

Stock Code: 2356

Inventec Corporation

Inventec

2022 Annual General Shareholders' Meeting

Meeting Agenda

Time: Tuesday, June 14, 2022. 9:00 a.m.

Place: No.1, Sec. 4, Zhongshan N. Rd., Zhongshan District., Taipei City.

International Reception Room of Grand Hotel Taipei.

Physical conference held.

This English version is a translation based on the original Chinese version. Where any discrepancy arises between the two versions, the Chinese version shall prevail.

創新

Innovation

品質

Quality

虛心

Open Mind

力行

Execution

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A. Meeting Agenda

Time: Tuesday, June 14, 2022. 9:00 a.m.

Place: No.1, Sec. 4, Zhongshan N. Rd., Zhongshan District., Taipei City.
International Reception Room of Grand Hotel Taipei.

Physical conference held.

A. Call the Meeting to Order

B. Chairman Remarks

C. Report Items:

- (1) 2021 Business Report
- (2) 2021 Audit Committee's Review Report
- (3) The Status of Distribution Remuneration of Employees and Directors in 2021
- (4) The Status of Distribution of Profits in Cash Dividends to Shareholders in 2021

D. Ratification Items:

- (1) Ratification of the 2021 Business Report and Financial Statements
- (2) Adoption of the Proposal for Distribution of 2021 Profits

E. Discussion Items:

- (1) Amendment to the "Articles of Incorporation"
- (2) Amendment to the "Rules of Procedure for Shareholders Meetings"
- (3) Amendment to the "Procedures for Acquisition or Disposal of Assets"
- (4) Proposal for release the prohibition on Director Chen, Ruey-Long from participation in competitive business

F. Extraordinary Motions

G. Adjournment

B. Report Items

1. 2021 Business Report (Please refer to Appendix 1)

2. 2021 Audit Committee's Review Report (Please refer to Appendix 2)

3. The Status of Distribution Remuneration of Employees and Directors in 2021

Explanation: (1) According to the article 26 of Articles of Incorporation, if the Company has a profit of the year shall distribute not less than 3% of the balance as remuneration to Employees and not more than 3% to Directors of the Corporation.

(2) The board of directors and remuneration committee resolved to distribute NT \$ 558,930,501 to remuneration of employees in cash and NT\$ 83,422,463 to remuneration of directors. There is no difference between the amount of distribution and the expense which is recognized in 2021.

4. The Status of Distribution of Profits in Cash Dividends to Shareholders in 2021

Explanation: (1) According to article 27 of Articles of Incorporation, the Company authorize the Board of Directors to distribute dividends and bonuses in cash after resolution and submitted such distribution to the shareholders' meeting.

(2) The distributable net profit for 2021 is NT\$ 5,562,405,541 and the proposed cash dividend to shareholders is NT\$ 1.4 per share (NT\$ 5,022,465,092).

(3) The Board of Directors had resolved this profits distribution proposal and is authorized to set the ex-dividend date, payment date and arrange other related matters. In addition, the Board of directors is authorized to adjust the cash distribution ratio in case of change in the number of outstanding shares of the Company.

C. Ratification Items

Item 1

Proposed by the Board

Proposal: Ratification of the 2021 Business Report and Financial Statements.

Explanation: The Company's 2021 Individual Financial Statements and Consolidated Financial Statements, including the balance sheet, comprehensive income statement, statements of cash flows, and statement of changes in equity, were audited by independent accountants, Wan-Wan Lin and Rou-Lan Kuo of KPMG Certified Public Accountants. Also, Business Report and Financial Statements have been approved by the Board and examined by the Audit Committee of Inventec Corporation. (Please refer to Appendix 1 for Business Report, Appendix 3 for Independent Accountants' Audit Report and Individual Finance Statements, and Appendix 4 for Independent Accountants' Audit Report and Consolidated Finance Statements.)

Resolution:

Item2

Proposed by the Board

Proposal: Adoption of the Proposal for Distribution of 2021 Profits

Explanation: The 2021 Profit distribution table had been resolved by the Board of Directors and reviewed by the Audit Committee, please refer to Appendix 5.

Resolution:

D. Discussion Items

Item 1

Proposed by the Board

Proposal: Discussion of Amendments to the “Articles of Incorporation”.

Explanation: Propose to amend Article 11-1 and Article 29 of the “Articles of Incorporation” according to the Article 172-2 of the “Company Act” amended per presidential order NO. 11000115851 promulgated on December 29, 2022. Please refer to the comparison chart of amendments below.

Comparison Chart of Amendments to “Articles of Incorporation”

Original Version		Amendment Version		Reason
		Article 11-1	<u>The Company’s shareholders’ meeting can be held by means of visual communication network or other methods promulgated by the central competent authority and shall be conduct in accordance with the Company Act and other relevant regulations.</u>	Amend to comply with Article 172-2 of the Company Act so include means of visual communication network or other methods promulgated by the central competent authority and make holding shareholders' meetings more flexible.
Article 29	This Articles of Incorporation was established on April 15, 1975. The first amendment was made on May 27, 1975. (The following content omitted.)	Article 29	This Articles of Incorporation was established on April 15, 1975. The first amendment was made on May 27, 1975. (The following content omitted.) <u>The fifty-third amendment was made on June 14, 2022.</u>	Add amendment date.

Resolution:

Item 2

Proposed by the Board

Proposal: Discussion of Amendments to the “Rules of Procedure for Shareholders Meetings”.

Explanation: Propose to amend Article 3, Article 4, Article 5, Article 8, Article 10, Article 11, Article 12, Article 13, Article 15, Article 16, and Article 19 of the “Rules of Procedure for Shareholders Meetings” according to amendment of the “Company Act”, “Regulations Governing the Administration of Shareholder Services of Public Companies” and the Sample Template for “XXX Co., Ltd. Rules of Procedure for Shareholders Meetings”. Please refer to the comparison chart of amendments below.

Comparison Chart of Amendments to “Rules of Procedure for Shareholders Meetings”

Original Version		Amendment Version		Reason
Article 3	<p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization. (The following content omitted.)</p> <p>When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After the service of the power of attorney of a proxy to the company, in case the shareholder issuing the said proxy intends to attend the shareholders’ meeting in person or to exercise his/her/its voting power in writing or by way of electronic transmission, a proxy rescission notice shall be filed with the company two days prior to the date of the shareholders’ meeting as scheduled in the shareholders’ meeting notice so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.</p>	Article 3	<p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization. (The following content omitted.)</p> <p>When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After the service of the power of attorney of a proxy to the company, in case the shareholder issuing the said proxy intends to attend the shareholders’ meeting in person or <u>via visual communication network</u> or to exercise his/her/its voting power in writing or by way of electronic transmission, a proxy rescission notice shall be filed with the company two days prior to the date of the shareholders’ meeting as scheduled in the shareholders’ meeting notice so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.</p>	<p>Add following content in this article: after duplicate proxy forms are delivered, shareholders who want to attend the shareholders' meeting via visual communication network shall file a proxy rescission notice with the Company in writing.</p>
Article 4	<p>The venue for a shareholders meeting shall be the 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>	Article 4	<p>The venue for a shareholders’ meeting shall be the 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><u>When the Company convene a shareholders’ meeting by means of visual communication networks, it’s no restriction of venue as stated in the preceding paragraph.</u></p>	<p>Add following content in this Article: When the Company convene a shareholders’ meeting by means of visual communication networks, the venue is no restriction.</p>
Article 5	<p>This 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>The time during which</p>	Article 5	<p>This Corporation shall specify in its shareholders meeting notices the time during which shareholders, <u>solicitors, proxies (hereinafter referred to as shareholders)</u> attendance registrations will be accepted, the place to register for</p>	<p>1. Add registration time, procedures and pre-meeting registration for shareholders who participate in the meeting</p>

	<p>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. <u>Shareholders and their proxies (collectively, "shareholders")</u> shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. (The following content omitted.)</p> <p>Attendance and voting 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. (The following content omitted.)</p>		<p>attendance, and other matters for attention. <u>In case the shareholders' meeting is to be held in the form of a video conference, the shareholders' participation in the video conference, the method with which they exercise their rights, whether the video conference was held due to natural disasters, accidents, or other force majeure, and alternative plans for shareholders who are unable to attend the video conference shall be fully recorded.</u> 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. <u>Shareholders shall register on the video conference platform 30 minutes prior to the start of the shareholders' meeting. Those who have completed the registration are deemed to have attended the shareholders' meeting in person.</u> Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. (The following content omitted.) <u>In case the shareholders' meeting is to be held in the form of a video conference, shareholders who wish to attend shall register with the Company two days prior to the start of the meeting.</u> Attendance and voting 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 <u>and the shares registered on the video conference platform</u>, handed in plus the number of shares whose voting rights are exercised by correspondence or electronically. (The following content omitted.)</p>	<p>in the form of video conference.</p> <p>2. Add following content in this Article: In case the shareholders' meeting is to be held in the form of a video conference, When the Company calculating the total number of shares in attendance, the number of shares registered on the video conference platform shall be added.</p>
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Article 8	<p>The chair shall call the meeting to order and announce relevant information of the number of non-voting rights and the number of shares attending at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, (The following content omitted.)</p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, and the attending shareholders still represent less than one third of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month.</p> <p>When, prior to conclusion of the meeting, (The following content omitted.)</p>	Article 8	<p>The chair shall call the meeting to order and announce relevant information of the number of non-voting rights and the number of shares attending at the appointed meeting time. <u>In case the Company holds a shareholders' meeting through video conferencing, the chair and the minutes taker shall be located in the same place in Taiwan. Furthermore, the chair shall announce the address of the gathering place at the time of the meeting.</u></p> <p>However, when the attending shareholders do not represent a majority of the total number of issued shares, (The following content omitted.)</p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, and the attending shareholders still represent less than one third of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month. <u>In case the shareholders' meeting is to be held in the form of a video conference, shareholders who wish to attend shall re-register with the Company in accordance with the provisions of Article 5.</u></p> <p>When, prior to conclusion of the meeting, (The following content omitted.)</p>	<p>Add location of the chair and the minutes taker of the shareholders' meeting held in the form of a video conference, and if a tentative resolution adopted, the Company shall convene another shareholders' meeting. Furthermore, In case the shareholders' meeting is to be held in the form of a video conference, shareholders who wish to attend shall register with the Company.</p>
Article 10	<p>Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>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. After an attending shareholder has spoken, the chair may respond in person or direct relevant</p>	Article 10	<p>Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>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. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel</p>	<p>Add the methods, procedures, and restrictions of asking questions for shareholders who participate in the shareholders' meeting in the form of a video conference.</p>

	personnel to respond.		<p>to respond.</p> <p><u>In case the shareholders' meeting is to be held in the form of a video conference, shareholders participating in the video conference may ask questions in texts on the video conferencing platform once the chair announces the start of the meeting until the meeting ends. The number of questions asked for each proposal shall not exceed two, and each question shall be limited to 200 words. However, the provisions of the preceding article and paragraph 1 of this Article shall not apply. If the question mentioned in the preceding paragraph does not violate any rules and does not exceed the scope of the proposal, the question shall be disclosed on the video conferencing platform.</u></p>	
Article 11	<p>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; (The following content omitted.) 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>	Article 11	<p>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; (The following content omitted.) 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><u>In case the Company holds a shareholders' meeting via video conference, the shareholders participating in the video conference shall vote on various proposals through the video conferencing platform after the Chair announces the start of the meeting. Shareholders shall complete their voting before the Chair announces the close of voting, and those who fail to cast their votes before the deadline will be deemed as having abstained from voting.</u></p> <p><u>In case the shareholders' meeting is to be held in the form of a video conference, the votes shall be counted at that time, and the voting and election results shall be announced after the Chair announces the close of voting. For shareholders who have registered to attend the shareholders' meeting via</u></p>	<p>Shareholders who exercise their voting rights in writing or electronic transmission without revoking their intentions can still register to participate in the shareholders' meeting via video conference. However, they shall not exercise their voting rights on the original proposal, propose amendments to the original proposal, or exercise their voting rights for amendments to the original proposal, except for extempore motions.</p>

			<u>video conference in accordance with the provisions of Article 5 but wish to attend the physical shareholders' meeting in person, they shall cancel their registration in the same manner as they signed up for it two days before the start of the shareholders' meeting. Those who fail to cancel within the time limit may only attend the shareholders' meeting via the video conference.</u> <u>Those who exercise their voting rights in writing or electronic transmission without revoking their intentions and still participate in the shareholders' meeting via video conference shall not exercise their voting rights on the original proposal, propose amendments to the original proposal, or exercise their voting rights for amendments to the original proposal, except for extempore motions.</u> <u>In case the shareholders' meeting is to be held in the form of a video conference, the voting and election results shall be disclosed on the video conferencing platform in accordance with the rules immediately after the voting is over and shall remain for at least 15 minutes after the chairman announces the dismissal of the meeting.</u>	
Article 12	<p>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares. (The following content omitted.)</p> <p>A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before two days before the date of the shareholders meeting. (The following content omitted.)</p>	Article 12	<p>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares. (The following content omitted.)</p> <p>A shareholder intending to exercise voting rights by correspondence or electronic means <u>or via the video conference</u> under the preceding paragraph shall deliver a written declaration of intent to the Company before two days before the date of the shareholders meeting. (The following content omitted.)</p>	Add the shareholders can attend the meeting via the video conference.
Article 13	<p>When a meeting is in progress, the chair may announce a break based on time considerations. (The following content omitted.)</p>	Article 13	<p>When a meeting is in progress, the chair may announce a break based on time considerations. (The following content omitted.)</p> <p><u>In case the shareholders' meeting is to be held in the form of a video</u></p>	Add handling of disconnection of the video conference.

			<p>conference, the Company may <u>provide a simple connection test for shareholders before the meeting and then also provide relevant services immediately before and during the meeting to assist in the technical issues of communication. Except for matters that do not require postponing or resuming the meeting announced by the Chair separately at the start of the meeting, as stipulated in Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, any disconnection of the video conferencing platform or participation for up to 30 minutes due to natural disaster, accidents, or other force majeure before the Chair announces the dismissal of the meeting shall result in the meeting being postponed or resumed within 5 days of the meeting, to which Article 182 of the Company Act shall not apply. For the meeting that shall be postponed or resumed due to the occurrence of the preceding paragraph, shareholders who have not registered to participate in the original shareholders' meeting via video conference shall not participate in the postponed or resumed meeting. For a meeting that shall be postponed or resumed in accordance with the second paragraph, regarding shareholders who have signed up for the original shareholders' meeting via video conference and have signed in but do not participate in the postponed or resumed meeting, the number of shares, the voting rights, and the election rights exercised by those shareholders at the original shareholders' meeting shall be included in the total number of shares, voting rights, and election rights of shareholders present at the postponed or resumed meeting. For the shareholders' meeting that is postponed or resumed in accordance with the provisions of Paragraph 2, it is not necessary to re-discuss and resolve the resolutions for which the voting and counting of votes have already been completed and the voting results or</u></p>	
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			<p><u>the list of elected directors have already been announced.</u></p> <p><u>In case the video conferencing cannot be resumed due to the occurrence of Paragraph 2, if, after deducting the number of shares held by the shareholders who participate in the video conference, the total number of shares held by the attending shareholders still reaches the statutory quorum for the shareholders' meeting, the shareholders meeting shall be continued, and postponing or resuming the meeting in accordance with Paragraph 2 is not necessary.</u></p> <p><u>For shareholders who participate in the shareholders' meeting via video conference due to the occurrence of the preceding paragraph that requires the meeting to be continued, the number of shares held by the shareholders present in the video conference shall be included in the number of total shares held by the attending shareholders. However, they shall be deemed to have abstained from all of the resolutions of said shareholders' meeting.</u></p> <p><u>To postpone or resume the meeting in accordance with the provisions of Paragraph 2, the relevant preparatory work shall be completed in accordance with the date of the original shareholders' meeting, as well as all of the provisions listed in Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p> <p><u>In case the shareholders' meeting is to be held in the form of a video conference, shareholders who are unable to take part in the video conference shall be provided with alternative plans.</u></p>	
Article 15	<p>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 pursuant to Article 183 of the Company Act.</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by</p>	Article 15	<p>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 pursuant to Article 183 of the Company Act.</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by</p>	<p>Add the matters that shall be recorded in the minutes of the shareholders' meeting via video conference.</p>

	<p>which resolutions were adopted, and a summary of the deliberations and voting results, (including the statistical tallies of the numbers of votes). Where there is an election of directors, the statistical tallies of the numbers of votes for each candidate shall be disclosed and shall be retained for the duration of the existence of this Corporation.</p>		<p>which resolutions were adopted, and a summary of the deliberations and voting results, (including the statistical tallies of the numbers of votes). Where there is an election of directors, the statistical tallies of the numbers of votes for each candidate shall be disclosed and shall be retained for the duration of the existence of this Corporation.</p> <p><u>In case the shareholders' meeting is to be held in the form of a video conference, except for matters that shall be recorded in accordance with the preceding paragraph, the minutes of the shareholders' meeting shall include the start and end time of the shareholders' meeting, the method with which the meeting is held, whether the video conference was held due to natural disasters, accidents, or other force majeure, and the situation and troubleshooting methods in the face of obstacles.</u></p> <p><u>In case the shareholders' meeting is to be held in the form of a video conference, except for matters that shall be recorded in accordance with the preceding paragraph, the meeting minutes shall include the alternative plans for shareholders who are unable to attend the video conference.</u></p>	
Article 16	<p>On the day of a shareholders meeting, this 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. 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, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.</p>	Article 16	<p>On the day of a shareholders meeting, this 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>and the number of shares whose voting rights are exercised by correspondence or electronically</u> and shall make an express disclosure of the same at the place of the shareholders meeting.</p> <p><u>In case the shareholders' meeting is to be held in the form of a video conference, the Company shall upload the aforementioned information to the video conferencing platform at least 30 minutes before the start of the shareholders' meeting and said information shall remain until the end of the meeting.</u></p> <p><u>In case the shareholders' meeting is</u></p>	<p>Add which information shall be disclosed in the meeting minutes in case the shareholders' meeting is to be held in the form of a video conference</p>

			<p><u>to be held in the form of a video conference, the total number of shares held by the attending shareholders shall be disclosed on the video conferencing platform. The same shall apply if the total number of shares and voting rights of the shareholders attending the meeting is otherwise calculated during the meeting.</u></p> <p>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, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.</p>	
Article 19	<p>This 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.</p> <p>The recorded materials of the preceding paragraph shall be retained for at least 1 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>	Article 19	<p>This 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.</p> <p>The recorded materials of the preceding paragraph shall be retained for at least 1 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>In case the shareholders' meeting is to be held in the form of a video conference, records shall be kept of shareholders' registration, sign-up, sign-in, proposals, votes, company vote counting results, etc. The video conference shall also be continuously recorded without interruption in both audio and video format.</u></p> <p><u>The materials and audio and video recordings mentioned in the preceding paragraph shall be kept during the period of existence, and the audio and video recordings shall be handed over to those entrusted with the handling of video conference affairs for safekeeping.</u></p>	<p>Add the video conference shall be recorded in both audio and video format.</p>

Item 3

Proposed by the Board

Proposal: Discussion of Amendments to the “Procedures for Acquisition or Disposal of Assets”.

Explanation: Propose to amend Article 3, Article 4, Article 5, Article 6, Article 8 and Article 27 of the “Procedures for Acquisition or Disposal of Assets” according to the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” amended per January 28, 2022 Financial Supervisory Commission’s official document NO.1110380465. Please refer to the comparison chart of amendments below.

Comparison Chart of Amendments to “Procedures for Acquisition or Disposal of Assets”

Original Version		Amendment Version		Reason
Article 3	<p>Terms used in these Procedures are defined as follows:</p> <ol style="list-style-type: none"> Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law. (The following content omitted.) <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <ol style="list-style-type: none"> Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 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. 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. 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 	Article 3	<p>Terms used in these Procedures are defined as follows:</p> <ol style="list-style-type: none"> Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law. (The following content omitted.) <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with <u>self-discipline rules of their respective associations</u> and the following:</p> <ol style="list-style-type: none"> Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. When <u>executing</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. 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. 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 	Revise the wordings and add procedures for requiring external experts that when issuing opinion shall comply with self-discipline rules of their respective associations.

	reasonable and accurate, and that they have complied with applicable laws and regulations.		that the information used is <u>appropriate and</u> reasonable and that they have complied with applicable laws and regulations.	
Article 4	<p>Procedures of Evaluation and Operation for the Acquisition or Disposal of Assets:</p> <p>1. The case-handling units (The following content omitted.)</p> <p>3. In acquiring or disposing of real property, equipment or right-of-use assets, unless transactions with domestic governmental agencies, engaging others to build on its own land, engaging others to build on rented land or the acquisition or disposal of equipment for business use or right-of-use assets, the appraisal report shall be obtained prior to the date of occurrence of the event from a professional appraiser if the transaction amount is more than 20% of the Company's paid-in capital or NTD 300 million and shall further comply with the following provisions:</p> <p>(1) (The following content omitted.)</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the</p>	Article 4	<p>Procedures of Evaluation and Operation for the Acquisition or Disposal of Assets:</p> <p>1. The case-handling units (The following content omitted.)</p> <p>3. In acquiring or disposing of real property, equipment or right-of-use assets, unless transactions with domestic governmental agencies, engaging others to build on its own land, engaging others to build on rented land or the acquisition or disposal of equipment for business use or right-of-use assets, the appraisal report shall be obtained prior to the date of occurrence of the event from a professional appraiser if the transaction amount is more than 20% of the Company's paid-in capital or NTD 300 million and shall further comply with the following provisions:</p> <p>(1) (The following content omitted.)</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price: (The following content omitted.)</p>	Article 3 has already been amended to require external experts issuing opinions in accordance with self-discipline rules of their respective associations and it's included the Auditing Standards No. 20 published by the ROC mentioned in this Article, so that delete it.

	transaction price: (The following content omitted.)			
Article 5	<p>The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by Procedures of the Financial Supervisory Commission (FSC).</p>	Article 5	<p>The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by Procedures of the Financial Supervisory Commission (FSC).</p>	Article 3 has already been amended to require external experts issuing opinions in accordance with self-discipline rules of their respective associations, and the provision mentioned in this Article is already included, so that delete it.
Article 6	<p>Where the Company acquires or disposes of memberships or intangible assets, right-of-use assets or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</p>	Article 6	<p>Where the Company acquires or disposes of memberships or intangible assets, right-of-use assets or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.</p>	The reason for the amendment is the same as stated in the previous article
Article 8	<p>When the Company engages in any acquisition or disposal of assets from or to a related party (The following content omitted.)</p>	Article 8	<p>When the Company engages in any acquisition or disposal of assets from or to a related party (The following content omitted.)</p>	Regulate major related party transactions shall be approved by the

	<p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 27, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors in accordance with Regulations Governing the Acquisition and Disposal of Assets by Public Companies don't need be counted toward the transaction amount. (The following content omitted.)</p>		<p><u>The Company, or its non-public listed subsidiary has the transaction of the preceding paragraph with related party and the transaction amount reaches 10 percent or more of the Company's total assets, the Company may not proceed to sign a transaction contract or make a payment until the Company submit the information referred to in the preceding paragraph to the shareholders' meeting and grant approval. However, the transaction between the Company and the subsidiaries or between the subsidiaries, this restriction shall not apply.</u></p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 27, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by <u>the shareholders' meeting and</u> the board of directors in accordance with Regulations Governing the Acquisition and Disposal of Assets by Public Companies don't need be counted toward the transaction amount. (The following content omitted.)</p>	shareholders' meeting in advance.
Article 27	<p>Procedures for Announcement: The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by itself and any subsidiaries that are not domestic public companies and enter the information in the prescribed format. (The following content omitted.)</p> <p>6. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances: (1) Trading of domestic government bonds.</p>	Article 27	<p>Procedures for Announcement: The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by itself and any subsidiaries that are not domestic public companies and enter the information in the prescribed format. (The following content omitted.)</p> <p>6. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p>	Currently, company purchase domestic bonds is exempt from public disclosure. Therefore, disclosing transaction information is eased and public disclosure of trading foreign bonds with a credit rating not lower than the sovereign rating of the ROC can also be exempted

	(The following content omitted.)		(1) Trading of domestic government bonds or <u>foreign bonds with a credit rating not lower than the sovereign rating of the ROC.</u> (The following content omitted.)	
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Item 4

Proposed by the Board

Proposal: Proposal for Release the Prohibition on Director Chen, Ruey-Long from Participation in Competitive Business.

Explanation: (1) According to provisions of Company Act Article 209 Item 1, a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.

(2) The meeting of shareholders on June 14, 2021 approved that the prohibition of business strife on current directors were lifted from the on board date. Proposal for release the prohibition on current director from participation in competitive business. Please refer the list of current director's new position in other companies below.

List of Current Director's New Position in Other Companies

Position	Name	Serve in other Company	Position in other company
Director	Chen, Ruey-Long	Tatung Company	Director

Resolution:

G. Extraordinary Motions

H. Adjournment

Business Report

Dear shareholders, thank you for participating in the Inventec shareholders' meeting. Due to the impact of COVID-19 on trade over the past year, the severe imbalance between the supply and demand of semiconductors, shipping logistics, and energy issues have all led to long-term tightness, in the supply chain. As the post-epidemic era approaches, such uncertain factors as the intensity of global inflation and the impact of geopolitical tensions will continue to have a profound impact on the economic development of countries around the world.

Inventec's goal has always been to develop high-quality products with core competitiveness, optimize its logistics workflow, and adopt flexible business strategies. Thanks to the efforts of our colleagues, we have succeeded to prosper the revenue this year at a high level of more than NT\$500 billion, setting a new record with unprecedented achievement. We hereby thank all shareholders for their unwavering support hitherto. Please find the 2021 business performance report and the 2022 business plan and future outlook below:

2021 Annual Business Report:

In 2021, the consolidated operating revenue reached more than NT\$519.7 billion, an increase of 2.25% from 2020 (consolidated revenue of more than NT\$508.2 billion); meanwhile, the consolidated operating profit reached more than NT\$4.7 billion, an increase of 6.38% from 2020. However, under the adjusted influence of asset revitalization on non-operating income and expenditure, the consolidated net profit before tax was more than NT\$7.6 billion, a decrease of 25.58% from 2020. Furthermore, the net profit after tax attributable to shareholders of the parent company surpassed NT\$6.5 billion, a decrease of 13.38% from 2020. Consolidated earnings per share after tax was NT\$1.82, a slight decrease from NT\$2.10 in 2020.

Benefiting from the work-from-home economy under the influence of the COVID-19 epidemic, the revenue of laptop computer products increased by 10% compared with the same period last year. On the other hand, despite data centers' increasing demand for server products, the revenue decreased by 4% compared to the same period last year, primarily due to the supply chain shortage. Although old smart devices are gradually being replaced by new smart devices with an adjustment observed in customer orders, the revenue from this area still contributed more than NT\$32.4 billion.

Corporate Governance and Sustainability

Ethical corporate management has always been the prime principle of our corporate governance. By operating functional committees and corporate governance units under the board of directors, we improve corporate governance, enhance information transparency, and strengthen communication channels for stakeholders. We will also focus intensely on environment, social, and governance (ESG)-related issues, the disclosure of relevant information, and publication of a CSR report to reinforce the company's competitiveness for sustainable management. In cooperation with the "Inventec Group Charity Foundation," we also endeavor to carry out public welfare activities and provide social care services.

Impacts of external competition, the regulatory environment, and the overall business environment and the company's countermeasures

As global trade competition intensifies and the influence of geopolitical tensions becomes widespread, the impact of inflation on economic development can no longer be ignored. In response to unfair trade practices with its competitor nations, the US government has issued comprehensive 100-Day critical product supply chain reviews to strengthen relationship with its trading allies and enhance

the global supply chain resilience. As the global economy develops toward a green economy, countries from around the world have pledged to adopt "net zero emission" reduction measures to gradually reduce the potential risks of climate change on corporate sustainability. As for the aforesaid shifting development of industrial environment, the carbon reduction and energy transition requirements will indubitably bring major challenges to the manufacturing industry. To this end, in order to cope with changes to the external business environment and also meet the customer satisfaction, the company has put forward resource integration with a strategic layout and resonate with action plans for digital transformation.

2022 Annual Business Plan and Future Outlook

Due to the various effects of COVID-19 variants that continue to affect the stabilization of the epidemic, geopolitical rivalries between Russia and Ukraine, supply chain disruption, and global inflation that may rise higher than expected, all major research institutions have lowered their forecasted growth rates for the 2022 global economy. In cooperation with global logistics services and supply chain management, the company expects that operating income will continue to grow once the impact of material shortages is alleviated. The annual business plan is described from several aspects as below:

I. Aspects of products business:

1. The server business will benefit from the conversion to new platforms, integrated 5G services, and the increased proportion of orders for AI, edge computing, cloud applications, etc. The global market share is projected to optimistic growth this year.
2. Due to the change in work style and learning mode of the general public under the influence of the COVID-19 epidemic, the demand for laptop computers is booming. In addition to the continuous development of mid-to-high-end hybrid business laptops, the company has also cooperated with brand manufacturers to launch new models of gaming laptops. With the advantages of long-term R&D, design, and manufacturing, laptop computer sales can be maintained at a high level.
3. Due to the gradual bridging of the gap between supply and demand on product, the sales of smart devices this year will be significantly better than that of the previous year, targeting smart home and smart wearable devices, medical application products etc.
4. In terms of emerging businesses, automotive electronics developing in the direction of electric vehicles (EV) and self-driving cars will contribute to significant growth after passing the certification of car manufacturers. As for the application of medical devices, the company is cooperating with medical centers and clinics to provide telemedicine healthcare and medical platform.

II. Division of production at home and abroad

Based on existing production capacity, Inventec endeavors to implement the domestic and overseas production bases in coordination with customer demands. Inventec continues to expand its production bases in North America and Europe. In Asia, it maintains China and Taiwan as prime production centers. Overseas decentralized production focuses on supporting the comprehensive product line, ranging from servers and laptops to automotive electronics and other product lines.

III. Environment, Social, and Governance (ESG) Sustainable Development Practices:

1. Environment aspect: In response to extreme climate change, the company carries out greenhouse gas management and has adopted the principle of science-based targets (SBT) to gradually achieve energy-saving and carbon reduction targets. The company further conducts enterprise water resource management based on the principles of "water conservation and recycling."
2. Social aspect: The company focuses on protecting stakeholders' rights and equities to ensure

corporate sustainability. The company also provides social care services to disadvantaged groups.

3. Governance aspect: Adhering to the principle of integrity management, the company implements the Corporate Governance 3.0-Sustainability Blueprint. the Company has improved its effectiveness by continuing to strengthen the functions of the Board of Directors and conduct internal and external evaluations of Board of directors performance. To achieve a complementary balance between upper and lower governance, the company has also strengthened its disclosure of financial information and emphasized on risk management of information security, thereby promoting the development of corporate sustainability.

Based on the core concept of "innovation, quality, open mind, and execution" and the corporate culture of strict management and thorough execution, Inventec strives to continue to grow with the spirit of "care more, take more responsibility" to face the challenging business environment through experience inheritance, resource sharing, continuous attention to ESG issues, net zero emissions, digital transformation, and other goals. By maintaining a competitive advantage in the five important ABCD5 technologies, the company can provide customers with a full range of product design and solution services. In the future, Inventec will continue to uphold professionalism, challenge itself, improve the company's core competitiveness, and bring better profits and sustainable corporate development to all shareholders and employees.

Finally, best wishes to you all !

Chairman: Cho, Tom-Hwar

President: Wu, Yung-Tsai

Accounting Officer: Yu, Chin-Pao

Audit Committee's Review Report

Date: Mar.15, 2022

The Board of Directors has prepared and submitted to us the Company's 2021 Business Report, Financial Statements and proposal for profit distribution. The Financial Statements have been audited, certified and issued an audit report by Wan-Wan Lin and Rou-Lan Kuo of KPMG Certified Public Accountants. The Business Report, Financial Statements and profit distribution proposal have been reviewed and determined to be correct and accurate by the Audit Committee members. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Inventec Corporation

Convener of the Audit Committee: Chang, Chang-Pang

Independent Auditors' Report

To the Board of Directors of Inventec Corporation:

Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended December 31, 2021 and 2020 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 Certification 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 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Inventory Valuation

Please refer to Note 4(g), Note 5(a), and Note 6(e) for accounting policies, significant accounting assumptions and judgments, major sources of estimation uncertainty, and related disclosure information for inventory, respectively.

Description of the key audit matter:

The Company's materials may be obsolescence or slow-moving due to the risk of price decline in inventory, the material prepared for designing products and forecast orders may be canceled or changed, or changed on components and quantities. Therefore, the valuation of inventories has been identified as a key audit matter.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures that included assessing the appropriateness of inventories valuation policies; ensuring the process of inventory valuation is in conformity with the accounting policies; inspecting the inventory aging report; recalculating estimation of inventory valuation based on the Company's policies.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements 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 Wan-Wan Lin and Rou-Lan Kuo.

KPMG

Taipei, Taiwan (Republic of China)
March 15, 2022

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' audit 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' audit report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
INVENTEC CORPORATION
BALANCE SHEETS
December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

ASSETS		December 31, 2021		December 31, 2020		LIABILITIES AND EQUITY		December 31, 2021		December 31, 2020	
		Amount	%	Amount	%			Amount	%	Amount	%
Current Assets :						Current Liabilities :					
1100	Cash and cash equivalents (Notes (4) and (6)(a))	\$ 12,188,253	5	5,266,122	3	2100	Short-term borrowings (Note (6)(l))	\$ 32,678,217	13	24,193,173	12
1110	Current financial assets at fair value through profit or loss (Notes (4) and (6)(b))	209,799	-	267,589	-	2120	Current financial liabilities at fair value through profit or loss (Notes (4) and (6)(b))	112,133	-	182,068	-
1120	Current financial assets at fair value through other comprehensive income (Notes (4) and (6)(b))	1,521,476	1	1,405,689	1	2130	Current contract liabilities (Note (6)(s))	6,692,362	3	6,236,379	3
1170	Accounts receivable, net (Note (4) and (6)(c))	68,410,419	28	59,166,735	29	2170	Accounts payable	48,062,057	20	42,861,735	21
1180	Accounts receivable due from related parties, net (Notes (4), (6)(c) and (7))	35,489,138	14	27,718,823	13	2180	Accounts payable due to related parties, net (Note (7))	68,966,168	28	47,377,719	23
1200	Other receivables, net (Notes (4), (6)(d) and (7))	58,209,619	24	54,926,635	27	2230	Current tax liabilities	1,144,254	-	1,295,766	-
1310	Inventories (Notes (4) and (6)(e))	11,354,230	5	2,387,945	1	2200	Other payables (Note (7))	5,495,327	2	5,644,166	3
1470	Other current assets (Notes (4) and (6)(k))	723,996	-	2,871,207	1	2280	Current lease liabilities (Note (6)(m))	5,069	-	4,152	-
		188,106,930	77	154,010,745	75	2322	Long-term borrowings, current portion (Note (6)(l))	7,217,500	3	300,000	-
						2399	Other current liabilities	8,580,885	4	7,856,199	4
Non-current assets :								178,953,972	73	135,951,357	66
1510	Non-current financial assets at fair value through profit or loss (Notes 4 and 6(b))	788,955	-	821,436	-						
1517	Non-current financial assets at fair value through other comprehensive income (Notes (4) and (6)(b))	2,151,728	1	2,215,585	1		Non-current Liabilities :				
1550	Investments accounted for using equity method (Notes (4) and (6)(f))	37,875,505	16	33,775,936	16	2540	Long-term borrowings (Note (6)(l))	2,450,000	1	8,446,000	4
1600	Property, plant and equipment (Notes (4) and (6)(h))	13,081,621	5	13,535,629	7	2580	Non-current lease liabilities (Note (6)(m))	3,423	-	5,024	-
1755	Right-of-use assets (Notes (4) and (6)(i))	8,352	-	9,057	-	2640	Net defined benefit liability, non-current (Notes (4) and (6)(o))	589,919	-	656,171	-
1780	Intangible assets (Notes (4) and (6)(j))	155,539	-	66,262	-	2670	Other non-current liabilities, others (Notes (4) and (6)(p))	4,667,829	2	3,199,438	2
1900	Other non-current assets (Notes (4), (6)(k), (6)(p), (7) and (8))	1,581,217	1	1,807,999	1			7,711,171	3	12,306,633	6
		55,642,917	23	52,231,904	25		Total Liabilities	186,665,143	76	148,257,990	72
							Equity:				
						3110	Ordinary shares (Note (6)(q))	35,874,751	15	35,874,751	17
						3200	Capital surplus (Note (6)(q))	2,899,592	1	2,899,284	1
							Retained earnings (Note (6)(q)):				
						3310	Legal reserve	12,093,033	5	11,345,901	6
						3320	Special reserve	1,901,925	1	1,822,004	1
						3350	Unappropriated retained earnings	7,030,001	3	7,944,644	4
						3400	Other equity (Note (6)(q))	(2,714,598)	(1)	(1,901,925)	(1)
							Total Equity	57,084,704	24	57,984,659	28
TOTAL ASSETS		\$ 243,749,847	100	206,242,649	100	TOTAL LIABILITIES AND EQUITY		\$ 243,749,847	100	206,242,649	100

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

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
INVENTEC CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME

For the Years Ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

		For the year ended December 31,			
		2021		2020	
		Amount	%	Amount	%
4000	Operating revenue (Notes (4), (6)(s) and (7))	\$ 440,973,660	100	407,434,848	100
5000	Operating costs (Notes (4), (6)(e) and (7))	427,814,434	97	395,650,876	97
	Gross profit from operations	13,159,226	3	11,783,972	3
5910	Less: Unrealized profit (loss) from sales (Note (7))	17,394	-	11,807	-
5920	Add: Realized profit (loss) from sales (Note (7))	11,807	-	14,174	-
		13,153,639	3	11,786,339	3
	Operating expenses (Notes (4)(q)):				
6100	Selling expenses	2,062,040	1	1,760,505	-
6200	Administrative expenses	1,815,954	-	1,895,856	1
6300	Research and development expenses	6,430,989	1	5,826,007	1
6450	Expected credit loss	74,291	-	44,784	-
		10,383,274	2	9,527,152	2
	Net operating income	2,770,365	1	2,259,187	1
	Non-operating income and expenses (Notes (4), (6)(f) and (6)(u)):				
7100	Interest income	10,466	-	26,738	-
7010	Other income	154,191	-	62,496	-
7020	Other gains and losses	100,515	-	(226,992)	-
7050	Finance costs	(423,852)	-	(712,190)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	5,088,208	1	8,184,317	2
		4,929,528	1	7,334,369	2
7900	Profit before tax	7,699,893	2	9,593,556	3
7950	Less: Income tax expenses (Notes (4) and (6)(p))	1,162,128	-	2,045,571	1
8200	Profit	6,537,765	2	7,547,985	2
	Other comprehensive income (loss):				
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	16,050	-	(63,130)	-
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	15,162	-	352,106	-
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(259,598)	-	4,050	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	3,210	-	(12,626)	-
		(231,596)	-	305,652	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(52,317)	-	(65,492)	-
8380	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(517,286)	-	(396,739)	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
		(569,603)	-	(462,231)	-
	Other comprehensive income, net of income tax	(801,199)	-	(156,579)	-
8500	Total comprehensive income	\$ 5,736,566	2	7,391,406	2
	Earnings per share (Notes (4) and (6)(r))				
9750	Basic earnings per share (NT dollars)	\$ 1.82		2.10	
9850	Diluted earnings per share (NT dollars)	\$ 1.81		2.08	

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

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

INVENTEC CORPORATION

STATEMENTS OF CHANGES IN EQUITY

For the Years Ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	Share capital		Retained Earnings			Other Equity		Total Equity
						Exchange Differences on Translation of Foreign Financial Statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	
	Ordinary Shares	Capital Surplus	Legal Reserve	Special reserve	Unappropriated Retained Earnings			
Balance at January 1, 2020	\$ 35,874,751	2,913,461	10,799,605	1,646,357	5,858,979	(2,005,134)	183,129	55,271,148
Profit for the period	-	-	-	-	7,547,985	-	-	7,547,985
Other comprehensive income (loss) for the period	-	-	-	-	(43,201)	(462,231)	348,853	(156,579)
Total comprehensive income (loss) for the period	-	-	-	-	7,504,784	(462,231)	348,853	7,391,406
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	546,296	-	(546,296)	-	-	-
Special reserve appropriated	-	-	-	175,647	(175,647)	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(4,663,718)	-	-	(4,663,718)
Changes in equity of associates and joint ventures accounted for using equity method	-	679	-	-	-	-	-	679
Disposal of subsidiaries or investments accounted for using equity method	-	-	-	-	(19,258)	-	19,258	-
Changes in ownership interests in subsidiaries	-	(14,856)	-	-	-	-	-	(14,856)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(14,200)	-	14,200	-
Balance at December 31, 2020	35,874,751	2,899,284	11,345,901	1,822,004	7,944,644	(2,467,365)	565,440	57,984,659
Profit the period	-	-	-	-	6,537,765	-	-	6,537,765
Other comprehensive income (loss) for the period	-	-	-	-	12,847	(569,603)	(244,443)	(801,199)
Total comprehensive income (loss) for the period	-	-	-	-	6,550,612	(569,603)	(244,443)	5,736,566
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	747,132	-	(747,132)	-	-	-
Special reserve appropriated	-	-	-	79,921	(79,921)	-	-	-
Cash dividends on ordinary share	-	-	-	-	(6,636,829)	-	-	(6,636,829)
Changes in equity of associates and joint ventures accounted for using equity method	-	308	-	-	-	-	-	308
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(1,373)	-	1,373	-
Balance at December 31, 2021	\$ 35,874,751	2,899,592	12,093,033	1,901,925	7,030,001	(3,036,968)	322,370	57,084,704

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

INVENTEC CORPORATION

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31,	
	2021	2020
Cash flows from operating activities:		
Profit before tax	\$ 7,699,893	9,593,556
Adjustments:		
Adjustments to reconcile profit		
Depreciation expense	634,481	561,757
Amortization expense	650,761	578,179
Expected credit loss	74,291	44,784
Interest expense	423,852	712,190
Interest income	(10,466)	(26,738)
Dividend income	(123,577)	(30,069)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	(5,088,208)	(8,184,317)
Gain on disposal of property, plant and equipment	(7,017)	(52)
Gain on disposal of other assets	(339)	-
Gain on disposal of investments accounted for using equity method	25,025	(20,602)
Unrealized foreign exchange (gain) loss	(144,632)	647,091
Total adjustments to reconcile profit	(3,565,829)	(5,717,777)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value	122,521	(277,459)
Increase in accounts receivable	(17,387,183)	(13,264,562)
Increase in other receivable	(3,590,528)	(7,651,920)
(Increase) decrease in inventories	(8,966,285)	1,490,976
Decrease (increase) in other current assets	2,148,982	(2,486,104)
Total changes in operating assets	(27,672,493)	(22,189,069)
Changes in operating liabilities:		
(Decrease) increase in financial liabilities held for trading	(69,935)	73,893
Increase in contract liabilities	455,983	681,559
Increase in accounts payable	27,351,060	13,020,360
(Decrease) increase in other payables	(171,999)	372,754
Increase in other current liabilities	724,686	2,903,673
Decrease in net defined benefit liabilities	(50,202)	(47,360)
Total changes in operating liabilities	28,239,593	17,004,879
Total changes in operating assets and liabilities	567,100	(5,184,190)
Total adjustments	(2,998,729)	(10,901,967)
Cash inflow (outflow) generated from operations	4,701,164	(1,308,411)
Interest received	10,899	27,158
Dividends received	790,087	1,367,069
Interest paid	(403,837)	(702,702)
Income taxes paid	(148,181)	(94,652)
Net cash flows from (used in) operating activities	4,950,132	(711,538)

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

INVENTEC CORPORATION

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31,	
	2021	2020
Cash flows used in investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(41,845)	-
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	4,838	-
Acquisition of financial assets at fair value through profit or loss	(32,250)	(214,979)
Acquisition of investments accounted for using equity method	(194,740)	(100,000)
Acquisition of property, plant and equipment	(190,345)	(1,023,258)
Proceeds from disposal of property, plant and equipment	25,306	90,301
Acquisition of intangible assets	(247,305)	(117,321)
Proceeds from disposal of intangible assets	40	-
Increase in other non-current assets	(309,677)	(740,559)
Net cash flows used in investing activities	(985,978)	(2,105,816)
Cash flows from financing activities:		
Increase in short-term borrowings	8,648,131	2,732,587
Proceeds from long-term borrowings	18,145,000	19,343,800
Repayments of long-term borrowings	(17,198,000)	(14,019,800)
Increase (decrease) in other non-current liabilities	5,529	(2,243)
Cash dividends paid	(6,636,829)	(4,663,718)
Payment of lease liabilities	(5,854)	(5,810)
Net cash flows from financing activities	2,957,977	3,384,816
Net increase in cash and cash equivalents	6,922,131	567,462
Cash and cash equivalents at beginning of period	5,266,122	4,698,660
Cash and cash equivalents at end of period	\$ 12,188,253	5,266,122

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

Independent Auditors' Report

To the Board of Directors of Inventec Corporation:

Opinion

We have audited the consolidated financial statements of Inventec Corporation and its subsidiaries ("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 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 at December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended December 31, 2021 and 2020 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") or 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 audit in accordance with the Regulations Governing Auditing and Certification 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 Group 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.

1. Inventory Valuation

Please refer to Note 4(h), Note 5 and Note 6(e) for accounting policies, significant accounting assumptions and judgments, major sources of estimation uncertainty and related disclosure information for inventory, respectively.

Description of the key audit matter:

The Group's materials may be obsolescence or slow-moving due to the risk of price decline in inventory, the material prepared for designing products and forecast orders may be canceled or changed, or changed on components and quantities. Therefore, the valuation of inventories has been identified as a key audit matter.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures that included assessing the appropriateness of inventories valuation policies; ensuring the process of inventory valuation is in conformity with the accounting policies; inspecting the inventory aging report; recalculating estimation of inventory valuation based on the Group's policies.

2. The offsetting agreements of financial assets and liabilities

Please refer to Note 4(g), 6(b) and 6(y) for accounting policy and detailed information on the agreements of financial assets and liabilities offsetting.

Description of the key audit matter:

In order to use fund flexibly, the Group handled multiple kinds of financial instruments which IAS was endorsed by FSC to offset financial assets and liabilities and be reported in the balance sheet. The disclosure of financial instruments which are not expired on the reporting date would influence the judgment of report reader.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures that included examining whether the amount of the signed contract were within the scope authorized by the Board of Directors; sampling transactions in 2021 to examine whether contracts were signed with banks; review the contracts to check if the regulation of offsetting criteria was met; and assessing whether the disclosure of financial assets and liabilities offsetting is appropriate.

3. Disposal of property, plant and equipment and right-of-use assets of subsidiaries

Please refer to Note 4(j), 4(l), 6(h) and 6(i) for accounting policy and detailed information for disposal of property, plant and equipment and right-of-use assets of subsidiaries.

Description of the key audit matter:

For optimizing idled assets, lowering the Group's operating costs, the Group disposed the idled assets. Due to the significance of the amount, the disposal of property, plant and equipment and right-of-use assets has been identified as a key audit matter.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures that includes examining whether the disposal of property; plant and equipment has been approved by the Board of Directors; obtaining the professional valuation report in accordance with the Company's acquisition and disposal of assets processing procedures; verifying to the sale documents, confirming and calculating whether the gains and losses on the disposal are appropriate; examining whether depreciation recognition has been terminated at the asset disposal date, and that the cost and accumulated depreciation have been removed from the account.

Other Matter

Inventec Corporation has additionally prepared its parent company only financial statements as of and for the years ended December 31, 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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, interpretation as well as related guidance endorsed 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 or supervisors) are responsible for overseeing the Group's financial reporting process.

Auditor's 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 auditor's 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 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the 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 Wan-Wan Lin and Rou-Lan Kuo.

KPMG

Taipei, Taiwan (Republic of China)

March 15, 2022

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' audit 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' audit report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
INVENTEC CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

ASSETS		December 31, 2021		December 31, 2020		LIABILITIES AND EQUITY		December 31, 2021		December 31, 2020	
		Amount	%	Amount	%			Amount	%	Amount	%
Current Assets :						Current Liabilities :					
1100	Cash and cash equivalents (Note (4) and (6)(a))	\$ 34,787,912	14	32,951,595	16	2100	Short-term borrowings (Note (6)(n))	\$ 54,694,565	22	31,890,755	15
1110	Current financial assets at fair value through profit or loss (Note (4) and (6)(b))	1,343,945	1	782,284	-	2120	Current financial liabilities at fair value through profit or loss (Notes (4) and (6)(b))	112,133	-	250,136	-
1120	Current financial assets at fair value through other comprehensive income (Note (4) and (6)(b))	1,521,476	1	1,405,689	1	2130	Current contract liabilities (Note (6)(v))	7,562,873	3	7,828,232	4
1170	Accounts receivable, net (Notes (4), (6)(c) and (7))	103,795,621	42	91,811,309	43	2170	Accounts payable (Note (7))	84,907,477	34	74,370,226	35
1200	Other receivables, net (Notes (6)(d) and (7))	884,098	-	844,441	-	2230	Current tax liabilities	2,374,435	1	2,296,677	1
1310	Inventories (Note (4) and (6)(e))	62,417,356	25	41,416,323	19	2200	Other payables (Note (7))	10,524,706	4	11,595,245	5
1470	Other current assets (Notes (6)(l), (4)(q) and (8))	<u>2,873,014</u>	<u>1</u>	<u>4,258,311</u>	<u>2</u>	2322	Long-term borrowings, current portion (Note (6)(n))	7,248,244	3	330,744	-
		<u>207,623,422</u>	<u>84</u>	<u>173,469,952</u>	<u>81</u>	2280	Current lease liabilities (Note (6)(o))	182,996	-	216,479	-
Non-current assets :						2399	Other current liabilities, others (Note (6)(m) and (6)(r))	<u>12,472,789</u>	<u>5</u>	<u>11,765,194</u>	<u>6</u>
1510	Non-current financial assets at fair value through profit or loss (Note (4) and (6)(b))	893,885	-	911,660	-			<u>180,080,218</u>	<u>72</u>	<u>140,543,688</u>	<u>66</u>
1517	Non-current financial assets at fair value through other comprehensive income (Note (4) and (6)(b))	4,192,435	2	3,657,808	2	Non-current Liabilities :					
1550	Investments accounted for using equity method (Note (4) and (6)(f))	300,127	-	211,643	-	2540	Long-term borrowings (Note (6)(n))	3,790,708	2	8,990,825	4
1600	Property, plant and equipment (Notes (4), (6)(h) and (8))	27,466,491	11	28,004,583	13	2640	Net defined benefit liability, non-current (Note (4) and (6)(q))	589,919	-	656,171	-
1755	Right-of-use assets (Notes (4), (6)(i) and (8))	3,162,003	1	3,403,891	2	2580	Non-current lease liabilities (Note (4) and (6)(o))	693,497	-	748,035	-
1780	Intangible assets (Note (4) and (6)(k))	967,451	-	875,801	-	2670	Other non-current liabilities, others (Note (6)(m) and (6)(r))	<u>6,062,986</u>	<u>3</u>	<u>5,331,975</u>	<u>3</u>
1900	Other non-current assets (Notes (6)(k), (6)(r) and (8))	<u>3,009,608</u>	<u>2</u>	<u>3,626,099</u>	<u>2</u>			<u>11,137,110</u>	<u>5</u>	<u>15,727,006</u>	<u>7</u>
		39,992,000	16	40,691,485	19	Total Liabilities		<u>191,217,328</u>	<u>77</u>	<u>156,270,694</u>	<u>73</u>
						Equity attributable to owners of parent :					
						3110	Ordinary shares (Note (6)(s))	35,874,751	14	35,874,751	17
						3200	Capital surplus (Note (6)(s))	2,899,592	1	2,899,284	1
						3300	Retained earnings (Note (6)(s))	21,024,959	9	21,112,549	10
						3400	Other equity (Note (6)(s))	<u>(2,714,598)</u>	<u>(1)</u>	<u>(1,901,925)</u>	<u>(1)</u>
							Total equity attributable to owners of parent	57,084,704	23	57,984,659	27
						36XX	Non-controlling interests	<u>(686,610)</u>	<u>-</u>	<u>(93,916)</u>	<u>-</u>
							Total Equity	<u>56,398,094</u>	<u>23</u>	<u>57,890,743</u>	<u>27</u>
TOTAL ASSETS		<u>\$ 247,615,422</u>	<u>100</u>	<u>214,161,437</u>	<u>100</u>	TOTAL LIABILITIES AND EQUITY		<u>\$ 247,615,422</u>	<u>100</u>	<u>214,161,437</u>	<u>100</u>

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
INVENTEC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

		For the years ended December 31			
		2021		2020	
		Amount	%	Amount	%
4000	Operating revenue (Notes (6)(v) and (7))	\$ 519,732,048	100	508,294,198	100
5000	Operating costs (Notes (6)(e) and (7))	497,437,486	96	487,181,281	96
5900	Gross profit from operations	22,294,562	4	21,112,917	4
	Operating expenses (Notes (6)(c), (6)(w) and (7)):				
6100	Selling expenses	3,076,667	-	2,795,370	-
6200	Administrative expenses	3,866,479	1	4,190,267	1
6300	Research and development expenses	10,593,339	2	9,715,204	2
6450	Expected credit losses	33,443	-	(29,010)	-
		17,569,928	3	16,671,831	3
6900	Net operating income	4,724,634	1	4,441,086	1
	Non-operating income and expenses:				
7100	Interest income (Notes (6)(x))	1,075,960	-	1,186,629	-
7010	Other income (Note (6)(x) and (7))	378,252	-	276,301	-
7020	Other gains and losses (Note (6)(x))	2,220,446	-	5,514,251	1
7050	Finance costs (Note (6)(x))	(738,437)	-	(1,054,244)	-
7060	Shares of profit (loss) of associates and joint ventures accounted for using equity method (Note (6)(f))	38,329	-	(18,318)	-
		2,974,550	-	5,904,619	1
7900	Profit before tax	7,699,184	1	10,345,705	2
7950	Less: Income tax expenses (Note (4) and (6)(r))	1,752,091	-	3,772,727	1
8000	Profit	5,947,093	1	6,572,978	1
	Other comprehensive income (loss):				
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	16,762	-	(53,824)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(242,078)	-	365,376	-
8320	Shares of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(2,511)	-	(16,646)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	3,769	-	(10,746)	-
		(231,596)	-	305,652	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(574,653)	-	(457,317)	-
8370	Shares of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	2,914	-	(639)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
		(571,739)	-	(457,956)	-
	Other comprehensive income, net of income tax	(803,335)	-	(152,304)	-
8500	Total comprehensive income	\$ 5,143,758	1	6,420,674	1
	Profit, attributable to:				
8610	Profit, attributable to owners of parent	\$ 6,537,765	1	7,547,985	1
8620	Profit (loss), attributable to non-controlling interests	(590,672)	-	(975,007)	-
		\$ 5,947,093	1	6,572,978	1
	Comprehensive income attributable to:				
8710	Comprehensive income, attributable to owners of parent	\$ 5,736,566	1	7,391,406	1
8720	Comprehensive income (loss), attributable to non-controlling interests	(592,808)	-	(970,732)	-
		\$ 5,143,758	1	6,420,674	1
	Earnings per share (Note (4) and (6)(u))				
9750	Basic earnings per share (NT dollars)	\$ 1.82		2.10	
9850	Diluted earnings per share (NT dollars)	\$ 1.81		2.08	

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
REVIEWED ONLY, NOT AUDITED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS

INVENTEC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Years Ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent									
						Other Equity				
						Exchange Differences on Translation of Foreign Financial Statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total Equity attributable to owners of parent	Non - controlling interests	Total Equity
	Share Capital	Retained Earnings								
	Ordinary shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings					
Balance at January 1, 2020	\$ 35,874,751	2,913,461	10,799,605	1,646,357	5,858,979	(2,005,134)	183,129	55,271,148	1,700,080	56,971,228
Profit for the period	-	-	-	-	7,547,985	-	-	7,547,985	(975,007)	6,572,978
Other comprehensive income (loss) for the period	-	-	-	-	(43,201)	(462,231)	348,853	(156,579)	4,275	(152,304)
Total comprehensive income (loss) for the period	-	-	-	-	7,504,784	(462,231)	348,853	7,391,406	(970,732)	6,420,674
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	546,296	-	(546,296)	-	-	-	-	-
Special reserve appropriated	-	-	-	175,647	(175,647)	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(4,663,718)	-	-	(4,663,718)	-	(4,663,718)
Disposal of subsidiaries or investments accounted for using equity method	-	-	-	-	(19,258)	-	19,258	-	-	-
Changes in ownership interests in subsidiaries	-	(14,856)	-	-	-	-	-	(14,856)	-	(14,856)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	(823,820)	(823,820)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(14,200)	-	14,200	-	-	-
Others	-	679	-	-	-	-	-	679	556	1,235
Balance at December 31, 2020	35,874,751	2,899,284	11,345,901	1,822,004	7,944,644	(2,467,365)	565,440	57,984,659	(93,916)	57,890,743
Profit for the period	-	-	-	-	6,537,765	-	-	6,537,765	(590,672)	5,947,093
Other comprehensive income (loss) for the period	-	-	-	-	12,847	(569,603)	(244,443)	(801,199)	(2,136)	(803,335)
Total comprehensive income (loss) for the period	-	-	-	-	6,550,612	(569,603)	(244,443)	5,736,566	(592,808)	5,143,758
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	747,132	-	(747,132)	-	-	-	-	-
Special reserve appropriated	-	-	-	79,921	(79,921)	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(6,636,829)	-	-	(6,636,829)	-	(6,636,829)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(1,373)	-	1,373	-	-	-
Others	-	308	-	-	-	-	-	308	114	422
Balance at December 31, 2021	\$ 35,874,751	2,899,592	12,093,033	1,901,925	7,030,001	(3,036,968)	322,370	57,084,704	(686,610)	56,398,094

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

INVENTEC CORPORATION AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF CASH FLOWS****For the Years Ended December 31, 2021 and 2020****(Expressed in Thousands of New Taiwan Dollars)**

	2021	2020
Cash flows from operating activities:		
Profit before tax	\$ 7,699,184	10,345,705
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	2,361,213	2,901,598
Amortization expense	901,608	951,942
Expected credit loss (gain)	33,443	(29,010)
Interest expense	738,437	1,054,244
Interest income	(1,075,960)	(1,186,629)
Dividend income	(133,902)	(30,069)
Share-based payments transactions	422	1,235
Shares of (gain) loss of associates and joint ventures accounted for using equity method	(38,329)	18,318
Gains on disposal of property, plant and equipment	(1,458,999)	(4,773,910)
Losses (gains) on disposal of investments accounted for using equity method	47,269	(24,435)
Impairment losses on non-financial assets	550,703	952,222
Unrealized foreign exchange (gains) losses	(228,023)	908,619
Others	1,401	(775)
Total adjustments to reconcile profit	<u>1,699,283</u>	<u>743,350</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value	107,325	(409,902)
Increase in accounts receivable	(12,291,774)	(3,405,318)
Increase in other receivables	(79,815)	(4,664)
Increase in inventories	(22,067,263)	(5,753,543)
Decrease (increase) in other current assets	1,967,814	(2,711,422)
Total changes in operating assets	<u>(32,363,713)</u>	<u>(12,284,849)</u>
Changes in operating liabilities:		
(Decrease) increase in financial liabilities held for trading	(136,640)	144,351
(Decrease) increase in contract liabilities	(262,058)	1,367,153
Increase in accounts payable	11,691,774	4,008,134
Decrease in other payables	(1,124,694)	(54,069)
Increase in other current liabilities	741,515	2,249,990
Decrease in net defined benefit liabilities, non-current	(50,202)	(47,360)
Total changes in operating liabilities	<u>10,859,695</u>	<u>7,668,199</u>
Total changes in operating assets and liabilities	<u>(21,504,018)</u>	<u>(4,616,650)</u>
Total adjustments	<u>(19,804,735)</u>	<u>(3,873,300)</u>
Cash (outflow) inflow generated from operations	(12,105,551)	6,472,405
Interest received	1,035,979	926,665
Dividends received	133,902	30,069
Interest paid	(740,053)	(974,169)
Income taxes paid	(851,177)	(2,127,658)
Net cash flows (used in) from operating activities	<u>(12,526,900)</u>	<u>4,327,312</u>

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

INVENTEC CORPORATION AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF CASH FLOWS****For the Years Ended December 31, 2021 and 2020****(Expressed in Thousands of New Taiwan Dollars)**

	<u>2021</u>	<u>2020</u>
Cash flows (used in) from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	\$ (826,499)	(1,258,524)
Acquisition of financial assets at fair value through profit or loss	(833,425)	(7,136,355)
Proceeds from disposal of financial assets at fair value through profit or loss	105,038	10,245,574
Acquisition of investments accounted for using equity method	(49,668)	-
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	4,838	-
Acquisition of property, plant and equipment	(2,809,391)	(2,433,923)
Proceeds from disposal of property, plant and equipment	2,208,725	5,821,830
Acquisition of intangible assets	(250,596)	(118,581)
Net cash flows from loss of control of subsidiary	(8,309)	(5,710)
Acquisition of investment properties	-	(345,283)
Decrease (increase) in other financial assets	172,944	(781,915)
Increase in other non-current assets	(836,384)	(1,177,205)
Net cash flows (used in) from investing activities	<u>(3,122,727)</u>	<u>2,809,908</u>
Cash flows from financing activities:		
Increase in short-term borrowings	23,164,212	6,830,904
Proceeds from long-term borrowings	18,915,930	19,473,486
Repayments of long-term borrowings	(17,172,500)	(14,470,076)
Payment of lease liabilities	(209,820)	(199,245)
(Decrease) increase in other non-current liabilities	(187,459)	175,204
Cash dividends paid	(6,636,829)	(4,663,718)
Net cash flows from financing activities	<u>17,873,534</u>	<u>7,146,555</u>
Effect of exchange rate changes on cash and cash equivalents	(387,590)	(285,147)
Net increase in cash and cash equivalents	1,836,317	13,998,628
Cash and cash equivalents at beginning of period	<u>32,951,595</u>	<u>18,952,967</u>
Cash and cash equivalents at end of period	<u><u>\$ 34,787,912</u></u>	<u><u>32,951,595</u></u>

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

Appendix 5

Inventec Corporation
Profit Distribution Table
Year 2021

Unit: NTD \$

Items:	Total amount
Beginning retained earnings	480,762,863
Add: Defined benefit plans remeasurement	12,846,200
Less: Disposal of non-current financial assets at fair value through other comprehensive income	(1,372,815)
Add: Net profit after tax	6,537,765,494
Less: Legal reserve	(654,923,888)
Less: Special Reserve	(812,672,313)
Distributable net profit	5,562,405,541
Less: Distributable items:	
Cash Dividend to shareholders (NT\$1.4 per share)	(5,022,465,092)
Unappropriated retained earnings	539,940,449

Appendix 6

Inventec Corporation **Articles of Incorporation** (Before Amendments)

CHAPTER 1. GENERAL PROVISIONS

Article 1

This Company is incorporated under the Company Act, with the name and the foreign name of Inventec Corporation.

Article 2

The business scope of the Company is as following:

- 1、CC01030 Electric Appliance and Audiovisual Electric Products Manufacturing
- 2、CC01060 Wired Communication Equipment and Apparatus Manufacturing
- 3、CC01070 Telecommunication Equipment and Apparatus Manufacturing
- 4、CC01080 Electronic Parts and Components Manufacturing
- 5、CC01101 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing.
- 6、CC01110 Computers and Computing Peripheral Equipments Manufacturing
- 7、CC01990 Electrical Machinery, Supplies Manufacturing.
- 8、CE01030 Photographic and Optical Equipment Manufacturing
- 9、CE01040 Watches and Clocks Manufacturing
- 10、F113010 Wholesale of Machinery
- 11、F113020 Wholesale of Household Appliance
- 12、F119010 Wholesale of Electronic Materials
- 13、F401010 International Trade
- 14、F401021 Restrained Telecom Radio Frequency Equipments and Materials Import
- 15、I301010 Software Design Services
- 16、I301020 Data Processing Services
- 17、CB01010 Machinery and Equipment Manufacturing
- 18、CC01120 Data Storage Media Manufacturing and Duplicating
- 19、H701010 Residence and Buildings Lease Construction and Development
- 20、H701020 Industrial Factory Buildings Lease Construction and Development
- 21、H701040 Specialized Field Construction and Development
- 22、H703090 Real Estate Commerce
- 23、H703100 Real Estate Rental and Leasing
- 24、CF01011 Medical devices Manufacturing
- 25、F108031 Wholesale of Medical devices

26、F208031 Medical devices Retailing

27、ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3

The Company may provide guarantee as necessary for the business.

Article 4

The Company has its head office in Taipei City, and the Company may establish branches in and out of this country. The total amount of the investments of the Company by a resolution of the board of directors is not subject to the limit of 40% of its paid-in capital unless the laws provide otherwise.

Article 5

The method of the public announcement of the Company shall be made in accordance with Article 28 of the Company Act.

CHAPTER II. SHARES

Article 6

The authorized capital of the Company is NTD 36,500,000,000, divided into 3,650,000,000 shares, at a par value of NTD 10 per share. The registered capital keeps NTD 200,000,000 divided into 20,000,000 shares provided for exercise of the option of stock option certificates, The shares which have not been issued would be authorized to board of directors to issue in installments.

Article 7

The registered shares of the Company may be made without physical certificates. Nevertheless, the stock of the Company shall be registered with the securities centralized depository institution.

Article 8

The shareholders of the Company shall fill in the signature card and deliver to the Company or the shares affairs agent of the Company for record, receive dividend and exercise the shareholders' rights.

Article 9

The shareholders of the Company shall conduct shares related affairs or exercise other relevant rights, such as transfer ,pledged, reporting of loss ,inheritance ,gift or change of

address, etc. in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies unless the laws, regulations or securities regulation rules provide otherwise.

Article 10

The shareholders' register shall be closed during 60 days prior to the date of an ordinary shareholders' meeting, 30 days prior to the date of an extraordinary shareholders' meeting, or five days period prior to the record dates for distribution of dividends, bonuses or other benefits of the Company.

CHAPTER III. SHAREHOLDER'S MEETING

Article 11

The Company's shareholders' meeting shall be of two types, ordinary shareholders' meeting and extraordinary shareholders' meeting. Ordinary shareholders' meeting shall be convened once a year, and shall be convened within six months after close of each fiscal year. Extraordinary shareholders' meeting shall be convened when necessary in accordance with the relevant laws and regulations. A notice to convene an ordinary meeting of shareholders shall be given to each shareholder no later than 30 days prior to the scheduled meeting date. Such notice may be publicly announced, provided that for the shareholders who hold less than 1,000 shares.

Article 12

Shareholder may attend the meeting by proxy with the signature or seal by executing a power of attorney printed by the Company stating therein the scope of power authorized to the proxy. The proxy for attending the shareholders' meeting shall be handled in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies promulgated by the competent authority.

Article 13

Except those shares for which the voting rights are restricted or excluded as stipulated in Article 179 of the Company Act where there is no voting right for a share, each shareholder of the Company shall have one vote for each share held.

Article 14

Unless otherwise specified in the Company Act, resolutions at a shareholders' meeting shall be adopted by a majority vote of the shareholders present in person, who represent more than one-half of the total number of voting shares. A shareholder who exercises his voting right by way of electronic transmission shall be deemed to have attended the

shareholders' meeting in person. Relevant procedures shall be handled in accordance with relevant regulations.

Article 15

Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be made in accordance with Article 183 of the Company Act.

CHAPTER IV. DIRECTORS AND AUDIT COMMITTEE

Article 16

The Company shall have seven to eleven directors (including not less than three independent directors). The term of their offices shall be three years. The Company establishes audit committee and the Audit Committee shall be composed of the entire number of independent directors. The election shall adopt the candidate nomination system which is conformed to the Article 192-1 of the Company Act, and the shareholders shall elect the directors from the list of the nominated candidates and the directors may be re-elected for consecutive terms. Independent and non-independent directors shall be elected at the same time but on separate ballots.

In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office. However, the competent authority may, ex officio, order the company to elect new directors within a given time limit; and if no re-election is effected after expiry of the given time limit, the out-going directors shall be discharged from such expiration date.

Total registered shares owned by the directors of the Company shall not be less than a specified percentage of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies stipulated by the competent securities authority subject to Article 26 of the Securities and Exchange Act.

Except where the Competent Authority has granted approval, the following relationships may not exist among more than half of a company's directors:

1. A spousal relationship.
2. A familial relationship within the second degree of kinship.

Article 17

When one-third of the directors are discharged, a special shareholders' meeting shall be convened by the Board of Directors within 60 days to elect new directors or supervisors to fill the vacancies. The term of office of the newly elected director shall be the same as the remaining term of the predecessor.

Article 18

The board of directors is composed of directors. The Chairman will be elected from among directors by a majority vote at a board meeting at which at least two-thirds of directors are present.

The Chairman shall perform his duties authorized by the Company Act or the resolution of the shareholders' meeting. The Chairman shall conduct the business of the Company in accordance with applicable laws and regulations, these Articles of Incorporation of the Company, the resolutions adopted at shareholders' meetings and resolutions adopted by the Board of Directors.

Article 19

Business policy of the Company and other important matters shall be decided by resolutions adopted by the Board of Directors. Any meeting of Board of Directors shall be convened by the Chairman of the Board of Directors who shall also be the chairman of the meeting, provided that the first meeting of each term of the Board of Directors shall be convened in accordance with Article 203 or Article 203-1 of the Company Act.

In case the chairman of the board of directors is on leave or absent or can not exercise his power and authority for any cause, the chairman of the board of directors shall designate one of the directors to act on his behalf. A board of directors shall meet at least quarterly. The reasons for calling a board of directors meeting shall be notified to each director at least seven days in advance. If the board meeting needs to be convened due to emergency, it may be convened at any time. In order to convene the board meeting, notice may be made by written notice, fax or e-mail.

Article 20

Unless otherwise provided for in the Company Act, resolutions of the board of directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. If the directors cannot attend the board meeting for certain reasons, he/she may appoint another director as his/her proxy each time with a power of attorney stating the scope of authority with reference to the subjects to be discussed at the meeting and powers granted; provided that a director may act as the proxy for only one another director. The board meeting may be convened via video conference, and the directors who attend the board meeting via video conference shall be deemed to have attended the meeting in person.

Article 21

Resolutions adopted at the meeting of the Board of Directors shall be recorded in the minutes and signed or sealed by the chairman. The minutes shall be distributed to each

director within twenty days after the meeting. The meeting minutes shall record the discussion and resolution. The minutes shall be well preserved with the attendance book and proxy.

Article 22

The authority of the audit committee and the other compliance issues shall be made according to the relevant laws and regulations, and be determined by the board of directors.

Article 23

No matter net income or loss, the Company shall pay remuneration for all directors conduct the business of the company.

The remuneration of directors may be determined by taking into account their participation in the Company's business and their contribution value, and industry standards and the board meeting is authorized to resolve the amount of the remuneration. During the term of their offices, the Company may purchase liability insurance for the directors to indemnify the potential liabilities, according to the relevant laws, to be borne by the directors when they perform their duties for the Company.

CHAPTER V. MANAGERS

Article 24

The Company may appoint one general manager and more managerial personnel, such as business general manager, executive assistant general manager, senior assistant general manager and assistant general manager. The appointment, discharge and the remuneration of the managers shall be handled in accordance with Article 29 of the Company Act.

CHAPTER VI. ACCOUNTING

Article 25

At the close of each fiscal year, the board of directors shall prepare the following statements and records and then submit the same to the shareholders' meeting for recognition in accordance with legal procedures

1. Business Report,
2. Financial Statements, and
3. Proposal for distribution of profit or appropriation of losses.

Article 26

If the Company has a profit of the year shall distribute not less than 3% of the balance as remuneration to Employees and not more than 3% to Directors of the Corporation.

However, require that earnings shall first be offset against any deficit. The Corporation may issue stock or distribute cash to employees and the qualification requirements including the employees of subsidiaries of the company. The conditions and measures set by the Board of Directors.

ARTICLE VII. SUPPLEMENTARY PROVISIONS

Article 27

If the Company has profit as a result of the yearly accounting closing, the Corporation shall first pay taxes, then offset its accumulated losses and set aside a legal capital reserve at 10% of the profits left over, until the accumulated legal capital reserve has equaled the paid-in capital of the Corporation then set aside special capital reserve in accordance with relevant laws or regulations or as requested by business. The remaining earnings along with accumulated retained earnings shall reserve appropriate quota depend on business demand, then distribute dividends according to shareholders' meeting resolution and the dividends shall not less than 10% of the current earnings. When dividends paid by the form of issuing new shares, it shall be proposed to shareholders' meeting and distribute according to the resolution of the meeting. The dividend policy of the Company consider capital requirements in the future 、 long-term investment plans needs to be adopted and stockholders' demand of cash inflow, if the Company has profit, dividends paid by cash shall not be less than 10% of the total dividends.

According to provisions of Company Act Article 240, the Company authorizes the distributable dividends and bonuses, or legal reserve and capital reserve as stipulated in Article 241 of Company Act, in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Article 28

If there is any matter not covered herein, the Company Act and the relevant laws and regulations shall govern.

Article 29

This Articles of Incorporation was established on April 15, 1975.

The first amendment was made on May 27, 1975.

The second amendment was made on November 16, 1976.

The third amendment was made on August 25, 1977.

The fourth amendment was made on March 1, 1978.

The fifth amendment was made on June 8, 1980.

The sixth amendment was made on April 28, 1981.
The seventh amendment was made on November 20, 1981.
The eighth amendment was made on December 13, 1981.
The ninth amendment was made on April 22, 1982.
The tenth amendment was made on May 7, 1982.
The eleventh amendment was made on May 25, 1982.
The twelfth amendment was made on June 15, 1982.
The thirteenth amendment was made on November 28, 1983.
The fourteenth amendment was made on November 12, 1984.
The fifteenth amendment was made on July 15, 1986.
The sixteenth amendment was made on September 29, 1986.
The seventeenth amendment was made on April 15, 1988.
The eighteenth amendment was made on August 26, 1988.
The nineteenth amendment was made on June 15, 1989.
The twentieth amendment was made on December 15, 1989.
The twenty-first amendment was made on April 7, 1990.
The twenty-second amendment was made on December 11, 1990.
The twenty-third amendment was made on May 18, 1991.
The twenty-fourth amendment was made on April 18, 1992.
The twenty-fifth amendment was made on April 10, 1993.
The twenty-sixth amendment was made on April 9, 1994.
The twenty-seventh amendment was made on December 2, 1994.
The twenty-eighth amendment was made on April 8, 1995.
The twenty-ninth amendment was made on April 13, 1996.
The thirtieth amendment was made on July 26, 1996.
The thirty-first amendment was made on April 24, 1997.
The thirty-second amendment was made on April 28, 1998.
The thirty-third amendment was made on April 29, 1999.
The thirty-fourth amendment was made on April 24, 2000.
The thirty-fifth amendment was made on April 27, 2001.
The thirty-sixth amendment was made on May 30, 2002.
The thirty-seventh amendment was made on May 30, 2003.
The thirty-eighth amendment was made on May 27, 2004.
The thirty-ninth amendment was made on June 14, 2005.
The forty amendment was made on June 15, 2006.
The forty-first amendment was made on June 13, 2007.
The forty-second amendment was made on June 13, 2008.
The forty-third amendment was made on June 16, 2009.

The forty-fourth amendment was made on June 15, 2010.

The forty-fifth amendment was made on June 9, 2011.

The forty-sixth amendment was made on June 18, 2012.

The forty-seventh amendment was made on June 13, 2013.

The forty-eighth amendment was made on June 12, 2014.

The forty-ninth amendment was made on June 20, 2016.

The fiftieth amendment was made on June 16, 2017.

The fifty -first amendment was made on June 14, 2018.

The fifty-second amendment was made on June 14, 2019.

Appendix 7

Inventec Corporation **Rules of Procedure for Shareholders Meetings** (Before Amendments)

Article 1

To establish a strong governance system and sound supervisory capabilities for this 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.

Article 2

The Company's shareholders meeting shall be convened by the board of directors unless applicable laws and regulations provide otherwise.

The Board of Directors or other authorized conveners of shareholders' meetings may require the Company or the shareholder service agent to provide with the roster of shareholders.

The notice to convene a ordinary shareholders' meeting shall be given to each shareholder no later than 30 days prior to the scheduled meeting date. The notice of the shareholders meeting to be given by an issuer to shareholders who own less than 1,000 shares of nominal stocks may be given in the form on the MOPS no later than 30 days prior to the scheduled meeting date. The notice to convene a extraordinary shareholders' meeting shall be given to each shareholder no later than 15 days prior to the scheduled meeting date. The notice of the shareholders meeting to be given by an issuer to shareholders who own less than 1,000 shares of nominal stocks may be given in the form on the MOPS no later than 15 days prior to the scheduled meeting date

The cause(s) or subject(s) of a meeting of shareholders to be convened shall be indicated in the individual notice and the public notice to be given to shareholders.

The election or discharge of directors, the amendment of this Company's 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 spin-off the Company, or the matters specified in Article 185, paragraph 1 of the Company Law, or Article 26-1 and Article 43-6 of the Securities and Exchange Law, or Article 56-1 or Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be listed and the essential contents shall be explained among the reasons for the meeting, and may not be proposed as extraordinary motions.

Article 3

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's

authorization.

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 this Corporation before 5 days on 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.

After the service of the power of attorney of a proxy to the company, in case the shareholder issuing the said proxy intends to attend the shareholders' meeting in person or to exercise his/her/its voting power in writing or by way of electronic transmission, a proxy rescission notice shall be filed with the company two days prior to the date of the shareholders' meeting as scheduled in the shareholders' meeting notice so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

Article 4

The venue for a shareholders meeting shall be the 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.

Article 5

This 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.

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.

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. No arbitrary requirements shall be imposed on shareholders to provide additional evidentiary documents beyond those showing eligibility to attend. Solicitors soliciting proxy forms shall also bring identification documents for verification.

This 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.

This 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, pre-printed ballots shall also be furnished.

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.

Attendance and voting 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. 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.

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 this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

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.

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 3 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.

Article 6

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors, relevant proposals (including extraordinary motions and amendments to the original proposals) shall be voted case-by-case. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including 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. Only if the chair adjourns the meeting in violation of these rules and procedures, the shareholders cannot designate any other person as chair and continue the meeting in the same or other place after the meeting is adjourned.

Article 7

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to

exercise the powers of the chairman, the chairman shall appoint one of the directors to act as chair. 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 in person.

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.

Article 8

The chair shall call the meeting to order and announce relevant information of the number of non-voting rights and the number of shares attending 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 1 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, and the attending shareholders still represent less than one third of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month.

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.

Article 9

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.

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

Article 10

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.

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

Article 11

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 and call for a vote and arrange adequate polling hours.

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 this Corporation.

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.

Article 12

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.

When the Company 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.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

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 shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. 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.

Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending.

At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

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

Article 13

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 5 days in accordance with Article 182 of the Company Act.

Article 14

The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this 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 list of fail to be elected directors and the numbers of votes which they were obtained. 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 1 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.

Article 15

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 pursuant to Article 183 of the Company Act.

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 voting results, (including the statistical tallies of the numbers of votes). Where there is an election of directors, the statistical tallies of the numbers of votes for each candidate shall be disclosed and shall be retained for the duration of the existence of this Corporation.

Article 16

On the day of a shareholders meeting, this 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.

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, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17

This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 18

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 this 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.

Article 19

This 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 1 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.

Article 20

These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.

(The Rules were amended on July. 22th, 2021.)

Appendix 8

Inventec Corporation **Procedures for Acquisition or Disposal of Assets** (Before Amendments)

Article 1

The company shall comply with the Procedures when acquisition or disposal of assets.

Assets

Article 2

The term "assets" as used in these Procedures includes the following:

1. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
2. Real estate (including land, houses and buildings, investment property) and equipment.
3. Memberships.
4. Patents, copyrights, trademarks, franchises, and other intangible assets.
5. Right-of-use assets.
6. Derivatives.
7. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
8. Other major assets.

Article 3

Terms used in these Procedures are defined as follows:

1. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefore (hereinafter "transfer of shares") under Article 156-3 of the Company Act.
2. Related party: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
3. Subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
4. Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.

5. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
6. Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Procedures Governing Permission for Investment or Technical Cooperation in the Mainland Area. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:
 1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
 2. May not be a related party or de facto related party of any party to the transaction.
 3. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.

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

1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
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.
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.
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.

Disposition Procedures

Article 4

Procedures of Evaluation and Operation for the Acquisition or Disposal of Assets:

1. The case-handling units shall submit items such as the reasons for the proposed acquisition or disposal, targeted assets, counterparties, price of transfer, receipt and payment terms, and price reference, etc. to the responsible department for the decision and executed by the asset management department. Related matters shall be processed in accordance with the Company's Procedures relating to the internal control procedure.
 - (1) The means of price determination and supporting reference materials not only refer to the opinions of professional appraisers and accountants but also conduct as below:
 - (a) For securities acquired or disposed in the centralized securities exchange market or OTC market shall be determined by the price of current equity or bonds. For securities not acquired or disposed in the centralized securities exchange market or OTC market ,the price shall be determined by reference to net worth per share, profitability, potential for future development, market interest rate, coupon rate, credit of debtor and then transaction price.
 - (b) The price of acquisition or disposal of real estate , equipment and right-of-use assets shall be determined by reference to the publicly announced current value, appraised current value and actual transaction price in the vicinity and shall be carried out by inquiry, price comparison, and price negotiation.
 - (c) For acquisition or disposal of memberships, patents, copyrights, trademarks, and franchises, shall consider of produced benefit, implementation of the authorization The price shall be determined by reference to recent transactions price and carried out by inquiry, price comparison, and price negotiation.
 - (d) For acquisition or disposal of derivatives shall consider of futures market transactions and exchange and interest rate chart. The price shall be carried out by inquiry, price comparison, and price negotiation.
 - (e) Participating in a merger, demerger, acquisition, or transfer of shares in accordance with law shall consider of business nature, net worth per share, technique, profitability and potential for future development.
 - (2) Level of authority:

Transaction amount reaches 5% or more of the Company's net worth of latest financial report shall be subject to the consent of audit committee and be submitted to board of director for a resolution.

 - (a) The cumulative transaction amount of acquisition or disposal of the same securities within the preceding year reaches NT\$300 million shall be evaluated by finance department and be approved by the board of directors.
 - (b) Acquire or dispose of real estate or right-of-use assets from related party shall prepare

- relevant information and be approved by the board of directors in accordance with article 8.
- (c) Derivative conduct in accordance with article 12.
 - (d) Others conduct in accordance with internal control procedure. In addition, transaction amount reaches NT\$300 million or more shall be approved by the board of directors.
 - (e) Acquisition or disposal of assets which governed by Article 185 of the Company Act shall be subject to the consent of audit committee and be submitted to board of director for a resolution and submit to shareholders' meeting for approval.
2. Unless there have other Procedures about the units responsible for implementation, otherwise finance department is the responsible department for securities investments, derivative product and participating in a merger, demerger,, acquisition or share transfer ; The using department and relevant responsible departments are responsible for real estate and equipment. Acquisition or disposal of assets which are not securities investment, real estate and equipment shall be evaluated by relevant responsible department.
3. In acquiring or disposing of real property ,equipment or right-of-use assets, unless transactions with domestic governmental agencies, engaging others to build on its own land, engaging others to build on rented land or the acquisition or disposal of equipment for business use or right-of-use assets, the appraisal report shall be obtained prior to the date of occurrence of the event from a professional appraiser if the transaction amount is more than 20% of the Company's paid-in capital or NTD 300 million and shall further comply with the following provisions:
- (1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors, and the same procedure shall also be followed whenever there is any subsequent changes to the terms and conditions of the transaction.
 - (2) Where the transaction amount is NT\$1 billion or more , appraisals from two or more professional appraisers shall be obtained.
 - (3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
 - (a) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.
 - (b) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.

4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.

Article 5

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

Article 6

Where the Company acquires or disposes of memberships or intangible assets, rightof- use assets or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.

Article 6-1

The calculation of the transaction amounts referred to in the preceding three articles shall be done in accordance with Article 27, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained in accordance with Regulations Governing the Acquisition and Disposal of Assets by Public Companies need not be counted toward the transaction amount.

Article 7

Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.

Article 8

When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the company's total assets, the company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the preceding section. The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 6-1 herein.

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

When the Company intends to acquire or dispose of real property or right-of-use assets from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or repurchase of domestic money market funds which is published by domestic securities investment trust enterprises,, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by audit committee and passed by the board of directors .

1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
2. The reason for choosing the related party as a trading counterparty.
3. With respect to the acquisition of real property or right-of-use assets from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 9 and Article 10.
4. The date and price at which the related party originally acquired the real property, the original trading counterparty, and that trading counterparty's relationship to the company and the related party.
5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.
7. Restrictive covenants and other important stipulations associated with the transaction. The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 27, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors in accordance with Regulations Governing the Acquisition and Disposal of Assets by Public Companies don't need be counted toward the transaction amount.

When the procedures for the acquisition and disposal of assets are submitted for discussion by the board of directors pursuant to paragraph 1, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.

Article 9

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

1. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
2. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the trading counterparties.

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

The Company that acquires real property or right-of-use assets from a related party and appraises the cost of the real property or right-of-use assets in accordance with preceding two paragraphs shall also engage a CPA to check the appraisal and render a specific opinion.

Where the Company acquires real property or right-of-use assets from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with the preceding Article and the preceding three paragraphs do not apply:

1. The related party acquired the real property or right-of-use assets through inheritance or as a gift.
2. More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property or right-of-use assets to the signing date for the current transaction.
3. The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the company's own land or on rented land,.
4. The real property or right-of-use assets for business use are acquired by the Company with subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.

Article 10

When the results of the Company's appraisal conducted in accordance with paragraph 1 and paragraph 2 of the preceding Article are uniformly lower than the transaction price, the matter shall be handled in compliance with Article 11. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA, this restriction shall not apply:

1. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:

(1) Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.

(2) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.

2. Where the Company acquiring real property or obtaining real property right-of-use assets through leasing from a related party provides evidence that the terms of the transaction are similar to the terms of transactions completed for the acquisition of neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.

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

Article 11

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

1. A special reserve shall be set aside in accordance with Article 41, paragraph 1 of the Securities and Exchange Act against the difference between the real property or right-of-use assets transaction price and the appraised cost, and may not be distributed or used for capital increase or

issuance of bonus shares. Where a public company uses the equity method to account for its investment in another company, then the special reserve called for under Article 41, paragraph of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company.

2. Audit committee shall comply with Article 14-4 of Securities and Exchange Act..
3. Actions taken pursuant to the preceding two subparagraphs shall be reported to a shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

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

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

Engaging in Derivatives Trading

Article 12

Engaging in derivatives trading shall aims to ensure the Company's operating profit and avoid the risk which is triggered by exchange rate, interest rate or asset price volatility, and the target is not to gain speculative profit.

1. Transaction types: Forward contracts (not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts), options contracts, futures contracts, leverage contracts, and swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives.
2. Level of authority:
 - (1) The amount of individual contract is more than USD 10 million dollars: general manager.
 - (2) The amount of individual contract is less than USD 10 million dollars: manager of finance department.

Article 13

Segregation of duties

1. Finance department

- (1) In addition to obtain market information, judge trends and risks, familiar with financial products, related Procedures and operating skills, finance department also engage in transaction in accordance with the instructions and authorization of authority manager to avoid the risk of market price fluctuation.
- (2) Evaluate regularly.
- (3) Provide the information of risk exposure.
- (4) Evaluate, supervise and control transaction risk.

2. Accounts department

- (1) Keep accounts and prepare financial statements in conformity with Generally Accepted Accounting Principles.
- (2) Announce and declare regularly.

Article 14

Essentials of performance evaluation

1. Hedging transaction shall evaluate twice per month regularly and financial transaction shall evaluate once per week regularly. The evaluation report shall be submitted and approved by the general manager and manager of finance department.
2. Performance evaluation shall compare with presetting assessment criteria on evaluation day as a reference for future decision making.

Article 15

Total amount of engage in contracts and limit amount of maximum loss

1. Hedging transaction:

Total contract amount is limited to 50% of the latest quarter's operating revenue. Loss amount is limited to 20% of the contract and apply to individual and all contracts.

2. Financial transaction:

Total contract amount is limited to 10% of the latest quarter's operating revenue.

The maximum loss limit of total contract is USD 200 thousands.

The maximum loss limit of individual contract is USD 50 thousands.

Settings stop-loss point based on the average price of derivative contract. If the amount exceeds stop-loss point, the Company shall convene a meeting to improve it.

Article 16

The Company engaging in derivatives transaction shall adopt the following risk management measures:

1. Scope of risk management:

- (1) Risk management of credit: The Company shall choose a financial institution which is

reputable or has business dealings with the Company as counterparty.

- (2) Risk management of market price: The finance department shall pay attention to the profit and loss impact when market prices fluctuate.
 - (3) Risk management of liquidity: In order to ensure the liquidity of derivatives market, the financial institution shall have adequate equipment, information and trading capability, and can trade in any market.
 - (4) Risk management of cash flow: Derivate transactions are based on trading substance to ensure the capability to fulfill settlement obligations. Finance department shall pay attention to the Company's cash flow to ensure the Company have sufficient cash to pay when settlement.
 - (5) Risk management of operation: The in-charge department shall comply with authorized limits and workflow.
 - (6) Risk management of legislation: In addition to the documents which state commercial terms, agreements for financial transaction shall reviewed by legal personnel or consultant before signing.
 - (7) Commodity risk management: the Company shall have complete and correct professional knowledge of financial instruments, and shall require banks to fully disclosure of risk in order to avoid the risk of misuse of financial instruments.
2. Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.
 3. Risk measurement, monitoring, and control personnel shall be assigned to a different department that the personnel in the preceding subparagraph and shall report to the board of directors or senior management personnel with no responsibility for trading or position decision-making.
 4. Derivatives trading positions held shall be evaluated at least once per week; however, positions for hedge trades required by business shall be evaluated at least twice per month. Evaluation reports shall be submitted to senior management personnel authorized by the board of directors.
 5. Other important risk management measures.

Article 17

Where the Company engaging in derivatives trading, the board of directors shall faithfully supervise and manage such trading in accordance with the following principles:

1. Designate senior manager to pay attention continually to monitor and control derivatives trading risk.
2. Periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the company's permitted scope of tolerance.

Senior manager authorized by the board of directors shall manage derivatives trading in accordance with the following principles:

1. Periodically evaluate the risk management measures currently employed are appropriate and are

faithfully conducted in accordance with these Procedures.

2. When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, appropriate measures shall be adopted and a report immediately made to the board of directors; an independent director shall be present at the meeting and express an opinion.

The company shall report to the soonest meeting of the board of directors after it authorizes the relevant personnel to handle derivatives trading in accordance with these Procedures.

Article 18

The Company engaging in derivatives trading shall establish a log book in which details of the types and amounts of derivatives trading engaged in, board of directors approval dates, and the matters required to be carefully evaluated under subparagraph 4 of Article 16 and subparagraph 2 of paragraph 1, and subparagraph 1 of paragraph 2, of Article 17 shall be recorded in detail in the log book.

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

Mergers and Consolidations, Splits, Acquisitions, and Assignment of Shares

Article 19

The Company that conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the board of directors to resolve on the matter, shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and approval. The requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by the company of a subsidiary in which it directly or indirectly holds 100% of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the company directly or indirectly holds 100% of the respective subsidiaries' issued shares or authorized capital.

Article 20

The Company participating in a merger, demerger, acquisition, or transfer of shares shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in paragraph 1 of the preceding Article when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts a company from

convening a shareholders' meeting to approve the merger, demerger, or acquisition, this restriction shall not apply.

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

Article 21

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

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

When participating in a merger, demerger, acquisition, or transfer of another company's shares, The Company shall prepare a full written record of the following information and retain it for 5 years for reference:

1. Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.
2. Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting.
3. Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of board of directors meetings.

When participating in a merger, demerger, acquisition, or transfer of another company's shares, The Company shall within 2 days commencing immediately from the date of passage of a resolution by the board of directors, report (in the prescribed format and via the Internet-based information system) the information set out in subparagraphs 1 and 2 of the preceding paragraph to the FSC for recordation.

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

Article 22

Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.

Article 23

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

1. Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.
2. An action, such as a disposal of major assets, which affects the company's financial operations.
3. An event, such as a major disaster or major change in technology that affects shareholder equity or share price.
4. An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock.
5. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
6. Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.

Article 24

The contract for participation in a merger, demerger, acquisition, or of shares shall record the rights and obligations of the companies participating in the merger, demerger, acquisition, or transfer of shares, and shall also record the following:

1. Handling of breach of contract.
2. Principles for the handling of equity-type securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.
3. The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.
4. The manner of handling changes in the number of participating entities or companies.
5. Preliminary progress schedule for plan execution, and anticipated completion date.
6. Scheduled date for convening the legally mandated shareholders meeting if the plan exceeds the deadline without completion, and relevant procedures.

Article 25

After public disclosure of the information, if any company participating in the merger, demerger, acquisition, or share transfer intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such participating company may be exempted from calling another shareholders meeting to resolve on the matter anew.

Article 26

Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company whereby the latter is required to abide by the provisions of Article 21, Article 22, and Article 25.

Procedures for Announcement

Article 27

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

The Company shall report related information to the website designated by FSC for announcement based on its nature in stipulated form and reporting within 2 days of the transaction date if the assets acquired or disposed of by the Company are as below:

1. Acquisition or disposal of real property or right-of-use assets from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or repurchase of domestic money market funds which is published by domestic securities investment trust enterprises, are not subject to this limit.
2. Merger, demerger, acquisition, or transfer of shares.
3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company.
4. Where the type of asset acquired or disposed is equipment/machinery or right-of-use assets for business use, the trading counterparty is not a related party, and the transaction amount reaches NT\$1 billion or more..

5. Where real estate is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million.
6. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:
 - (1) Trading of domestic government bonds.
 - (2) Trading of bonds under repurchase/resale agreements, or subscription or repurchase of domestic money market funds which is published by domestic securities investment trust enterprises,.

The amount of transactions above shall be calculated as follows:

1. The amount of any individual transaction.
2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year.
3. The cumulative transaction amount of real property or right-of-use assets acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the preceding year.
4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

For calculation of 10% of total assets under these Procedures, the total assets stated in the most recent individual financial report prepared in accordance with Procedures Governing the Preparation of Financial Reports by Securities Issuers shall be used.

"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with Regulations Governing the Acquisition and Disposal of Assets by Public Companies don't need to be counted toward the transaction amount.

The Company shall report all items according to Regulations, and if there are errors or omissions, shall declare and report all items again within 2 days when the Company noted after making additions and corrections.

The Company shall keep related contracts, records, memorandums, appraisal reports, opinions from accountants, lawyers or securities underwriters with the Company for at least five years, unless otherwise provided for by related Regulations.

Article 28

Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of

relevant information shall be made on the information reporting website designated by the FSC within 2 days commencing immediately from the date of occurrence of the event:

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

Article 29

Investment limits of the Company and subsidiary companies:

1. The investment for non-business real estate and right-of-use assets or the total amount of the securities which is anticipate be sold in the short-term shall be limited no more than net worth of the Company. Individually purchase nonbusiness real estate and right-of-use assets or the investment amount of the securities which will be sold in the short-term shall be limited no more than 50% of the total purchasable amount.
2. Total investment amount of the securities which will not be sold in the short-term shall be limited no more than the Company's net worth. However, the amount of invest in single company (actual investment) shall be no more than 30% of the Company's net worth.

Article 30

Control procedures of acquisition or disposal of assets for the subsidiary.

1. Subsidiary shall establish Procedures for Acquiring or Disposal of Assets and implement it after approved by the board of directors and proposed to the shareholders' meeting for approval.
2. Where a subsidiary is not a public company, and acquiring or disposal of assets conform to the standard for public announcement in accordance with Article 27, shall announced by the Company.
3. Subsidiary shall check whether the Procedures for Acquiring or Disposal of Assets conform to the regulations of the Procedures, and acquire or dispose assets in accordance with the Procedures.
4. Internal audit unit shall review the self-assessment report.

Article 31

The Company's internal audit personnel shall quarterly audit the procedure for acquisition or disposal of assets and the situation of implementation, and prepare an audit report. If any material violation is discovered, audit committee shall be notified in writing. In addition, internal audit personnel shall punish manager and in-charge personnel depend on the violation situation.

Article 32

The regulations shall be subject to the consent of audit committee, then be submitted to the board of directors for a resolution and proposed to the shareholders' meeting for approval. Any amendments

shall also follow this procedure. If any director expresses an objection on the record or by a written statement, the Company shall submit the objection to the shareholders' meeting for discussion.
(The Procedures were amended on Jun. 12th, 2020.)

Appendix 9

Inventec Corporation Shareholdings of Directors

As of April 16, 2022 (Book closure date), all directors' shareholdings and legal minimum shareholdings are as follows:

1. Total common shares issued: 3,587,475,066 shares.
2. The minimum required shareholding of all directors by law: 86,099,401 shares.
The Company had set up Audit Committee, so there is no applicable for the minimum required shareholding of supervisors by law
3. Total shareholding of all directors: 447,086,182 shares. The shareholding is in compliance with regulatory requirements.

Position	Name	Number of shares
Chairman	Cho, Tom-Hwar	1,004,311
Director	Yeh, Kuo-I	176,361,330
	Wen, Shih-Chih	35,685,590
	Lee, Tsu-Chin	115,833,835
	Chang, Ching-Sung	788,644
	Yeh, Li-Cheng	117,412,472
Independent Director	Chang, Chang-Pang	0
	Chen, Ruey-Long	0
	Wea, Chi Lin	0
Total		447,086,182

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