u>384,447</u>	<u>102,931</u>
Cash flows from (used in) financing activities		
Decrease in short-term loans	( 85,140 )	( 114,860 )
Increase in guarantee deposits	14,000	-
Payment of lease liabilities	( 32,770 )	( 7,347 )
Cash dividend paid	( 370,373 )	( 73,682 )
Exercise of employee share options	12,750	22,839
Acquisition of ownership interests in subsidiaries	( 27,665 )	-
Disposal of ownership interests in subsidiaries	<u>399,000</u>	<u>-</u>
Net cash from financing activities	( <u>90,198</u> )	( <u>173,050</u> )
Net increase in cash and cash equivalents	2,078,030	8,638
Cash and cash equivalents at the beginning of the year	<u>225,802</u>	<u>217,164</u>
Cash and cash equivalents at the end of the year	<u>\$ 2,303,832</u>	<u>\$ 225,802</u>

## **Declaration of Consolidation of Financial Statements of Affiliates**

We hereby declare that the companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2021 are all the same as the companies required to be included in the consolidated financial statements of a parent and its subsidiaries under International Financial Reporting Standard 10 “Consolidated Financial Statements.” Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of a parent and its subsidiaries. Hence, we have not prepared a separate set of consolidated financial statements of affiliates.

Company: AP Memory Technology Corporation

Person in charge: Chen, Wen-Liang

Date: February 25, 2022



## INDEPENDENT AUDITORS'S REPORT

The Board of Directors and Stockholders

AP Memory Technology Corporation

### Opinion

We have audited the accompanying consolidated financial statements of AP Memory Technology Corporation and subsidiaries (hereinafter 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 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 judgement, were of the most significance in our audit of the Group's consolidated financial statements for the year ended 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

#### Sales Revenue from Specific Customers

The sales revenue of AP Memory Technology Corporation and Subsidiaries was \$6,318,944 thousand in 2021. The revenue from sales to some customers, which increased significantly comparing with the previous year, counts for a large portion of the total sales revenue and is therefore determined as one of the key audit matters.

Our main audit procedures performed in response to the key audit matter described above were as follows:

5. Understand and evaluate revenue recognition related internal control system and test the design and implementation of thereof.
6. Target specific customers to randomly select related revenue transactions and issue an inquiry letter thereto accordingly. If the inquiry letter cannot be taken back on time, implement alternative procedures, such as checking transaction certificates and post-period payment collection status.
7. Target specific customers to sample the sales revenue records thereof; and review related transaction documents, such purchase order, shipping documents and payment collection receipts to confirm the authenticity of revenue recognition.
8. Sample post-period sales returns, discounts and payment collection status to confirm the rationality of revenue recognition.

#### **Other Matters**

We have also audited the parent company only financial statements of AP Memory Technology Corporation as of and for the year ended 2021 and 2020 on which we have issued an unqualified 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 Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## **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 auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

We also:

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

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Group's consolidated financial statements for the year ended 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' review report are Ming-Yen Chien and Cheng-Chun Chiu.

**Deloitte & Touche**

Taipei, Taiwan

Republic of China

February 25, 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 accepted and 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 auditors' report and consolidated financial statements shall prevail.*

AP Memory Technology Corporation and Subsidiaries  
Consolidated Balance Sheets  
As of December 31, 2021 and 2020

(In Thousands of New Taiwan Dollars)

Assets	December 31, 2021		December 31, 2020	
	Amount	%	Amount	%
<b>Current assets</b>				
Cash and cash equivalents	\$ 2,517,447	40	\$ 662,967	17
Financial assets at fair value through profit or loss - Current	-	-	930,536	23
Financial assets at amortized cost - Current	2,763	-	60,215	1
Accounts receivable	854,080	14	600,601	15
Other receivables	38,106	1	401,777	10
Current tax assets	-	-	20,453	1
Inventories	1,696,621	27	625,055	16
Other current assets	15,516	-	8,423	-
Total current assets	<u>5,124,533</u>	<u>82</u>	<u>3,310,027</u>	<u>83</u>
<b>Non-current assets</b>				
Financial assets at fair value through profit or loss - Non-current	141,989	2	68,016	2
Financial assets at amortized cost - Non-current	5,789	-	5,865	-
Investments accounted for using equity method	87,123	1	79,905	2
Property, plant and equipment	81,399	1	8,009	-
Right-of-use assets	98,908	2	46,096	1
Other intangible assets	16,978	-	35,103	1
Deferred tax assets	25,486	1	78,811	2
Prepayments for business facilities	-	-	1,869	-
Refundable deposits	464,971	7	208,547	5
Other non-current assets	231,467	4	141,152	4
Total non-current assets	<u>1,154,110</u>	<u>18</u>	<u>673,373</u>	<u>17</u>
<b>Total assets</b>	<u>\$ 6,278,643</u>	<u>100</u>	<u>\$ 3,983,400</u>	<u>100</u>
<b>Liabilities and equity</b>				
<b>Current liabilities</b>				
Short-term loans	\$ -	-	\$ 130,613	3
Contract liabilities	173,602	3	88	-
Accounts payable	600,046	9	236,934	6
Other payables	192,369	3	332,738	8
Current tax liabilities	388,279	6	132,617	3
Lease liabilities - Current	41,286	1	19,830	1
Other current liabilities	4,258	-	2,287	-
Total current liabilities	<u>1,399,840</u>	<u>22</u>	<u>855,107</u>	<u>21</u>
<b>Non-current liabilities</b>				
Deferred tax liabilities	19,278	1	233	-
Lease liabilities - Non-current	50,570	1	25,090	1
Guarantee deposits received	14,000	-	-	-
Total non-current liabilities	<u>83,848</u>	<u>2</u>	<u>25,323</u>	<u>1</u>
Total liabilities	<u>1,483,688</u>	<u>24</u>	<u>880,430</u>	<u>22</u>
<b>Equity</b>				
Share capital				
Ordinary share	744,136	12	742,316	19
Advance receipts for ordinary share	2,861	-	532	-
Total shares	<u>746,997</u>	<u>12</u>	<u>742,848</u>	<u>19</u>
Capital surplus	1,054,788	17	1,020,722	25
Retained earnings				
Legal reserve	364,163	5	282,992	7
Special reserve	-	-	4,576	-
Unappropriated earnings	2,631,525	42	1,053,036	27
Total retained earnings	<u>2,995,688</u>	<u>47</u>	<u>1,340,604</u>	<u>34</u>
Other equity	8,728	-	10,042	-
Treasury shares	( 11,246 )	-	( 11,246 )	-
Equity attributable to owners of the parent	<u>4,794,955</u>	<u>76</u>	<u>3,102,970</u>	<u>78</u>
Total equity	<u>4,794,955</u>	<u>76</u>	<u>3,102,970</u>	<u>78</u>
<b>Total liabilities and equity</b>	<u>\$ 6,278,643</u>	<u>100</u>	<u>\$ 3,983,400</u>	<u>100</u>

AP Memory Technology Corporation and Subsidiaries  
Consolidated Statements of Comprehensive Income  
For the years ended December 31, 2021 and 2020

(In Thousands of New Taiwan Dollars,  
except earnings per share)

	2021		2020	
	Amount	%	Amount	%
Operating revenue	\$ 6,617,215	100	\$ 3,549,497	100
Operating costs	<u>3,591,607</u>	<u>54</u>	<u>2,523,826</u>	<u>71</u>
Gross profit	<u>3,025,608</u>	<u>46</u>	<u>1,025,671</u>	<u>29</u>
Operating expense				
Selling expense	115,405	2	86,707	2
Administrative expense	181,544	3	103,602	3
Research and development expense	359,104	5	313,530	9
Expected credit/ impairment (gain on reversal of impairment loss) loss	( <u>602</u> )	-	<u>2,086</u>	-
Total operating expense	<u>655,451</u>	<u>10</u>	<u>505,925</u>	<u>14</u>
Net operating income	<u>2,370,157</u>	<u>36</u>	<u>519,746</u>	<u>15</u>
Non-operating income and expense				
Share of other comprehensive income of associates, accounted for using equity method	12,618	-	4,948	-
Interest income	4,957	-	6,348	-
Other gains and losses	104,688	2	409,400	12
Other income, others	23,797	-	6,315	-
Interest expense	( 1,951 )	-	( 2,803 )	-
Miscellaneous disbursements	<u>-</u>	<u>-</u>	<u>( 3,599 )</u>	<u>-</u>
Total non-operating income and expense	<u>144,109</u>	<u>2</u>	<u>420,609</u>	<u>12</u>
Profit (loss) from continuing operations before tax	2,514,266	38	940,355	27
Income tax expense	( <u>488,809</u> )	( <u>7</u> )	( <u>124,985</u> )	( <u>4</u> )

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	2021		2020	
	Amount	%	Amount	%
Profit (loss) from continuing operations in the year	\$ 2,025,457	31	\$ 815,370	23
Profit (loss) from discontinued operations	<u>-</u>	<u>-</u>	<u>5,613</u>	<u>-</u>
Net profit (loss) for the year	<u>2,025,457</u>	<u>31</u>	<u>820,983</u>	<u>23</u>
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign financial statements	( <u>1,314</u> )	<u>-</u>	<u>11,060</u>	<u>-</u>
Other comprehensive income for the year (net after income tax)	( <u>1,314</u> )	<u>-</u>	<u>11,060</u>	<u>-</u>
Total comprehensive income for the year	<u>\$ 2,024,143</u>	<u>31</u>	<u>\$ 832,043</u>	<u>23</u>
Profit attributable to:				
Owners of the parent	\$ 2,025,457	31	\$ 811,710	23
Non-controlling interest	<u>-</u>	<u>-</u>	<u>9,273</u>	<u>-</u>
	<u>\$ 2,025,457</u>	<u>31</u>	<u>\$ 820,983</u>	<u>23</u>
Comprehensive income (loss) attributable to:				
Owners of the parent	\$ 2,024,143	31	\$ 822,735	23
Non-controlling interest	<u>-</u>	<u>-</u>	<u>9,308</u>	<u>-</u>
	<u>\$ 2,024,143</u>	<u>31</u>	<u>\$ 832,043</u>	<u>23</u>
Earnings per share				
From continuing and discontinued operations				
Basic	<u>\$ 13.67</u>		<u>\$ 5.50</u>	
Diluted	<u>\$ 13.45</u>		<u>\$ 5.42</u>	
From continuing operations				
Basic	<u>\$ 13.67</u>		<u>\$ 5.52</u>	
Diluted	<u>\$ 13.45</u>		<u>\$ 5.44</u>	

AP Memory Technology Corporation and Subsidiaries  
Consolidated Statements of Changes in Equity  
For the years ended December 31, 2021 and 2020

(In Thousands of New Taiwan Dollars)

	Share capital			Capital surplus	Retained earnings				Other equity interest			Equity attributable to owners of the parent	Non-controlling interest	Total equity	
	Ordinary share	Advance receipts for ordinary share	Total		Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange differences on translating the financial statements of foreign operations	Unearned compensation cost	Total				Treasury shares
Balance at January 1, 2020	\$ 738,535	\$ -	\$ 738,535	\$ 838,388	\$ 282,992	\$ 3,225	\$ 316,359	\$ 602,576	(\$ 4,576)	(\$ 1,120)	(\$ 5,696)	(\$ 11,246)	\$ 2,162,557	\$ -	\$ 2,162,557
Appropriation of the 2019 earnings															
Special reserve	-	-	-	-	-	1,351	( 1,351)	-	-	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	-	( 73,682)	( 73,682)	-	-	-	-	( 73,682)	-	( 73,682)
Compensation cost for employee share options	-	-	-	10,365	-	-	-	-	-	-	-	-	10,365	( 401)	9,964
Net profit for the year 2020	-	-	-	-	-	-	811,710	811,710	-	-	-	-	811,710	9,273	820,983
Other comprehensive income after tax for the year 2020	-	-	-	-	-	-	-	-	11,025	-	11,025	-	11,025	35	11,060
Total comprehensive income for the year 2020	-	-	-	-	-	-	811,710	811,710	11,025	-	11,025	-	822,735	9,308	832,043
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	( 22,979)	( 22,979)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	153,042	-	-	-	-	3,593	-	3,593	-	156,635	14,072	170,707
Changes in ownership interests in subsidiaries	-	-	-	401	-	-	-	-	-	-	-	-	401	-	401
Issuance of ordinary shares under the employee share option plan	3,781	532	4,313	18,526	-	-	-	-	-	-	-	-	22,839	-	22,839
Issuance of restricted stock awards (RSAs) by the Corporation	-	-	-	-	-	-	-	-	-	1,120	1,120	-	1,120	-	1,120
Balance at December 31, 2020	742,316	532	742,848	1,020,722	282,992	4,576	1,053,036	1,340,604	10,042	-	10,042	( 11,246)	3,102,970	-	3,102,970
Appropriation of the 2020 earnings															
Legal reserve	-	-	-	-	81,171	-	( 81,171)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	( 4,576)	4,576	-	-	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	-	( 370,373)	( 370,373)	-	-	-	-	( 370,373)	-	( 370,373)
Compensation cost for employee share options	-	-	-	25,465	-	-	-	-	-	-	-	-	25,465	-	25,465
Net profit for the year 2021	-	-	-	-	-	-	2,025,457	2,025,457	-	-	-	-	2,025,457	-	2,025,457
Other comprehensive income after tax for the year 2021	-	-	-	-	-	-	-	-	( 1,314)	-	( 1,314)	-	( 1,314)	-	( 1,314)
Total comprehensive income for the year 2021	-	-	-	-	-	-	2,025,457	2,025,457	( 1,314)	-	( 1,314)	-	2,024,143	-	2,024,143
Issuance of ordinary shares under the employee share option plan	1,820	2,329	4,149	8,601	-	-	-	-	-	-	-	-	12,750	-	12,750
Balance at December 31, 2021	\$ 744,136	\$ 2,861	\$ 746,997	\$ 1,054,788	\$ 364,163	\$ -	\$ 2,631,525	\$ 2,995,688	\$ 8,728	\$ -	\$ 8,728	(\$ 11,246)	\$ 4,794,955	\$ -	\$ 4,794,955



AP Memory Technology Corporation and Subsidiaries

Consolidated Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(In Thousands of New Taiwan Dollars)

	2021	2020
Cash flows from operating activities		
Income from continuing operations before income taxes	\$ 2,514,266	\$ 940,355
Income from discontinued operations before income taxes	-	5,619
Income before taxes for the year	2,514,266	945,974
Adjustments to reconcile profit (loss)		
Depreciation expense	48,237	22,966
Amortization expense	25,050	37,497
Expected credit/ impairment (gain on reversal of impairment loss) loss	( 602 )	2,086
Valuation gain on financial assets at fair value through profit or loss	( 120,071 )	( 48,141 )
Interest expense	1,951	2,733
Interest income	( 4,957 )	( 6,348 )
Dividend income	( 503 )	( 155 )
Cost of share-based payment	25,465	11,485
Share of profit (loss) of associates accounted for using equity method	( 12,618 )	( 4,948 )
Loss on disposal and scrap of property, plant and equipment	-	142
Gain (on disposal of assets)	-	( 422,810 )
Gains on disposal of associates accounted for using equity method	-	( 461 )
Loss of inventory falling price and slow-moving inventory	63,481	26,333
Unrealized foreign exchange loss (gain)	( 24,446 )	26,954
Loss on lease contract	-	116
Changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	976,634	( 884,193 )
Notes and accounts receivable	( 251,038 )	( 194,001 )
Other receivables	384,775	28,129
Inventories	( 1,135,047 )	157,398
Other assets	( 97,408 )	( 8,099 )
Refundable deposits	( 243,440 )	-
Contract liabilities	173,514	( 6,458 )
Accounts payable	365,124	151,522
Other payables	( 141,367 )	( 3,856 )
Other current liabilities	1,556	2,865
Cash inflow (outflow) generated from operations	2,548,556	( 163,270 )
Interest received	4,143	5,382

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	2021	2020
Dividend received	\$ 503	\$ 155
Interest paid	( 1,953 )	( 2,883 )
Income taxes paid	( <u>140,324</u> )	( <u>21,040</u> )
Net cash inflow (outflow) generated from operating activities	<u>2,410,925</u>	( <u>181,656</u> )
<b>Cash flows from investing activities</b>		
Acquisition of financial assets at amortized cost	-	( 57,435 )
Proceeds from disposal of financial assets at amortized	57,528	-
Acquisition of investment accounted for using equity method	-	( 500 )
Proceeds from disposal of subsidiaries	-	451,200
Purchase of property, plant and equipment	( 87,049 )	( 4,531 )
Disposition of Property, plant and equipment	-	1,191
Increase in refundable deposits	( 12,984 )	( 3,754 )
Acquisition of intangible assets	( 7,404 )	( 27,548 )
Increase in prepayments for business facilities	-	( 17,293 )
Dividends received from associates	5,400	7,740
Issuance of financial liabilities measured at fair value through profit or loss	<u>-</u>	<u>9,753</u>
Net cash flows from investing activities	( <u>44,509</u> )	358,823
<b>Cash flows from (used in) financing activities</b>		
Decrease in short-term loans	( 130,613 )	( 172,566 )
Increase in guarantee deposits	14,000	-
Payment of lease liabilities	( 36,892 )	( 14,494 )
Cash dividend paid	( 370,373 )	( 73,682 )
Exercise of employee share options	12,750	22,839
Disposal of ownership interests in subsidiaries (without loss of control)	<u>-</u>	<u>140,447</u>
Net cash from financing activities	( <u>511,128</u> )	( <u>97,456</u> )
Effect of exchange rate changes on cash and cash equivalents	( <u>808</u> )	( <u>1,008</u> )
Net increase in cash and cash equivalents	1,854,480	78,703
Cash and cash equivalents at the beginning of the year	<u>662,967</u>	<u>584,264</u>
Cash and cash equivalents at the end of the year	<u>\$ 2,517,447</u>	<u>\$ 662,967</u>

### **Attachment 3. Audit Committee's Review Report**

## **Audit Committee's Review Report**

The Board of Directors has prepared the AP Memory Technology Corporation's (APM) 2021 Business Report, Financial Statements and proposal for allocation of annual earnings. The CPA firm of Deloitte & Touche was retained to audit APM's Financial statements and has issued an audit report relating to the Financial statements. The Business Report, Financial Statements, and the annual earnings allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of APM. According to relevant requirements of the Securities and Exchange Act and Company Law, we hereby submit this report.

### **AP Memory Technology Corporation**

Chairman of Audit Committee : Yeh, Jui-Pin

February 25, 2022

#### Attachment 4. Comparison Table for the “Articles of Incorporation” before and after revision

Article	Current Version	New Version
9	<p>Shareholders’ meetings of the Company are of two types, namely: (1)Annual General Shareholders’ Meetings – which shall be convened by the Board of Directors within 6 months after the end of each fiscal year, and (2)Special Shareholders’ Meetings – which shall be convened whenever necessary in accordance with the relevant laws, rules and regulations of the Republic of China.</p> <p>For shareholders holding less than 1,000 registered shares, the notice of meeting will be sent by public announcement instead of physical mail.</p> <p>Notice of a meeting may be sent through electronical way if the counterparty agrees.</p>	<p>Shareholders’ meetings of the Company are of two types, namely: (1)Annual General Shareholders’ Meetings – which shall be convened by the Board of Directors within 6 months after the end of each fiscal year, and (2)Special Shareholders’ Meetings – which shall be convened whenever necessary in accordance with the relevant laws, rules and regulations of the Republic of China.</p> <p>For shareholders holding less than 1,000 registered shares, the notice of meeting will be sent by public announcement instead of physical mail.</p> <p>Notice of a meeting may be sent through electronical way if the counterparty agrees.</p> <p><u>The shareholders' meeting may be held by video conference or other means announced by the central competent authority.</u></p>
23	<p>These Articles of Incorporation were resolved on July 21, 2011. The first amendment was made on November 8, 2011, the second amendment was made on May 4, 2012, the third amendment was made on June 21, 2012, the fourth amendment was made on June 4, 2014, the fifth amendment was made on June 23, 2015, the sixth amendment was made on May 27, 2016, the seventh amendment was made on June 6, 2019, the eighth amendment was made on June 17, 2021</p>	<p>These Articles of Incorporation were resolved on July 21, 2011. The first amendment was made on November 8, 2011, the second amendment was made on May 4, 2012, the third amendment was made on June 21, 2012, the fourth amendment was made on June 4, 2014, the fifth amendment was made on June 23, 2015, the sixth amendment was made on May 27, 2016, the seventh amendment was made on June 6, 2019, the eighth amendment was made on June 17, 2021, <u>the nineth amendment was made on May 27, 2022</u></p>

**Attachment 5. Comparison Table for the “Procedures for Acquisition or Disposal of Assets” before and after revision**

Current Version	New Version
<p>5.2 The aforementioned professionals when issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <p>5.2.1 Omitted.</p> <p>5.2.2 When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers</p> <p>5.2.3 They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion</p> <p>5.2.4 They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations</p>	<p>5.2 The aforementioned professionals when issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the <u>self-regulatory rules of their respective allied associations</u> and the following:</p> <p>5.2.1 Omitted</p> <p>5.2.2 When <u>conducting</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>5.2.3 They shall undertake an item-by-item evaluation of the <u>appropriateness</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>5.2.4 They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate</u> and reasonable, and that they have complied with applicable laws and regulations</p>
<p>8.2.1.2 In acquiring or disposing of marketable securities thereof where the transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, shall obtain an appraisal report in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) from certified public accountant prior to the date of occurrence of the event.</p> <p>8.2.2.3 Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC ARDF and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>8.2.3 In acquiring or disposing of intangible assets t, or right-of-use of intangible assets thereof where the transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, the company, unless transacting with a domestic government</p>	<p>8.2.1.2 In acquiring or disposing of marketable securities thereof where the transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, shall obtain an appraisal report <del>in accordance with the provisions of</del> <u>Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF)</u> from certified public accountant i prior to the date of occurrence of the event.</p> <p>8.2.2.3 Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal <del>in accordance with the provisions of</del> <u>Statement of Auditing Standards No. 20 published by the ROC ARDF</u> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>8.2.3 In acquiring or disposing of intangible assets t, or right-of-use of intangible assets thereof where the transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, the company, unless transacting with a domestic government</p>

Current Version	New Version
agency, shall obtain an appraisal report in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC ARDF from certified public accountant prior to the date of occurrence of the event.	agency, shall obtain an appraisal report <del>in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC ARDF</del> from certified public accountant prior to the date of occurrence of the event.
<p>10.1.2 When the acquisition or disposal of equipment / real property for business use to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Board of Directors may authorize the chairman to decide such matters, and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting.</p> <p>10.1.3(Splitting from 10.1.2)</p> <p>10.1.4(New article)</p> <p>10.1.5(immigrating from 10.1.1.8)</p>	<p>10.1.2 When the acquisition or disposal of equipment equipment / real property for business use <u>or right-of-use of equipment / real property for business use</u> to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Board of Directors may authorize the chairman to decide such matters, and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting.</p> <p>10.1.3 When a matter is submitted for discussion by the board of directors pursuant, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p>10.1.4 If the Company or its subsidiary that is not a domestic public offering company conducts a transaction outlined in 10.1.1, and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the materials listed in 10.1.1.1~10.1.1.7 to the shareholders meeting for approval before it may sign the transaction contract and make payments. However, transactions between the Company and its subsidiaries or between its subsidiaries shall not be subject to this provision.</p> <p>10.1.5 The calculation of the transaction amount refer to preceding paragraph shall be made in accordance with the Section 2, Article 31 of "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", Items that have been recognized by shareholders meeting and audit committee and approved by the board of directors need not be counted toward the transaction amount.</p>
<p>13.1 Information disclosure procedures</p> <p>13.1.6.1 Trading of domestic government bonds</p>	<p>13.1 Information disclosure procedures</p> <p>13.1.6.1 Trading of domestic government bonds <u>or the foreign government bonds with a credit rating not lower than our country's sovereign rating.</u></p>

**Attachment 6. Comparison Table for the “Rules Governing the Procedures for Shareholders Meetings ” before and after revision**

Current Version	New Version
<p>2.1 Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.</p>	<p>2.1 Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors. Any change in the manner of holding the meeting shall be resolved by the board of directors at the latest before delivering of the notice of the shareholders' meeting.</p>
<p>2.3 After Company be a Public Company, The Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders meeting or 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS 21 days before the date of the regular shareholders meeting or 15 days before the date of the special shareholders meeting. In addition, 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.</p>	<p>2.3 After Company be a Public Company, The Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders meeting or 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS 21 days before the date of the regular shareholders meeting or 15 days before the date of the special shareholders meeting. In addition, 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby. <del>as well as being distributed on-site at the meeting place.</del> <u>Corporate shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:</u></p> <p><u>2.3.1 For physical shareholders meetings, to be distributed on-site at the meeting.</u></p> <p><u>2.3.2 For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.</u></p> <p><u>2.3.3 For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.</u></p>
<p>2.9 After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p>	<p>2.9 After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person <u>or online</u> or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p>
<p>3 The venue for a shareholders meeting shall be the</p>	<p>3 The venue for a shareholders meeting shall be the</p>

Current Version	New Version
<p>premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p>	<p>premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting. <u>When the Corporation convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.</u></p>
<p>4 The Corporation shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.</p> <p>4.1 New article (The original article number will be incremented accordingly)</p>	<p>4 <u>The meeting notice shall specify the content as follows:</u></p> <p>4.1 <u>The Company shall specify its shareholders meeting notices, including the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified. To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the shareholders meeting notice: (1) How shareholders attend the virtual meeting and exercise their rights.(2) Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</u></p> <p><u>4.1.1 To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</u></p> <p><u>4.1.2 Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.</u></p> <p><u>4.1.3 In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>4.1.4 Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.</u></p>
<p>4.1 The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The</p>	<p>4.2 The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The</p>



Current Version	New Version
<p>place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.</p> <p>(The original article number will be incremented accordingly)</p>	<p>place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. <u>For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.</u></p>
<p>4.2 Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification</p> <p>(The original article number will be incremented accordingly)</p>	<p>4.3 Shareholders , <u>their proxies and solicitors</u> (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p>
<p>4.4 The Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.</p> <p>(The original article number will be incremented accordingly)</p>	<p>4.5 The Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished. <u>In the event of a virtual shareholders meeting, the Corporation shall upload the aforementioned documents to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p>
<p>(New article)</p>	<p>4.7 <u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Corporation two days before the meeting date.</u></p>
<p>(New article)</p>	<p>4.8 <u>When the Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 4.7 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.</u></p>
<p>7 The Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p>	<p>7 The Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p> <p><u>Where a shareholders meeting is held online, the Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Corporation,</u></p>

Current Version	New Version
	<p><u>and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end. The information and audio and video recording shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting. In case of a virtual shareholders meeting, the Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.</u></p>
<p>8 Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.</p>	<p>8 Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book, sign-in cards handed in <u>and the shares checked in on the virtual meeting platform</u>, plus the number of shares whose voting rights are exercised by correspondence or electronically.</p>
<p>9 The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of This Corporation Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.</p>	<p>9 The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. <u>In the event of a virtual shareholders meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.</u>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of This Corporation Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. <u>In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with paragraph 4.7.</u></p>
<p>(New article) (The original article number will be incremented accordingly)</p>	<p>12.6 <u>Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in 12.1 to 12.5 do not apply.</u></p>
<p>14.3 After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written</p>	<p>14.3 After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person <u>or online</u>, a</p>

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<p>declaration of intent to retract the voting rights already exercised under the preceding paragraph. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p>	<p>written declaration of intent to retract the voting rights already exercised under the preceding paragraph. <u>If shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u> When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p>
<p>14.7 Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p>	<p>14.7 Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote. <u>In the event of a virtual shareholders meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.</u></p>
<p>(New article) (The original article number will be incremented accordingly))</p>	<p>14.8 In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately. After the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.</p>
<p>16 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results. The minutes shall be retained for the duration of the existence of this Corporation. This Corporation could distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS as this Corporation is the public Company.</p>	<p>16 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results. The minutes shall be retained for the duration of the existence of this Corporation. This Corporation could distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS as this Corporation is the public Company. <u>Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened,</u></p>

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	<p><u>the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes. When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.</u></p>
<p>17 On the day of a shareholders meeting, the Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.</p>	<p>17 On the day of a shareholders meeting, the Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, <u>the number of shares represented by shareholders attending the meeting by correspondence or electronic means</u>, and shall make an express disclosure of the same at the place of the shareholders meeting. <u>In the event a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting. During this Corporation's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.</u></p>
<p>(New article) (The original article number will be incremented accordingly)</p>	<p>21 Handling of technical issues related to virtual shareholders meeting</p> <p>21.1 <u>In the event of a virtual shareholders meeting, the Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.</u></p> <p>21.2 <u>In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.</u></p> <p>21.3 <u>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the</u></p>

Current Version	New Version
	<p><u>affected shareholders meeting online shall not attend the postponed or resumed session.</u></p> <p>21.4 <u>For a meeting to be postponed or resumed under the 21.2, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.</u></p> <p>21.5 <u>During a postponed or resumed session of a shareholders meeting held under the 21.2, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.</u></p> <p>21.6 <u>When this Corporation convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in 21.2, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.</u></p> <p>21.7 <u>.Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p>21.8 <u>When postponing or resuming a meeting according to the 21.2, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p> <p>21.9 <u>For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporations hall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.</u></p>

### Attachment 7. List of Independent Director Candidate

Title/Name	Professional Qualifications & Education	Current Positions	Shareholdings (shares)
<p>Independent Director Sun, Elizabeth</p>	<ul style="list-style-type: none"> <li>■ Senior Director, Corporate Communication Division &amp; Deputy Spokesman of TSMC</li> <li>■ Partner and CFO, InveStar Capital</li> <li>■ GMr&amp; Head of research, HSBC Securities in Taiwan</li> <li>■ VP and GM-Taiwan, State Street Corporation</li> <li>■ Associate Professor of Finance, San Jose State University</li> <li>■ PhD &amp; MBA, University of Cincinnati Carl H. Lindner College of Business</li> <li>■ BA in Philosophy, National Taiwan University</li> </ul>	<ul style="list-style-type: none"> <li>■ Honorary Chairperson, Taiwan Investor Relations Institute</li> <li>■ Member &amp; Chairman of Audit Committe, AGGA</li> <li>■ Consultant, MediaTek Inc.</li> </ul>	<p style="text-align: center;">0</p>

# Appendix

## **Appendix 1. Articles of Incorporation (Current Version)**

**(Note: This English translation is provided for reference only and might not exactly reflect the true meaning and full text of the original language.)**

### **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 愛普科技股份有限公司 in the Chinese language and AP Memory Technology Corporation in the English language.

### **Article 2**

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

- CC01080: Electronic parts and components manufacture.
- F401010: International Trade.
- I501010: Product design.
- F601010: Intellectual Property
- ZZ99999: All business items that are not prohibited or restricted by law, except those that are subject to special approval.

### **Article 3**

The Company is headquartered in the Hsinchu County, Republic of China, and shall be free, upon approval of the Board of Directors and government authorities in charge, to set up representative or branch offices at various locations within or outside the territory of the Republic of China, whenever the Company deems it necessary.

### **Article 4**

When the Company becomes a shareholder of limited liability of another company, the total amount of the Company's investment will not be subject to the restriction of not more than 40% of the Company's paid-in capital as provided in Article 13 of the Company Act.

### **Article 5**

Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

### **Article 5-1**

The Company may provide endorsement and guarantee to other companies. The process shall be handled in accordance with the Company's Operating Procedures of Endorsement/Guarantee.

### **Article 6**

The total capital stock of the Corporation shall be in the amount of 1,000,000,000 New Taiwan Dollars, divided into 200,000,000 shares, at 5 New Taiwan Dollars each, and may be paid-up in installments. The Corporation may issue employee stock options from time to time. A total of 20,000,000 shares among the above total capital stock should be reserved for issuing employee stock options, preferred shares with warrants, and Bond with warrant from time to time in accordance with the resolution of the Board of Directors.

### **Article 6-1**

To issue employee stock warrants that are lower than the closing price of the company stocks as of the issuing date., the Corporation is required to obtain the consent of at least two-thirds of the voting rights represented at a shareholders meeting attended by shareholders representing a majority of the total issued shares. The Corporation is allowed to register multiple issues over a period of 1 year from the date of the shareholders resolution. The Corporation shall be required to specify the following information in the notice of reasons for convening the shareholders meeting, and may not raise the matter by means of an extraordinary motion according to "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" and the related regulations.

### **Article 7**

The share certificates of this Corporation shall all be name-bearing share certificates, and issued in accordance with this Corporation Law and relevant rules and regulations of the Republic of China. This Corporation is exempted from printing any share certificate for the shares issued. Such unprinted issued



shares shall be registered with a centralized securities depository enterprise.

**Article 8**

Changing in record of shareholder name shall be made in accordance with Article 165 of the Company Act.

**Article 9**

Shareholders' meetings of the Company are of two types, namely: (1) Annual General Shareholders' Meetings – which shall be convened by the Board of Directors within 6 months after the end of each fiscal year, and (2) Special Shareholders' Meetings – which shall be convened whenever necessary in accordance with the relevant laws, rules and regulations of the Republic of China.

For shareholders holding less than 1,000 registered shares, the notice of meeting will be sent by public announcement instead of physical mail.

Notice of a meeting may be sent through electronical way if the counterparty agrees.

**Article 10**

A shareholder may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney stating therein the scope of power authorized to the proxy. In addition to Article 177 of this Corporation Law, management of the proxies shall follow Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.

**Article 11**

Each share of stock shall be entitled to one vote.

**Article 12**

Except as provided in the Company Law of the Republic of China, shareholders' meetings may be held if attended by shareholders in person or by proxy representing more than one half of the total issued and outstanding capital stock of the Corporation, and resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting.

**Article 12-1**

The shareholders may exercise their voting power in writing or by way of electronic transmission in a shareholders' meeting. The method of exercising voting power shall be described in the shareholders' meeting notice. In addition to regulatory requirements, this Corporation shall adopt the electronic transmission as one of the methods for exercising the voting power in a shareholders' meeting.

**Article 13**

If the Corporation limited by shares which is organized by a single government shareholder or a single juristic person shareholder, the functional duties and power of the shareholders' meeting of the Corporation shall be exercised by its board of directors, to which the provisions governing the shareholders' meeting as set out in this Articles of Incorporation shall not apply.

**Article 13-1**

The resolutions of the shareholders' meeting shall be recorded in the minutes, and such minutes shall be signed by or sealed with the chop of the chairman of the meeting. Such minutes, together with the attendance list and proxies, shall be filed and kept at the head office of the Corporation.

**Article 14**

The Corporation shall have seven to nine Directors. The Board of Directors is authorized to determine the number of Directors. The aforesaid Board of Directors must have at least three independent directors.

Directors shall be elected by adopting candidates nomination system as specified in Article 192-1 of the Company Law. The nomination of directors and related announcement shall comply with the relevant regulations of the Company Law and the Securities and Exchange Law. The election of independent directors and non-independent directors shall be held together; provided, however, the number of independent directors and non-independent directors elected shall be calculated separately.

**Article 14-1**

In compliance with Articles 14-4 of the Securities and Exchange Law, the Corporation shall establish an Audit Committee, which shall consist of all independent directors. The Audit Committee or the members of Audit Committee shall be responsible for those responsibilities of Supervisors specified under the Company Law, the Securities and Exchange Law and other relevant regulations.

**Article 15**

The Board of Directors shall be formed by elected Directors. The Directors shall elect from among

themselves a Chairman of the Board of Directors by a majority vote in a meeting attended by over two-thirds of the Directors. The Chairman of the Board of Directors shall be the chairman of shareholders' meetings, and shall have the authority to represent the Company.

Meetings of the Board of Directors shall be convened by the Chairman of the Board of Directors, unless otherwise regulated by the Company Act. Directors may be notified of the Board of Directors meeting via written notices, as E-mail or fax. Except as otherwise provided in the Company Act of the Republic of China, a meeting of the Board of Directors may be held if attended by a majority or more of total Directors and resolutions shall be adopted with the concurrence of the majority or more of the Directors present at the meeting.

**Article 16**

In case the Chairman is on leave or otherwise cannot exercise his duty, should be in accordance with Article 165 of the Company Act.

**Article 17**

A Director may, by written authorization, appoint another Director to attend on his behalf any meeting of the Board of Directors, and to vote for him on all matters presented at such meeting, but no Director may act as proxy for more than one other Director. Any Director attending the meeting via video conference shall be deemed attending the meeting in person.

**Article 18**

The Board of Directors is authorized to determine the salary for Directors, taking into account the extent and value of the services provided for the management of the Corporation and the standards of the industry within the R.O.C. and overseas.

**Article 19**

The Company may appoint or Dismissal one or more managers in accordance with Article 29 of the Company Act.

**Article 20**

After the end of each fiscal year, in accordance with Article 228 of the Company Act, Business Report, Financial Statements and the Proposal Concerning Appropriation of Profits or Covering of Losses shall be prepared by the Board of Directors, and be submitted to the shareholders' meeting for acceptance.

**Article 21**

If there is any profit for a specific fiscal year, the Company shall allocate no less than 1% of the profit as employees' compensation and shall allocate at a maximum of 3% of the profit as remuneration to Directors, provided that the Company's accumulated losses shall have been covered in advance.

Employee's compensation may be distributed in the form of shares or in cash, and employees qualified to receive such compensation may include employees from affiliates companies who meet certain qualification. The Board of Directors is authorized to determine the qualification of such employees. The remuneration to Directors shall be paid in cash.

**Article 21-1**

If there is any profit in an annual general financial statement of the Company, such profit shall be distributed in the following orders:

1. Reserve for tax payments.
2. Offset accumulated losses in previous years, if any.
3. Legal reserve, which is 10% of leftover profits. However, this restriction does not apply in the event that the amount of the accumulated legal reserve equals or exceeds the Company's total capital stock.
4. Allocation or reverse of special reserves as required by law or government authorities.
5. The remaining net profits and the retained earnings from previous years will be allocated as shareholders' dividend.

The Board of Directors will prepare a distribution proposal and submit the same to the shareholders' meeting for review and approval by a resolution.

Since the Company is in an industry in a growth phase, the dividend policy shall take into consideration factors such as the Company's current and future investment environment, needs for capital, domestic and overseas competition, capital budgeting plans, etc., to come out with a proposal that strike a balance among shareholders' benefits and the Company's long-term financial plans. Each year the Board of

Directors shall prepare a profit distribution proposal and report it at the shareholders' meeting. After considering financial, business and operational factors, the Company may distribute the whole of distributable profits for the year; dividends to shareholders may be distributed in cash or in stock, and the cash dividends shall not be lower than 20% of total dividends to shareholders.

**Article 22**

For matters not provided for in the Articles of Incorporation, it shall be handled in accordance with the Company Act of the Republic of China.

**Article 23**

These Articles of Incorporation were resolved on July 21, 2011. The first amendment was made on November 8, 2011, the second amendment was made on May 4, 2012, the third amendment was made on June 21, 2012, the fourth amendment was made on June 4, 2014, the fifth amendment was made on June 23, 2015, the sixth amendment was made on May 27, 2016, the seventh amendment was made on June 6, 2019, the eighth amendment was made on August 20, 2021

## **Appendix 2. Rules Governing the Procedures for Shareholders Meetings (Current Version)**

**(Note: This English translation is provided for reference only and might not exactly reflect the true meaning and full text of the original language.)**

- 1 To establish a strong governance system and sound supervisory capabilities for the Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies. The Shareholders' meeting should follow this procedures, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
- 2 Convening shareholders meetings
  - 2.1 Unless otherwise provided by law or regulation, the Corporation's shareholders meetings shall be convened by the board of directors ◦
  - 2.2 The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.
  - 2.3 The Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders meeting or 15 days before the date of a special shareholders meeting. The Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, 15 days before the date of the shareholders meeting, The Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at The Corporation and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.
  - 2.4 Election or dismissal of directors , amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with The Corporation by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Corporation Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting, and shall not be raised as extraordinary motion.
    - 2.4.1 Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting, such inauguration date shall not be altered by any extraordinary motion or any way in said meeting.
  - 2.5 A shareholder holding one percent or more of the total number of issued shares may submit to the Corporation a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Corporation Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the Corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Corporation Act, and no proposal containing more than one item will be included in the meeting agenda.
  - 2.6 Prior to the book closure date before a regular shareholders meeting is held, the Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically,, and the location and time period for their submission; the period for submission of shareholder proposals shall not be less than 10 days

- 2.7 Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.
- 2.8 Prior to the date for issuance of notice of a shareholders meeting, the Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.
- 2.9 After a proxy form has been delivered to the Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Corporation before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.
- 3 The venue for a shareholders meeting shall be the premises of the Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.
- 4 The Corporation shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.
  - 4.1 The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.
  - 4.2 Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.
  - 4.3 The Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.
  - 4.4 The Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.
  - 4.5 When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.
- 5 If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.
  - 5.1 When a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of The Corporation. The same shall be true for a representative of a juristic person director that serves as chair.
  - 5.2 It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one supervisor in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.
  - 5.3 If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.
  - 5.4 The Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.
- 6 Attend and Proxy

- 6.1 For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Corporation and stating the scope of the proxy's authorization.
- 6.2 A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Corporation before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.
- 7 The Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.
- 8 Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.
- 9 The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Corporation Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.
- 10 When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.
- 11 If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.
  - 11.1 The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.
  - 11.2 The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.
  - 11.3 The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.
- 12 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.
  - 12.1 A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

- 12.2 Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
  - 12.3 When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.
  - 12.4 When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.
  - 12.5 出 After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- 13 Calculation of voting shares and recusal system
- 13.1 Voting at a shareholders meeting shall be calculated based the number of shares.
  - 13.2 With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.
  - 13.3 When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.
  - 13.4 The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.
  - 13.5 With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.
- 14 Vote on the Motion
- 14.1 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.
  - 14.2 When the Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Corporation avoid the submission of extraordinary motions and amendments to original proposals.
  - 14.3 After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.
  - 14.4 Resolutions of a shareholders shall be approved by a majority of the votes of the shareholders present. Except as otherwise provided in the Companies Act and Articles of Incorporation. In the event of a vote, the chairman or his or her designee shall announce the total number of votes of the shareholders present on a case-by-case basis, and then the shareholders shall vote on the motion on a case-by-case basis. The results of the shareholders' approval, disapproval and abstention shall be announced through the MOPS. on the day after the shareholders' meeting.
  - 14.5 hen there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
  - 14.6 Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Corporation.
  - 14.7 Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed,

the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

- 15 The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
- 16 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results. (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of the Corporation. The Corporation could distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
- 17 On the day of a shareholders meeting, the Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.
- 18 As the Corporation be the public company, if matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.
- 19 Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands. The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor." At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Corporation, the chair may prevent the shareholder from so doing. When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.
- 20 When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed. If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue. A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.
- 21 These procedures shall be effective upon adoption by the shareholders' meeting and shall be amended in the same manner.



### Appendix 3. Procedures for the Election of the Directors

(Note: This English translation is provided for reference only and might not exactly reflect the true meaning and full text of the original language.)

#### 1 Purpose

To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

#### 2 Scope

Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.

#### 3 The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.

3.1 More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

3.2 The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

3.2.1 Basic requirements and values: Gender, age, nationality, and culture.

3.2.2 Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, and technology), professional skills, and industry experience.

3.3 Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

3.3.1 The ability to make judgments about operations.

3.3.2 Accounting and financial analysis ability.

3.3.3 Business management ability.

3.3.4 Crisis management ability.

3.3.5 Knowledge of the industry.

3.3.6 An international market perspective.

3.3.7 Leadership ability.

3.3.8 Decision-making ability.

#### 4 The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

#### 5 The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

#### 6 Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.

When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

- 7 The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.
- 8 The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- 9 The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- 10 Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.
- 11 If the elector is a shareholder, the elector shall state the name of the candidate and the shareholder's account number in the elector column; if the elector is not a shareholder, he/she shall state the name of the candidate and the identity document number. However, if the government or a corporate shareholder is the candidate, the name of the government or corporate shall be listed in the Elected Name column of the ballot, and the name of the government or corporate and the name of its representative may also be listed; if there are several representatives, the names of the representatives shall be added separately.
- 12 A ballot is invalid under any of the following circumstances:
  - 12.1 The ballot was not prepared by a person with the right to convene.
  - 12.2 A blank ballot is placed in the ballot box.
  - 12.3 The writing is unclear and indecipherable or has been altered.
  - 12.4 The name of the candidate is a shareholder, the account name or shareholder number of the elected person does not match the register of shareholders. ; The name and identification number of the candidate do not correspond to the identity of the shareholder, the name and identification number of the candidate shall be checked.
  - 12.5 Other words or marks are entered in addition to the number of voting rights allotted.
  - 12.6 The name of the candidate is the same as that of other shareholders without the shareholder's account number or identification number for identification purposes.
- 13 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
- 14 The board of directors of this Corporation shall issue notifications to the persons elected as directors.
- 15 These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

#### Appendix 4. Shareholdings of All Directors

1. Total share issued as of 2022/03/29: 161,935,246 shares.
2. The Company satisfies the minimum shareholding requirements for directors, that is 12,954,820 shares, under the Securities and Exchange Act. Also, the Company has established the audit committee, the minimum shareholding requirements for supervisors do not apply.

Title	Name	Current Shareholding (Shares)	Current Shareholding (%)
Chairman	Chen, Wen-Liang	61,040	0.04%
Director	Hung, Chih-Hsun (Representative of Shanyi Invest. Co., Ltd.)	26,456,668	16.34%
Director	Hsieh, Ming-Lin (Representative of Lishun Invest. Co., Ltd.)	127,854	0.08%
Independent Director	Yeh, Jui-Pin	0	0%
Independent Director	Liu, Frank	0	0%
Independent Director	Wang, Hsuan	0	0%
Total		26,645,562	16.46%