

Unizyx Holding Corporation
2021 Annual Shareholders' Meeting Minutes
(Translation)

Time: 9:00 am, July 01, 2021 (Thursday)

Venue: B1, Conference Hall, No. 6, Innovation Road II, Hsinchu Scienc Park, Hsin-Chu, Taiwan

Total outstanding shares: 439,040,093 shares (excluding the shares with no voting rights stipulated in Article 179 of the Company Act)

Total shares represented by shareholders present in person or by proxy: 258,219,507 shares

Percentage of shares held by shareholders present in person or by proxy: 58.81%

Directors present: Shun-I Chu, Chairman of the Board of Directors

Gordon Yang, Director

Yuh-Long Chen, Director

ZYXEL Foundation (Representative: Ping-Chin Li)

Che-Ho Wei, Director

Feng Chian, Independent Director

Chin-Tang Liu, Independent Director

Attendees: An-Chih Cheng, CPA and Shing-Hai Wei, CPA, KPMG Taiwan

Chairman: Shun-I Chu

Recorder: Woei Lo

I. Call the Meeting to Order

The aggregate of shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.

II. Chairman's Address (omitted)

III. Reports

1. Overview of Operation (Due to space limitations, please refer to Meeting Agenda)
2. 2020 Business Report (Please refer to Attachment 1)
3. Audit Committee's Review Report regarding 2020 Financial Statements (Please refer to Attachment 2)

IV. Ratifications

1. To approval the 2020 Business Report and Financial Statements
(Proposed by the Board of Directors)

Explanation:

- (1) Unizyx's 2020 Financial Statements have been audited by An-Chih Cheng, CPA and Shing-Hai Wei, CPA from KPMG Taiwan.
- (2) For 2020 Business Report, please refer to Attachment 1 (pages 7~9).
- (3) For 2020 Independent Auditors' Report and Financial Statements, please refer to Attachment 3 (pages 11~15) and Attachment 4 (pages 16~20).

RESOLVED, that the 2020 Business Report and Financial Statements be and hereby were accepted as submitted.

Voting Results:

Shares represented at the time of voting: 258,219,507

Voting Results*		% of the total represented share present
Votes in favor:	245,926,390 votes (179,131,754 votes)	95.23%
Votes against:	65,901 votes (65,901 votes)	0.02%
Votes invalid:	0 votes	0.00%
Votes abstained:	12,227,216 votes (12,177,216 votes)	4.73%

*including votes casted electronically (numbers in brackets)

2. To approval the proposal for 2020 Deficit Compensated

(Proposed by the Board of Directors)

Explanation:

- (1) The net profit after tax for 2020 was NTD827,943,246 to cover accumulated deficit. After covering the deficit, the deficit yet to be compensated is NTD32,700,358, it is proposed to make up for deficit at a legal reserve of NTD32,700,358.
- (2) Pursuant to Article 232 of the Company Act and the Articles of Incorporation, please refer the 2020 Deficit Compensation Statement at Attachment 5 (page 21) of this manual.

RESOLVED, that the proposal for 2020 Deficit Compensated be and hereby was accepted as submitted.

Voting Results:

Shares represented at the time of voting: 258,219,507

Voting Results*		% of the total represented share present
Votes in favor:	246,101,318 votes (179,306,682 votes)	95.30%
Votes against:	65,973 votes (65,973 votes)	0.02%
Votes invalid:	0 votes	0.00%
Votes abstained:	12,052,216 votes (12,002,216 votes)	4.66%

*including votes casted electronically (numbers in brackets)

V. Discussion

1. To discuss the proposal for distributing cash from capital surplus

(Proposed by the Board of Directors)

Explanation:

- (1) Unizyx proposed a cash distribution of NTD223,821,928 from the capital surplus generated from premium in excess of the par value of the shares issued (the source is the new shares issued at premiums in excess of the par value in the past

by the subsidiary, Zyxel, before it had the share swap with Unizyx in 2010.) The distribution will be made at NTD0.5 per share in cash for the shares registered in the Shareholder Registry on the record date. The cash dividends are distributed up to NTD1.00, with amounts of less than NTD1.00 unconditionally rounded down. The total fractional shares distributed less than NTD1.00 will be distributed from large to small and from the earlier shareholder account number to the later, until the total amount of cash dividends from the capital surplus is met.

- (2) Upon the approval in the annual shareholders' meeting, it is proposed that the Board of Directors be authorized to determine the ex-dividend date and payment date for the cash distribution.
- (3) In the event of the exercise of employees stock options, shares buyback, transfer of treasury stocks or other cases, leading to change in number of outstanding shares and a consequent change in payout ratio, it is proposed that the Board of Directors are fully authorized to handle matters.

RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results:

Shares represented at the time of voting: 258,219,507

Voting Results*		% of the total represented share present
Votes in favor:	246,099,554 votes (179,304,918 votes)	95.30%
Votes against:	82,906 votes (82,906 votes)	0.03%
Votes invalid:	0 votes	0.00%
Votes abstained:	12,037,047 votes (11,987,047 votes)	4.66%

*including votes casted electronically (numbers in brackets)

2. To discuss the proposal for amending the "Rules of Procedure for Shareholders' Meetings"

(Proposed by the Board of Directors)

Explanation:

- (1) To comply with regulations from the competent authorities, it is proposed to amend the "Rules of Procedure for Shareholders' Meetings" pursuant to the "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders' Meetings." This amendment aims to conform to the letter of explanation for the Company Act from MOEA, to amend that a shareholder proposal for urging the corporation to promote public interests or fulfill its social responsibilities shall comply with the requirement of Article 172-1, the Company Act, for one item only; no proposal containing more than one item will be included in the meeting agenda.
- (2) The comparison table of this amendment is provided in Attachment 6 (pages 22~26).

RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results:

Shares represented at the time of voting: 258,219,507

Voting Results*		% of the total represented share present
Votes in favor:	246,105,874 votes (179,311,238 votes)	95.30%
Votes against:	63,083 votes (63,083 votes)	0.02%
Votes invalid:	0 votes	0.00%
Votes abstained:	12,050,550 votes (12,000,550 votes)	4.66%

*including votes casted electronically (numbers in brackets)

3. To discuss the proposal for amending the “Procedures for Loaning of Funds to Others” (Proposed by the Board of Directors)

Explanation:

- (1) In response to the Article 37 of the “Q&As of Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies,” it is proposed to amend the “Procedures for Loaning of Funds to Others.” Shall any material accounts receivable or money has arisen from a non-operating activities not be collected exceeding the normal credit duration for three months, such money shall be at least reported to the Board of Directors quarterly, to determine if its nature is loaning of funds. Therefore, this amendment intends to delete the requirement that for the accounts receivable due from related parties, when being overdue for a certain period, such accounts receivable shall be reclassified as other receivables, and disclosed in the information of loaning of funds, while being public announced and submitted to the Board of Directors for ratification.
- (2) The comparison table of this amendment is provided in Attachment 7 (pages 27~29).

RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results:

Shares represented at the time of voting: 258,219,507

Voting Results*		% of the total represented share present
Votes in favor:	246,104,267 votes (179,309,631 votes)	95.30%
Votes against:	69,193 votes (69,193 votes)	0.02%
Votes invalid:	0 votes	0.00%
Votes abstained:	12,046,047 votes (11,996,047 votes)	4.66%

*including votes casted electronically (numbers in brackets)

4. To discuss the proposal for amending the “Procedures for Election of Directors”
(Proposed by the Board of Directors)

Explanation:

- (1) To comply with regulations from the competent authorities, it is proposed to amend the “Procedures for Election of Directors” pursuant to the “Sample Template for XXX Co., Ltd. Procedures for Election of Directors.” The major amendments are:
 - a. Simplify the operating procedures for nominate directors, and the by-election requirements when independent directors are insufficient or discharged.
 - b. Shareholders’ may, pursuant to Article 173 of the Company Act, convene meetings by obtaining approvals from the competent authorities. Therefore the requirement that the ballots shall be prepared by persons with the right to convene, is amended.
 - c. To enable shareholders’ conveniently exercise their voting rights, and implement the shareholder activism, the FSC regulates that the election of directors and supervisors of public listing companies shall apply the candidate nomination system. Shareholders’ shall elect directors from the candidate list. Before the convention of a meeting, the candidate list would provide the names and education/industrial backgrounds so that shareholders’ do not need to identify candidates with shareholder account numbers or ID numbers. The amendment is made accordingly.
- (2) The comparison table of this amendment is provided in Attachment 8 (pages 30~32).

RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results:

Shares represented at the time of voting: 258,219,507

Voting Results*		% of the total represented share present
Votes in favor:	246,103,385 votes (179,308,749 votes)	95.30%
Votes against:	71,075 votes (71,075 votes)	0.02%
Votes invalid:	0 votes	0.00%
Votes abstained:	12,045,047 votes (11,995,047 votes)	4.66%

*including votes casted electronically (numbers in brackets)

5. To discuss the proposal for lifting the non-competition restriction on Unizyx’s directors of the 4th Term

(Proposed by the Board of Directors)

Explanation:

- (1) Proceeded pursuant to Article 209-1 of the Company Act.
- (2) Whereas the Company’s directors may concurrently take positions with identical or similar businesses as the Company, to the extent where the Company’s interests are not harmed, it is proposed to have the meeting of shareholder approve to lift the non-competition restriction on these directors. The

newly-added positions of the directors at other companies are described as the following: (as of February 5, 2021).

Name	Current positions taken at other companies concurrently	Remarks
Shun-I Chu	Director, ZQAM Communications Corporation	
Gordon Yang	Director, Zyll Solutions Corporation	
Ping-Chin Li	Director/Chairman, ZyFX Technologies Inc.	Representative, ZYXEL Foundation
	Director/Chairman, ZQAM Communications Corporation	
	Director, Zyll Solutions Corporation	Representative, ZyFX Technologies Inc.
Chin-Tang Liu	Independent Director, Sino-American Silicon Products Inc.	

RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results:

Shares represented at the time of voting: 258,219,507

Voting Results*		% of the total represented share present
Votes in favor:	246,057,132 votes (179,262,496 votes)	95.28%
Votes against:	137,396 votes (137,396 votes)	0.05%
Votes invalid:	0 votes	0.00%
Votes abstained:	12,024,979 votes (11,974,979 votes)	4.65%

*including votes casted electronically (numbers in brackets)

VI.Extemporary Motions: None.

VII.Meeting Adjourned: July 01, 2021 at 9:19 am

Unizyx Holding Corporation 2020 Business Report

Unizyx Holding Corporation (hereinafter referred to as “Unizyx”) was established through a share swap with Zyxel Communications Corporation (hereinafter referred to as “Zyxel”) on August 16, 2010. Since then, the Group has carried out the reorganization subject to the Group Member’ industrial characteristics in order to upgrade the performance and competitiveness in the industry, as well as its industrial focus and profitability.

I. Business Results 2020:

The operating revenue in Unizyx’s 2020 consolidated statement of comprehensive income is NTD22.25 billion, the gross profit NTD5.78 billion, the gross margin 26.0%, operating expenses are NTD4.49 billion, net income is NTD831 million, and EPS NTD1.91.

(1) Outcome of performance:

Unit: NTD thousand

Item	2020	2019
Operating revenue	22,250,630	24,026,346
Gross profit	5,780,099	5,090,526
Operating income	1,292,694	175,810
Income (loss) before income taxes	1,175,888	(38,014)
Net income	831,001	101,978

(2) Analysis on profitability:

Item		2020	2019
Return on total assets %		4.84	0.81
Return on attributable to shareholders of the parent %		10.69	1.40
As a percentage of paid-in capital %	Operating Income	28.88	3.99
	Income (Loss) before income taxes	26.27	(0.86)
Net income %		3.73	0.42
Basic earnings per share/NTD		1.91	0.25

II. Business Outlook

Unizyx is dedicated to the networking industry to have deeply set its roots in various areas about the network technology and market. Unizyx plans the Group’s business strategies and goals, uses the best effort to plan and utilize its resources effectively and provides the affiliated companies with a better development platform to upgrade its competitiveness and shareholders’ equity. The three subsidiaries, namely

Zyxel, MitraStar Technology Corporation (hereinafter referred to as “MitraStar”), and Zyxel Networks Corporation (hereinafter referred to as “ZNet”), are in charge of telecommunication, OEM, and channel business, respectively, and strive in the technologies and markets in the network industry.

Zyxel’ brand promise is “Empowering worldwide service providers to unlock the broadband potential.” It dedicates to developing comprehensive, reliable solutions that accelerate and satisfy the advent of next-generation fixed and mobile broadband technology to help operators in 150 markets around the world to open up more opportunities with truly converged services. MitraStar specializes in R&D and OEM of network communication technologies and products; by working with the brand clients around the world, it provides value from the customers’ point of view and improves the performance of mass production by virtue of innovative design and control over costs, and satisfy customers’ needs with excellent production management, logistic management, technical support and customer services. To respond to the effects of the COVID-19 pandemic and the uncertainty resulted from US-Sino trade war, the Company has the deployment for optimal capacity to enhance the partnership with our clients and supply chain.

Zyxel provides solutions instead of products to meet the needs of service providers, while MitraStar seeks more clients for one technology to expand quantity and scale. Zyxel and MitraStar expand their business respectively while supporting each other; collectively, they continue to contribute to the R&D of broadband access equipment, pursue the operational optimization and technological interoperability, increase the return of investment of technologies, and enhance the operating efficiency. In terms of product R&D, Zyxel uses the best effort to position in the areas of new generation high-performance fixed and mobile broadband technology and digital home multimedia, and provide service providers with products and solutions with high capacity and low-latency internet connectivity to subscribers.

For products and technologies, Zyxel develops 10G active fiber and passive fiber broadband access solutions aggressively in recent years while continuing to provide solutions for operators upgrading their existing copper infrastructure, such as VDSL 2 Vectoring, Bonding, and G.fast, to help operators overcome the “last-mile” challenge in terms of difficulties for fiber optic deployment, to provide fiber-like services to the residential users. As the fifth generation mobile communication technology (5G) is formally operated commercially, Zyxel has launched the complete 5G NR Fixed Wireless Access (FWA) product portfolio, including outdoor, indoor, portable products, which has been chosen by many Nordic service providers. Meanwhile, Zyxel utilizes its outstanding software R&D capability to launch the MPro Mesh® Solution. This solution supports WiFi 6 and EasyMesh standards. The latest WiFi 6 product portfolio is chosen by many leading operators in Europe and the U.S.

ZNet focuses on the development of networking solutions for business applications. To combine the popularity of cloud services, it provides the products and services that satisfy the networking needs of SMBs and home users. With Nebula, the first smart cloud management networking solution developed successfully in Taiwan, and Nebula

SD-WAN solutions, it aims to promote Taiwan's networking technology into the world. In addition, as the cybersecurity threats are getting complicated and got more attention from companies, ZNet has introduced the ATP firewalls to help SMBs protect unknown cybersecurity threats. ZNet also provides painless transition subscription services so SMBs can customize the solutions based on their needs. Not only is efficiency enhanced, but the overall IT costs are also greatly reduced, and various demands from different industries are met. In the future, we will base on the three key focuses, including cloud, AI, and cybersecurity protection to help improve the operational efficiency of SMBs and accelerate their digital transformation to ensure that ZNet can continue its growth in the highly competitive global market and maintain its leading position.

As a networking company, Unizyx's expertise in networking technologies is also applied to the areas of national defense communications and information security. Unizyx is one of the few Taiwan-based suppliers capable of researching and developing the information security hardware products, such as radar, military wireless communications and firewalls.

By virtue of professional management and market deployment, Unizyx will increase rewards to employees to encourage employees and increase the incentives to solicit talents. Externally, it will improve the profitability and long-term competitiveness of Unizyx Holding Corporation. The entire management team will use its best effort to combine the sound technical energy, create more infinite possibilities for network communications, and upgrade the shareholders' equity and create a win-win-win situation for Unizyx Holding Corporation and its employees and shareholders."

At last, we wish all of you good health and everything goes well!

Chairman of Board: Shun-I Chu

Chief Executive Officer: Gordon Yang

Chief Financial Officer: Woei Lo

Unizyx Holding Corporation Audit Committee's Review Report

Unizyx's 2020 Business Report, Financial Statements and proposal for deficit compensated were prepared and submitted by the Board of Directors. The Financial Statements were audited by KPMG and issued an Independent Audit Report. The Business Report, Financial Statements and proposal for deficit compensated, have been reviewed and determined to be correct and accurate by the Audit Committee of Unizyx Holding Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Please review and approve.

To

Unizyx Holding Corporation 2021 Annual Shareholders' Meeting

Feng Chian, Convener of the Audit Committee

March 15, 2021

Independent Auditors' Report

To the Board of Directors of Unizyx Holding Corporation:

Opinion

We have audited the consolidated financial statements of Unizyx Holding Corporation and its subsidiaries ("the Company"), which comprise the consolidated balance sheets as of December 31, 2020 and 2019, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") and the former Standing Interpretations Committee ("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 the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on our judgment, the key audit matters that should be disclosed in this report are as follows:

1. Valuation of Accounts Receivable

Please refer to Note 4(7) "Summary of significant accounting policies—Financial instruments" Note 5(1) "Major sources of accounting judgments, estimations and assumptions of uncertainty", and Note 6(5) "Explanation of significant accounts—Notes and accounts receivable, net" to the consolidated financial statements.

Description of key audit matters:

The Company has its customers spread throughout the globe, wherein they are vulnerable to various changes, such as market trend, geopolitical economy as well as regulatory matters. Therefore, the customer credit control is considered to be more complex. When assessing the recoverability of its receivables, it is necessary to consider any changes in the credit quality of the receivables from the original grant date of credit

limit to the reporting date. For those receivables that have not been collected within the credit term, the balance of the estimated valuation allowance for bad debts is calculated by reference from the transaction in the past and customers' current financial status. The management's judgment on the balance of allowance for impairment loss of receivables involved uncertainty and it might lead to significant adjustments in estimate, as such, it was one of the key audit matters for our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: testing the completeness and accuracy of the aging analysis; testing the key control of the management for the credit limits and supervision process to assess the appropriateness of approval when sales exceeds the credit limits; understanding and evaluating the management's consideration and the rate of lifetime expected credit losses relating to receivables that are overdue, vouching the receipt of cash after the year end and understanding the possibility of remaining receivables collection suggested by historical trends; testing the adequacy of the Company's provisions against the receivables by assessing the relevant assumptions, examining and reviewing related documents, discussing with the management the probability of collecting the remaining receivables, as well as recalculating and evaluating the adequacy of the Company's disclosures.

2. Valuation of Inventories

Please refer to Note 4(8) "Summary of significant accounting policies—Inventories", Note 5(2) "Significant accounting judgments, assumptions, and major sources of estimation uncertainty", and Note 6(6) "Explanation of Significant Accounts—Inventories" to the consolidated financial statements.

Description of key audit matters:

The Company mainly engages in the research and development, as well as the production of networks communication products. Inventories are stated at the lower of cost or net realizable value. The Company used judgment and estimate to determine the net realizable value of inventory at the end of each reporting period. However, the rapid evolution of technology and the fluctuation of market may lead to obsolete inventories and unmarketable items. The net realizable value of the inventory is mainly determined based on assumptions of future demand within a specific time frame, which could result in significant adjustments. As a result, the valuation of inventories is one of the key audit matters of our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: obtaining the inventory aging report and testing the completeness and the accuracy of the aging of inventory based on acceptable documents from the last valid transaction; understanding and evaluating the management's judgment on the calculation of net realizable value, testing the relevant documents to assess the adequacy and reasonableness for identification of slow moving inventories and discussing with the management about the reasonableness for slow moving inventories; as well as understanding the management's assumption on the completeness of inventory provisions and evaluating the adequacy of provision to write down slow moving or obsolete inventories; and evaluating the adequacy of the Company's disclosures.

Other Matter

Unizyx Holding Corporation has additionally prepared its parent-company-only financial statements as of and for the years ended December 31, 2020 and 2019, on which we have issued an 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 with

the IFRSs, IASs, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the audit committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are An-Chih Cheng and Shing-Hai Wei.

KPMG

Taipei, Taiwan (Republic of China)

March 15, 2021

Notes to Readers

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

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Unizyx Holding Corporation and subsidiaries

Consolidated Balance Sheets

December 31, 2020 and 2019

(Expressed in thousands of New Taiwan Dollars)

Assets	December 31, 2020		December 31, 2019		Liabilities and Equity	December 31, 2020		December 31, 2019	
	Amount	%	Amount	%		Amount	%	Amount	%
Current assets:					Current liabilities:				
Current assets:	\$				Short-term borrowings (notes 6(13) and 8)	\$			
Cash and cash equivalents (note 6(1))	-	-	2,051	-	Short-term notes and bills payable (note 6(14))	300,000	2	-	-
Financial assets at fair value through profit or loss — current (note 6(2))	569,159	3	221	-	Financial liabilities at fair value through profit or loss — current (note 6(2))	46,359	-	2,469	-
Financial assets at amortized cost — current (note 6(3))	5,841,093	30	4,715,847	30	Contract liabilities — current (note 6(22))	74,760	-	89,595	-
Notes and accounts receivable, net (note 6(5))	4,794	-	19,991	-	Notes and accounts payable	5,232,851	27	3,349,407	22
Accounts receivable — related parties, net (note 7)	5,959	-	1,732	-	Accounts payable — related parties (note 7)	546,513	3	79,840	-
Other receivables — related parties (note 7)	4,900,890	25	3,485,268	23	Payroll and bonus payable	788,435	4	680,582	4
Inventories (note 6(6))	89,467	-	69,573	-	Royalty payable	169,340	1	280,526	2
Other financial assets — current	918,884	5	791,593	5	Other payables — related parties (note 7)	46,489	-	-	-
	16,408,405	84	12,305,624	79	Income tax payable	91,938	-	7,502	-
Non-current assets:					Provision for warranty obligations — current (note 6(15))	546,982	3	575,449	4
Financial assets at fair value through other comprehensive income — non-current (note 6(4))	26,999	-	8,669	-	Lease liabilities — current (note 6(16))	46,575	-	44,021	-
Financial assets at amortized cost — non-current (notes 6(3) and 8)	70,669	-	19,224	-	Other current liabilities, others (note 6(8))	1,077,049	6	901,820	6
Investments accounted for using the equity method (note 6(7))	24,059	-	32,373	-		10,581,538	54	7,638,014	49
Property, plant and equipment, net (notes 6(10) and 8)	1,592,121	8	1,639,267	11	Non-current liabilities:				
Right-of-use assets (note 6(11))	471,029	3	475,036	3	Deferred income tax liabilities (note 6(18))	251,828	2	153,279	1
Intangible assets, net (note 6(12))	259,758	1	124,792	1	Lease liabilities — non-current (note 6(16))	443,497	2	448,832	3
Deferred income tax assets (note 6(18))	513,652	3	609,085	4	Net defined benefit liabilities (note 6(17))	5,496	-	3,192	-
Refundable deposits (note 8)	131,690	1	155,955	1	Guarantee deposits received	575	-	539	-
Net defined benefit assets (note 6(17))	69,783	-	85,000	1		701,396	4	605,842	4
Other non-current assets	21,000	-	30,799	-	Total liabilities	11,282,934	58	8,243,856	53
	3,180,760	16	3,180,200	21	Equity (note 6(19)):				
Total assets	\$	100	15,485,824	100	Equity attributable to the shareholders of the parent company:				
					Capital stock	4,476,438	23	4,411,773	29
					Capital surplus	3,827,886	20	3,755,876	24
					Retained earnings	447,480	2	(362,370)	(2)
					Other equity	(351,910)	(2)	(463,227)	(3)
					Treasury stock	(120,861)	(1)	(120,861)	(1)
						8,279,033	42	7,221,191	47
					Non-controlling interests	27,198	-	20,777	-
					Total equity	8,306,231	42	7,241,968	47
					Total liabilities and equity	\$	100	15,485,824	100

See accompanying notes to consolidated financial statements.

Unizyx Holding Corporation and subsidiaries

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2020 and 2019

(Expressed in thousands of New Taiwan Dollars , except for earnings per share)

	2020		2019	
	Amount	%	Amount	%
Operating revenues (notes 6(22) and 7)	\$ 22,250,630	100	24,026,346	100
Cost of goods sold (notes 6(6) and 7)	16,470,531	74	18,935,820	79
Gross profit	5,780,099	26	5,090,526	21
Operating expenses (note 7):				
Selling and marketing	2,044,671	9	2,203,757	9
General and administrative	845,039	4	870,134	3
Research and development	1,599,814	7	1,839,885	8
Expected credit loss (gain) (note 6(5))	(2,119)	-	940	-
Total operating expenses	4,487,405	20	4,914,716	20
Operating income (loss)	1,292,694	6	175,810	1
Non-operating income (expenses):				
Other income (notes 6(23) and 7)	185,179	1	47,863	-
Other gains and losses (notes 6(23) and 7)	(71,072)	-	(45,816)	-
Shares of gain (loss) of associates accounted for using the equity method, net (note 6(7))	(12,450)	-	(18,283)	-
Interest income	14,471	-	13,478	-
Interest expense (note 6(23))	(23,311)	-	(38,443)	-
Foreign exchange loss, net (note 6(25))	(209,623)	(1)	(172,623)	(1)
	(116,806)	-	(213,824)	(1)
Income (loss) before income taxes	1,175,888	6	(38,014)	-
Income tax expenses (benefits) (note 6(18))	344,887	2	(139,992)	-
Net income (loss)	831,001	4	101,978	-
Other comprehensive income (loss):				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit plans (note 6(17))	(18,094)	-	(3,122)	-
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (note 6(19))	9,068	-	(26,813)	-
Total items that will not be reclassified subsequently to profit or loss	(9,026)	-	(29,935)	-
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign financial statements	127,975	-	(116,868)	-
Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(18))	(25,562)	-	13,166	-
Total items that may be reclassified subsequently to profit or loss	102,413	-	(103,702)	-
Other comprehensive income for the year	93,387	-	(133,637)	-
Total comprehensive income for the year	<u>\$ 924,388</u>	<u>4</u>	<u>(31,659)</u>	<u>-</u>
Net income (loss) attributable to:				
Shareholders of the parent company	\$ 827,944	4	106,753	-
Non-controlling interests	3,057	-	(4,775)	-
	<u>\$ 831,001</u>	<u>4</u>	<u>101,978</u>	<u>-</u>
Total comprehensive income attributable to:				
Shareholders of the parent company	\$ 921,167	4	(24,310)	-
Non-controlling interests	3,221	-	(7,349)	-
	<u>\$ 924,388</u>	<u>4</u>	<u>(31,659)</u>	<u>-</u>
Earnings per share (New Taiwan Dollars) (note 6(21)):				
Basic earnings per share	<u>\$ 1.91</u>		<u>0.25</u>	
Diluted earnings per share	<u>\$ 1.90</u>		<u>0.24</u>	

See accompanying notes to consolidated financial statements.

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

Unizyx Holding Corporation and subsidiaries

Consolidated Statements of Changes in Equity

For the years ended December 31, 2020 and 2019

(Expressed in thousands of New Taiwan Dollars)

	Equity attributable to the shareholders of the parent														
									Total other equity interest						
									Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total	Treasury stock	Subtotal of equity attributable to the shareholders of the parent	Non-controllin g interests	Total equity
Capital Stock				Retained earnings											
	Common stock	Advance receipts for share capital	Total share capital	Capital surplus	Legal reserve	Special reserve	Accumulated deficits	Total							
Balance at January 1, 2019	\$ 4,411,773	-	4,411,773	3,725,204	279,833	200,347	(919,774)	(439,594)	(294,693)	(40,593)	(335,286)	(120,861)	7,241,236	65,098	7,306,334
Effects of retrospective application of new accounting standards	-	-	-	-	-	-	(23,664)	(23,664)	-	-	-	-	(23,664)	-	(23,664)
Balance at January 1, 2019 after adjustment	4,411,773	-	4,411,773	3,725,204	279,833	200,347	(943,438)	(463,258)	(294,693)	(40,593)	(335,286)	(120,861)	7,217,572	65,098	7,282,670
Net income (loss) for the period	-	-	-	-	-	-	106,753	106,753	-	-	-	-	106,753	(4,775)	101,978
Other comprehensive income (loss) for the period	-	-	-	-	-	-	(3,122)	(3,122)	(101,128)	(26,813)	(127,941)	-	(131,063)	(2,574)	(133,637)
Total comprehensive income (loss) for the period	-	-	-	-	-	-	103,631	103,631	(101,128)	(26,813)	(127,941)	-	(24,310)	(7,349)	(31,659)
Compensation expense of employee stock options	-	-	-	19,641	-	-	-	-	-	-	-	-	19,641	-	19,641
Changes in ownership interests in subsidiaries accounted for using the equity method	-	-	-	4,486	-	-	(2,459)	(2,459)	-	-	-	-	2,027	(2,027)	-
Changes in ownership interests in associates accounted for using the equity method	-	-	-	6,545	-	-	(284)	(284)	-	-	-	-	6,261	-	6,261
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(34,945)	(34,945)
Balance at December 31, 2019	4,411,773	-	4,411,773	3,755,876	279,833	200,347	(842,550)	(362,370)	(395,821)	(67,406)	(463,227)	(120,861)	7,221,191	20,777	7,241,968
Net income (loss) for the period	-	-	-	-	-	-	827,944	827,944	-	-	-	-	827,944	3,057	831,001
Other comprehensive income (loss) for the period	-	-	-	-	-	-	(18,094)	(18,094)	102,249	9,068	111,317	-	93,223	164	93,387
Total comprehensive income (loss) for the period	-	-	-	-	-	-	809,850	809,850	102,249	9,068	111,317	-	921,167	3,221	924,388
Compensation expense of employee stock options	-	-	-	37,563	-	-	-	-	-	-	-	-	37,563	-	37,563
Exercise of employee stock options	-	64,665	64,665	14,226	-	-	-	-	-	-	-	-	78,891	-	78,891
Changes in ownership interests in subsidiaries accounted for using the equity method	-	-	-	20,221	-	-	-	-	-	-	-	-	20,221	(20,221)	-
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	40,000	40,000
Decrease in non-controlling interests due to losing control	-	-	-	-	-	-	-	-	-	-	-	-	-	(16,579)	(16,579)
Balance at December 31, 2020	\$ 4,411,773	64,665	4,476,438	3,827,886	279,833	200,347	(32,700)	447,480	(293,572)	(58,338)	(351,910)	(120,861)	8,279,033	27,198	8,306,231

See accompanying notes to consolidated financial statements.

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

Unizyx Holding Corporation and subsidiaries

Consolidated Statements of Cash Flows

For the years ended December 31, 2020 and 2019

(Expressed in thousands of New Taiwan Dollars)

	2020	2019
Cash flows from operating activities:		
Income (loss) before income tax	\$ 1,175,888	(38,014)
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	268,051	290,340
Amortization expense	95,806	77,858
Expected credit loss (gain)	(2,119)	940
Provision for warranties and after service cost	54,620	116,648
Provision of allowance for sales discounts	119,161	42,712
Net loss (profit) on financial assets or liabilities at fair value through profit or loss	57,091	(197)
Interest expense	23,311	38,443
Interest income	(14,471)	(13,478)
Share-based compensation expense	37,563	19,641
Share of loss of associates accounted for using the equity method	12,450	18,283
Loss (gain) on disposal of property, plant and equipment	(109)	600
Loss on disposal of intangible assets	164	353
Loss on liquidation of subsidiaries	71	36,942
Provision for (reversal of) inventory obsolescence	(113,239)	275,936
Others	859	(86)
Total adjustments to reconcile profit (loss)	<u>539,209</u>	<u>904,935</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets or liabilities at fair value through profit or loss	(11,150)	2,469
Notes and accounts receivable (including related parties)	(1,096,506)	2,353,745
Other receivables — related parties	(4,227)	-
Inventories	(1,244,079)	1,065,929
Other financial assets and other current assets	(176,900)	(33,370)
Total changes in operating assets	<u>(2,532,862)</u>	<u>3,388,773</u>
Changes in operating liabilities:		
Notes and accounts payable (including related parties)	2,350,568	(1,741,949)
Other payables — related parties	46,489	(5,072)
Contract liabilities and other current liabilities	44,111	14,841
Net defined benefit assets and liabilities	(573)	(700)
Total changes in operating liabilities	<u>2,440,595</u>	<u>(1,732,880)</u>
Total changes in operating assets and liabilities	<u>(92,267)</u>	<u>1,655,893</u>
Total adjustments	<u>446,942</u>	<u>2,560,828</u>
Cash inflow generated from operations	1,622,830	2,522,814
Interest received	13,826	14,865
Dividends received	2,158	1,193
Interest paid	(23,188)	(38,853)
Income taxes paid	(68,873)	(127,246)
Net cash flows from operating activities	<u>1,546,753</u>	<u>2,372,773</u>

(Continued)

See accompanying notes to consolidated financial statements.

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

Unizyx Holding Corporation and subsidiaries

Consolidated Statements of Cash Flows (continue)

For the years ended December 31, 2020 and 2019

(Expressed in thousands of New Taiwan Dollars)

	2020	2019
Cash flows from investing activities:		
Acquisition of financial assets at amortized cost	(1,039,062)	(4,679)
Proceeds from repayments of financial assets at amortized cost	419,062	375,092
Net cash outflow from loss of control of subsidiaries	(33,584)	-
Net cash outflow from acquisition of subsidiaries	(85,273)	(26,010)
Acquisition of property, plant and equipment	(175,819)	(140,338)
Proceeds from disposal of property, plant and equipment	962	1,138
Decrease (increase) in refundable deposits	24,265	(78,248)
Acquisition of intangible assets	(187,833)	(11,692)
Proceeds from disposal of intangible assets	-	4,385
Increase in other non-current assets	(27,181)	(45,844)
Net cash flows from (used in) investing activities	(1,104,463)	73,804
Cash flows from financing activities:		
Increase in short-term borrowings	6,595,762	10,912,636
Decrease in short-term borrowings	(6,611,976)	(11,226,740)
Increase in short-term notes and bills payable	806,000	930,000
Decrease in short-term notes and bills payable	(506,000)	(1,130,000)
Increase (decrease) in guarantee deposits received	33	(352)
Payment of lease liabilities	(49,439)	(50,466)
Exercise of employee stock options	78,891	-
Change in non-controlling interests	40,000	(34,945)
Net cash flows from (used in) financing activities	353,271	(599,867)
Effect of exchange rate changes on cash and cash equivalents	63,250	(127,894)
Net increase in cash and cash equivalents	858,811	1,718,816
Cash and cash equivalents at the beginning of period	3,219,348	1,500,532
Cash and cash equivalents at the end of period	\$ 4,078,159	3,219,348

Independent Auditors' Report

To the Board of Directors of Unizyx Holding Corporation:

Opinion

We have audited the financial statements of Unizyx Holding Corporation ("the Company"), which comprise the balance sheets as of December 31, 2020 and 2019, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent-company-only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements of the current period. 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. Based on our judgment, the key audit matters that should be disclosed in this report are as follows:

Evaluation of investments accounted for using the equity method

Please refer to Note 4(7) "Summary of significant accounting policies — Investment in associates", Note 4(8) "Summary of significant accounting policies — Investment in subsidiaries", and Note 6(3) "Explanation of significant accounts — Investments accounted for using the equity method" to the parent company only financial statements.

Description of key audit matters:

The investments in subsidiaries accounted for using the equity method constituted 97% of total assets of the Company, wherein the amount is material. As a result, the evaluation of investments accounted for using the equity method is our key audit matter.

How the matter was addressed in our audit:

Our principal audit procedures included: recalculating the shares of profit or loss of associates and subsidiaries in accordance with ownership percentage of shares; physically counting the securities and certificates of long term equity investment; discussing with the management about the evaluation of subsidiary related significant matters, as well as understanding the reasonableness of the subsidiary's valuation of impairment for accounts receivable and inventories; considering the adequacy of the Company's disclosures on its accounts

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

Those charged with governance (including the audit committee) are responsible for overseeing the Company'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 the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that

may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 Company 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 the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. Furthermore, 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 parent-company-only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are An-Chih Cheng and Shing-Hai Wei.

KPMG

Taipei, Taiwan (Republic of China)
March 15, 2021

Notes to Readers

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

The independent auditors' report and the accompanying parent-company-only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent-company-only financial statements, the Chinese version shall prevail.

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)
Unizyx Holding Corporation
Balance Sheets
December 31, 2020 and 2019
(Expressed in thousands of New Taiwan Dollars)

Assets	December 31, 2020		December 31, 2019		Liabilities and Equity	December 31, 2020		December 31, 2019	
	Amount	%	Amount	%		Amount	%	Amount	%
Current assets:					Current liabilities:				
Cash and cash equivalents (note 6(1))	\$ 191,849	3	122,561	2	Other payables—related parties (note 7)	498	-	6,709	-
Accounts receivable, net (note 7)	38,584	-	38,126	-	Income tax payable (note 6(7))	6,206	-	-	-
Other receivables—related parties (note 7)	21,271	-	-	-	Other current liabilities, others	<u>26,785</u>	-	<u>28,281</u>	-
Other financial assets—current	31	-	3	-		<u>33,489</u>	-	<u>34,990</u>	-
Other current assets, others	<u>1,002</u>	-	<u>3,152</u>	-	Non-current liabilities:				
	<u>252,737</u>	3	<u>163,842</u>	2	Net defined benefit liabilities (note 6(6))	<u>5,496</u>	-	<u>3,192</u>	-
Non-current assets:					Total liabilities	<u>38,985</u>	-	<u>38,182</u>	-
Financial assets at fair value through other comprehensive income—non-current (note 6(2))	9,262	-	-	-					
Investments accounted for using the equity method (note 6(3))	8,050,929	97	7,094,042	98	Equity (note 6(8)):				
Property, plant and equipment, net (note 6(4))	4,121	-	1,162	-	Capital stock	4,476,438	54	4,411,773	61
Intangible assets (note 6(5))	215	-	327	-	Capital surplus	3,827,886	46	3,755,876	52
Deferred income tax assets (note 6(7))	<u>754</u>	-	<u>-</u>	-	Retained earnings	447,480	5	(362,370)	(5)
	<u>8,065,281</u>	97	<u>7,095,531</u>	98	Other equity	(351,910)	(4)	(463,227)	(6)
					Treasury stock	<u>(120,861)</u>	(1)	<u>(120,861)</u>	(2)
					Total equity	<u>8,279,033</u>	100	<u>7,221,191</u>	100
Total assets	<u>\$ 8,318,018</u>	<u>100</u>	<u>7,259,373</u>	<u>100</u>	Total liabilities and equity	<u>\$ 8,318,018</u>	<u>100</u>	<u>7,259,373</u>	<u>100</u>

See accompanying notes to the parent-company-only financial statements.

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)
Unizyx Holding Corporation

Statements of Comprehensive Income

For the years ended December 31, 2020 and 2019

(Expressed in thousands of New Taiwan Dollars , except for earnings per share)

	2020		2019	
	Amount	%	Amount	%
Revenues:				
Service revenues (notes 6(11) and 7)	\$ 130,347	14	153,814	65
Shares of profit of subsidiaries and associates accounted for using the equity method (note 6(3))	816,677	86	83,743	35
Interest income	254	-	208	-
Other income	42	-	32	-
	<u>947,320</u>	<u>100</u>	<u>237,797</u>	<u>100</u>
Expenses:				
General and administrative expenses	133,339	14	124,000	52
Loss on disposal of property, plant and equipment	-	-	216	-
Foreign exchange loss, net	-	-	2	-
	<u>133,339</u>	<u>14</u>	<u>124,218</u>	<u>52</u>
Income (loss) before income taxes	<u>813,981</u>	<u>86</u>	<u>113,579</u>	<u>48</u>
Income tax expenses (benefits) (note 6(7))	<u>(13,963)</u>	<u>(2)</u>	<u>6,826</u>	<u>3</u>
Net income (loss)	<u>827,944</u>	<u>88</u>	<u>106,753</u>	<u>45</u>
Other comprehensive income (loss):				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit plans (note 6(6))	(2,473)	-	452	-
Shares of remeasurements of the defined benefit plans of subsidiaries accounted for using the equity method	(15,621)	(2)	(3,574)	(1)
Shares of unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income of subsidiaries accounted for using the equity method (note 6(8))	9,068	1	(26,813)	(11)
Total items that will not be reclassified subsequently to profit or loss	<u>(9,026)</u>	<u>(1)</u>	<u>(29,935)</u>	<u>(12)</u>
Items that may be reclassified subsequently to profit or loss				
Shares of exchange differences on translation of foreign financial statements of subsidiaries accounted for using the equity method	127,811	13	(114,294)	(48)
Income tax related to components of other comprehensive income to be reclassified to profit or loss (note 6(7))	(25,562)	3	13,166	6
Total items that may be reclassified subsequently to profit or loss	<u>102,249</u>	<u>10</u>	<u>(101,128)</u>	<u>(42)</u>
Other comprehensive income for the year	<u>93,223</u>	<u>9</u>	<u>(131,063)</u>	<u>(54)</u>
Total comprehensive income for the year	<u>\$ 921,167</u>	<u>97</u>	<u>(24,310)</u>	<u>(9)</u>
Earnings per share (New Taiwan Dollars) (note 6(10)):				
Basic earnings per share	<u>\$ 1.91</u>		<u>0.25</u>	
Diluted earnings per share	<u>\$ 1.90</u>		<u>0.24</u>	

See accompanying notes to the parent-company-only financial statements.

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)

Unizyx Holding Corporation

Statements of Changes in Equity

For the years ended December 31, 2020 and 2019

(Expressed in thousands of New Taiwan Dollars)

	Capital stock		Retained earnings						Total other equity interest		Treasury stock	Total equity
	Common stock	Advance receipts for share capital	Total share capital	Capital surplus	Legal reserve	Special reserve	Accumulated deficits	Total	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income		
Balance at January 1, 2019	\$ 4,411,773	-	4,411,773	3,725,204	279,833	200,347	(919,774)	(439,594)	(294,693)	(40,593)	(120,861)	7,241,236
Effects of retrospective application of new accounting standards	-	-	-	-	-	-	(23,664)	(23,664)	-	-	-	(23,664)
Balance at January 1, 2019 after adjustment	<u>4,411,773</u>	<u>-</u>	<u>4,411,773</u>	<u>3,725,204</u>	<u>279,833</u>	<u>200,347</u>	<u>(943,438)</u>	<u>(463,258)</u>	<u>(294,693)</u>	<u>(40,593)</u>	<u>(120,861)</u>	<u>7,217,572</u>
Net income (loss) for the period	-	-	-	-	-	-	106,753	106,753	-	-	-	106,753
Other comprehensive income (loss) for the period	-	-	-	-	-	-	(3,122)	(3,122)	(101,128)	(26,813)	-	(131,063)
Total comprehensive income (loss) for the period	-	-	-	-	-	-	103,631	103,631	(101,128)	(26,813)	-	(24,310)
Compensation expense of employee stock options	-	-	-	19,641	-	-	-	-	-	-	-	19,641
Changes in ownership interests in subsidiaries accounted for using the equity method	-	-	-	4,486	-	-	(2,459)	(2,459)	-	-	-	2,027
Changes in ownership interests in associates accounted for using the equity method	-	-	-	6,545	-	-	(284)	(284)	-	-	-	6,261
Balance at December 31, 2019	<u>4,411,773</u>	<u>-</u>	<u>4,411,773</u>	<u>3,755,876</u>	<u>279,833</u>	<u>200,347</u>	<u>(842,550)</u>	<u>(362,370)</u>	<u>(395,821)</u>	<u>(67,406)</u>	<u>(120,861)</u>	<u>7,221,191</u>
Net income (loss) for the period	-	-	-	-	-	-	827,944	827,944	-	-	-	827,944
Other comprehensive income (loss) for the period	-	-	-	-	-	-	(18,094)	(18,094)	102,249	9,068	-	93,223
Total comprehensive income (loss) for the period	-	-	-	-	-	-	809,850	809,850	102,249	9,068	-	921,167
Compensation expense of employee stock options	-	-	-	37,563	-	-	-	-	-	-	-	37,563
Exercise of employee stock options	-	64,665	64,665	14,226	-	-	-	-	-	-	-	78,891
Changes in ownership interests in subsidiaries accounted for using the equity method	-	-	-	20,221	-	-	-	-	-	-	-	20,221
Balance at December 31, 2020	<u>\$ 4,411,773</u>	<u>64,665</u>	<u>4,476,438</u>	<u>3,827,886</u>	<u>279,833</u>	<u>200,347</u>	<u>(32,700)</u>	<u>447,480</u>	<u>(293,572)</u>	<u>(58,338)</u>	<u>(120,861)</u>	<u>8,279,033</u>

See accompanying notes to the parent-company-only financial statements.

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)

Unizyx Holding Corporation

Statements of Cash Flows

For the years ended December 31, 2020 and 2019

(Expressed in thousands of New Taiwan Dollars)

	2020	2019
Cash flows from operating activities:		
Income (loss) before income tax	\$ 813,981	113,579
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	489	316
Amortization expense	112	112
Interest income	(254)	(208)
Share-based compensation expense	4,008	1,169
Share of loss (profit) of subsidiaries and associates accounted for using the equity method	(816,677)	(83,743)
Loss on disposal of property, plant and equipment	-	216
Total adjustments to reconcile profit (loss)	<u>(812,322)</u>	<u>(82,138)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Accounts receivable	(458)	2,473
Other receivables — related parties	(1,782)	-
Other financial assets and other current assets	324	(358)
Total changes in operating assets	<u>(1,916)</u>	<u>2,115</u>
Changes in operating liabilities:		
Other payables — related parties	(6,285)	(11,865)
Accrued expenses and other current liabilities	(1,496)	11,030
Net defined benefit liabilities	(169)	(5)
Total changes in operating liabilities	<u>(7,950)</u>	<u>(840)</u>
Total changes in operating assets and liabilities	<u>(9,866)</u>	<u>1,275</u>
Total adjustments	<u>(822,188)</u>	<u>(80,863)</u>
Cash inflow (outflow) generated from operations	(8,207)	32,716
Interest received	226	214
Income taxes refunded	1,826	366
Net cash flows from (used in) operating activities	<u>(6,155)</u>	<u>33,296</u>
Cash flows from investing activities:		
Acquisition of investments accounted for using the equity method	-	(100)
Acquisition of property, plant and equipment	(3,448)	(1,239)
Proceeds from disposal of property, plant and equipment	-	790
Net cash flows used in investing activities	<u>(3,448)</u>	<u>(549)</u>
Cash flows from financing activities:		
Exercise of employee stock options	78,891	-
Net cash flows from financing activities	<u>78,891</u>	<u>-</u>
Net increase cash and cash equivalents	69,288	32,747
Cash and cash equivalents at the beginning of period	122,561	89,814
Cash and cash equivalents at the end of period	<u>\$ 191,849</u>	<u>122,561</u>

Unizyx Holding Corporation
2020 Deficit Compensation Statement

Unit: NTD

Item	Amount	
	Subtotal	Total
Opening undistributed earnings		(842,549,672)
Plus (Less)		
Remeasurement of the definite benefit plans	(18,093,932)	
Net income of 2020	827,943,246	809,849,314
Deficit yet to be compensated		(32,700,358)
Plus (Less)		
Legal reserves	32,700,358	32,700,358
Unappropriated retained earnings		0

Chairman of Board: Shun-I Chu

Chief Executive Officer: Gordon Yang

Chief Financial Officer: Woei Lo

Unizyx Holding Corporation
Comparison Table for Amendments to the Rules of Procedure for
Shareholders' Meetings

After Amendment	Before Amendment	Basis of Amendment
Article 3: Unless otherwise provided by law or regulation, this Company's shareholders meetings shall be convened by the board of directors. The Company 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) before 30 days before the date of a regular shareholders' meeting or before 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS 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 Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them	Article 3: Unless otherwise provided by law or regulation, this Company's shareholders meetings shall be convened by the board of directors. The Company 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) before 30 days before the date of a regular shareholders' meeting or before 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS 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 Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them	Amended pursuant to the competent authorities' "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders' Meetings"

After Amendment	Before Amendment	Basis of Amendment
available for review by shareholders' at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby, as well as being distributed on-site at the meeting place. 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. Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, and Article 56-1 and Article 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	available for review by shareholders' at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby, as well as being distributed on-site at the meeting place. 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. Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, and Article 56-1 and Article 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	

After Amendment	Before Amendment	Basis of Amendment
shareholders' meeting. None of the above matters may be raised by an extraordinary motion; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the corporation, and such website shall be indicated in the above notice. 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 may not be altered by any extraordinary motion or otherwise in the same meeting. A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a written proposal for discussion at a regular shareholders' meeting. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. A shareholder proposal for urging the corporation to promote public interests or fulfill its social responsibilities may still be included in the agenda by the board of directors by complying with the requirement of Article 172-1, the Company Act, for	shareholders' meeting. None of the above matters may be raised by an extraordinary motion; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the corporation, and such website shall be indicated in the above notice. 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 may not be altered by any extraordinary motion or otherwise in the same meeting. A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a written proposal for discussion at a regular shareholders' meeting. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. Provided a shareholder proposal proposed for urging the Company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at a regular meeting of shareholders' by the board of	

After Amendment	Before Amendment	Basis of Amendment
<u>one item only; no proposal containing more than one item will be</u> included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. Prior to the book closure date before a regular shareholders' meeting is held, this 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 may not be less than 10 days. Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders' who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals	<u>directors</u>. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. Prior to the book closure date before a regular shareholders' meeting is held, this 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 may not be less than 10 days. Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders' who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the board of directors at the shareholders' meeting to be convened.	

After Amendment	Before Amendment	Basis of Amendment
and explanation shall be made by the board of directors at the shareholders' meeting to be convened.		
Article 20: Omitted The seventh amendment to the Rules was approved on June 12, 2020 <u>The eighth amendment to the Rules was approved on July 01, 2021</u>	Article 20: Omitted The seventh amendment to the Rules was approved on June 12, 2020	Amendment date is added

Unizyx Holding Corporation
Comparison Table for Amendments to the Procedures for Loaning of Funds to Others

After Amendment	Before Amendment	Basis of Amendment
Article 7: Procedures for handling loaning of funds. 1. The loaning is only conducted with the Board of Directors' resolution, and no other party may be authorized to determine. Any material loaning of funds requires the approval of one-half or more of all audit committee members, and furthermore shall be submitted for a resolution by the Board of Directors Provided, for inter-company loans between the Company and subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares, and loans among subsidiaries, the Chairman may be authorized within a certain monetary limit resolved by the board of directors, and within a period not to exceed one year, to give loans in installments or to make a revolving credit line available for the counterparty to drawdown. The "certain monetary limit" mentioned in the preceding paragraph on	Article 7: Procedures for handling loaning of funds. 1. The loaning is only conducted with the Board of Directors' resolution, and no other party may be authorized to determine. Any material loaning of funds requires the approval of one-half or more of all audit committee members, and furthermore shall be submitted for a resolution by the Board of Directors Provided, for inter-company loans between the Company and subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares, and loans among subsidiaries, the Chairman may be authorized within a certain monetary limit resolved by the board of directors, and within a period not to exceed one year, to give loans in installments or to make a revolving credit line available for the counterparty to drawdown. The "certain monetary limit" mentioned in the preceding paragraph on	Amended pursuant to the "Q&As of Regulations Governing Loaning of Funds and Making of Endorsements/ Guarantees by Public Companies"

After Amendment	Before Amendment	Basis of Amendment
authorization for loans extended by the Company or any of its subsidiaries to any single entity shall not exceed 10% of the net worth on the most current financial statements of the lending company, except for the loans between the Company and subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares. 2. The accountable department shall prepare a memorandum book for its fund-loaning activities and truthfully record the following information: borrower, amount, date of approval by the board of directors, lending/borrowing date, and matters to be carefully evaluated. The subsidiaries are not subject to the restrictions set forth in Articles 8, 9 and 10 of the Procedures. Omitted hereafter.	authorization for loans extended by the Company or any of its subsidiaries to any single entity shall not exceed 10% of the net worth on the most current financial statements of the lending company, except for the loans between the Company and subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares. 2. The accountable department shall prepare a memorandum book for its fund-loaning activities and truthfully record the following information: borrower, amount, date of approval by the board of directors, lending/borrowing date, and matters to be carefully evaluated. <u>For the receivables due from related parties, such receivables shall be re-recognized as other receivables and disclosed in the information of loaning of funds when being overdue for certain period. The receivables re-recognized as loaning of funds shall be publicly announced regularly and submitted to the next meeting Board of Directors for ratification.</u> The subsidiaries are not subject to the	

After Amendment	Before Amendment	Basis of Amendment
	restrictions set forth in Articles 8, 9 and 10 of the Procedures. Omitted hereafter.	
Article 15: Omitted The third amendment to the Rules was approved on June 12, 2020 The fourth amendment to the Rules was approved on July 01, 2021	Article 15: Omitted The third amendment to the Rules was approved on June 12, 2020	Amendment date is added

Unizyx Holding Corporation

Comparison Table for Amendments to Procedures for Election of Directors

After Amendment	Before Amendment	Basis of Amendment
Article 3: Elections of directors at the Company <u>shall</u> be conducted in <u>accordance</u> with the <u>candidate nomination system and procedures set out</u> in Article 192-1 of the Company Act. Shareholders' shall elect from the candidate list of the directors and independent directors. The Company's directors and independent directors shall be elected at the same time pursuant to the Procedures; the votes are separately calculated for independent and non-independent director positions. Those receiving more ballots will be elected. <u>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.</u> <u>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.</u>	Article 3: Elections of directors <u>and independent directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in the Company Act. Before convening shareholders' meetings for electing directors, the nominees shall be assessed for their qualifications and whether or not to be subjected to the matters set forth in Article 30 of the Company Act prudentially, and the election shall be proceeded pursuant to Article 192-1 of the Company Act.</u> Shareholders' shall elect from the candidate list of the directors and independent directors. The Company's directors and independent directors shall be elected at the same time pursuant to the Procedures; the votes are separately calculated for independent and non-independent director positions. Those receiving more ballots will be elected.	Amended pursuant to the competent authorities' "Sample Template for XXX Co., Ltd. Procedures for Election of Directors."
	<u>Article 7: Shall a candidate be a shareholder, voters shall indicate the candidate's account name and number in</u>	Deleted pursuant to the competent

After Amendment	Before Amendment	Basis of Amendment
	<u>the “Candidate” column on the ballot; if a candidate is not a shareholder, his/her name and identity document number shall be specified. However, if a candidate is a governmental or institutional shareholder, the candidate’s account name on the ballot shall be the name of such governmental or institutional shareholder, or with their representatives. Shall there be several representatives, their names shall be specified individually.</u>	authorities’ “Sample Template for XXX Co., Ltd. Procedures for Election of Directors.”
Article <u>7</u>: A ballot is invalid under any of the following circumstances, and the voting rights on the questioned ballot will not be counted under the questioned candidate: 1. The ballot was not prepared by <u>a person with the right to convene.</u> 2. Electing more candidates than required. 3. A ballot not placed in the ballot box, or a blank ballot is placed in the ballot box. 4. Other words or marks are entered in addition to the <u>number of voting rights allotted.</u> 5. The writing is unclear and indecipherable or has been <u>altered.</u> 6. The candidate whose name is entered in the ballot does not <u>conform to the director</u>	Article <u>8</u>: A ballot is invalid under any of the following circumstances, and the voting rights on the questioned ballot will not be counted under the questioned candidate: 1. The ballot was <u>not the ballot specified in Article 6.</u> 2. Electing more candidates than required. 3. A ballot not placed in the ballot box, or a blank ballot is placed in the ballot box. 4. Other words or marks are entered in addition to the <u>name or account number (or identity document number) of the candidate,</u> and number of voting rights allotted, <u>or any alteration of such.</u> 5. The writing is unclear and indecipherable. 6. The entered <u>name of</u>	Provisions and serial numbers are amended pursuant to the competent authorities’ “Sample Template for XXX Co., Ltd. Procedures for Election of Directors.”

After Amendment	Before Amendment	Basis of Amendment
candidate list.	the candidate is identical to the shareholder(s) or disputable, but no other identification, such as account number or identity document number is provided to identify. 7. Shall the candidate whose name is entered in the ballot be a shareholder, but his/her account name and number differ from the shareholder registry; or if the candidate whose name is entered in the ballot is not a shareholder, his/her name and identity document number are inconsistent after verification.	
Article 8 : Omitted	Article 9 : Omitted	Provisions amended.
Article 9 : Omitted	Article 10 : Omitted	Provisions amended.
Article 10 : Omitted	Article 11 : Omitted	Provisions amended.
Article 11 : Omitted The third amendment to the Rules was approved on June 12, 2019 The fourth amendment to the Rules was approved on July 01, 2021	Article 12 : Omitted The third amendment to the Rules was approved on June 12, 2019	Amendment date is added