

Stock Code: 6613



NOVA TECHNOLOGY CORP.

Handbook for the 2019

Annual Meeting of Shareholders

(Translation)

MEETING TIME: May 24, 2019

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I. Meeting Procedure

NOVA TECHNOLOGY CORP.

Procedure for the 2019 Annual Meeting of Shareholders

1. Call the Meeting to Order
2. Chairperson Remarks
3. Report Items
4. Proposals
5. Discussion
6. Elections
7. Other Matters
8. Questions and Motions
9. Adjournment

II. Meeting Agenda

NOVA TECHNOLOGY CORP.

2019 Annual Shareholders' Meeting Agenda

(Translation)

Time : 9:00a.m on Friday, 24 May, 2019

Place : 2F,No.76, Sec.2, Jiafeng S. Rd., Zhubei City, Hsinchu County 30272, Taiwan
(Zenfar APEC business center)

Chairman : Mr. Liang, Chin-Li, Chairman of the Board of Directors.

1. Call the Meeting to Order

2. Chairman Remarks

3. Report Items:

- (1) 2018 Distribution of Remuneration to Employees and Directors
- (2) Business Report of 2018
- (3) Audit Committee's Review Report of 2018 Financial Statements.
- (4) Report on the amendment of the Company's "Rules of Procedure for Board of Directors Meeting"

4. Proposals:

- (1) Adoption of the 2018 Business Report and Financial Statements
- (2) Adoption of the Proposal for Distribution of 2018 Profits

5. Discussion

- (1) Discussion on the proposal to amend "Articles of Incorporation"
- (2) Discussion on the proposal to amend "Procedure for Acquisition or Disposal of Assets"
- (3) Discussion on the proposal to amend "Procedures for Endorsements and Guarantees"
- (4) Discussion on the proposal to amend "Procedures for Loaning of Company Funds"

- (5) Discussion on the proposal to amend “Regulations Governing Remuneration Paid to Directors.”

6. Elections

- (1) To elect 7 members of the 9th Board of Directors. (Including 4 independent directors)

7. Other Matters

- (1) To release the directors from non-competition restrictions.

8. Questions and Motions

9. Adjournment

III. Report Items

Report No. 1: 2018 Distribution of Remuneration to Employees and Directors
(Proposed by the Board of Directors)

Explanation: According to the Article 19-1 of the“Articles of Incorporation”. The company proposed to allocate 4% for employee remuneration (not less than 3%) in the amount of NTD 30,600,489. It also planned to allocate 3% for the remuneration of directors (not higher than 5%) in the amount of NTD 22,950,366. The employees’ and directors’ remuneration are to be distributed in cash. There is no difference between the amount of employees’ and directors’ remuneration recognized in the 2018 financial statements.

Report No. 2 : Business Report of 2018 (Proposed by the Board of Directors)

Explanation : For the company’s 2018 business reports and financial related statements are attached hereto as Attachments I, II. (page 11~ 24)

ReportNo.3 : Audit Committee’s Review Report of 2018 (Proposed by the Board of Directors)

Explanation : The Audit Committee’s Review Report of 2018 is attached hereto as Attachments III. (page 25)

Report No. 4 : Report on the amendment of the Company's “Rules of Procedure for Board of Directors Meeting.”

Explanation : In order to conform to the amendments of related laws the company hereby amended “Rules of Procedure for Board of Directors Meeting” is attached hereto as Attachments IV. (page 26)

IV. Proposals

Proposal No. 1 : Adoption of the 2018 Business Report and Financial Statements.
(Proposed by the Board of Directors)

Explanation :

- (1) The Company's Financial Statements (including 2018 consolidated and individual financial statements) were audited and certified by Huang, Hai-Ning and Chang, Tzu-Hsin the CPA of KPMG Firm. The above-mentioned documents subsequently examined by Audit Committee.
- (2) 2018 Business Report, Independent Auditors' Report, and the aforementioned Financial Financial Statements are attached hereto as Attachments I, II. (page 11 ~ 24)

Resolution :

Proposal No. 2 : Adoption of the Proposal for Distribution of 2018 Profits.
(Proposed by the Board of Directors)

Explanation :

- (1) Please refer to the 2018 Profit Distribution Table as follows:

**NOVA TECHNOLOGY CORP.
PROFIT DISTRIBUTION TABLE
Year 2018**

Unit: NTD

Beginning retained earnings	282,081,409
Add: Effect of retrospective application	104,199,508
Less: Defined benefit plans	2,342,000
Add: Net profit after tax	559,862,730
Less: 10% Legal reserve (2018)	55,986,273
Less: Special reserve appropriated	14,265,538
Distributable net profit	873,549,836
Distribution items:	
Cash Dividend to shareholders (15 per share)	508,920,000
Unappropriated retained earnings	364,629,836

- (2) When distributing cash dividends, the total amount paid to each shareholder shall be in whole NT dollars and any fractional amount less than one NT dollar shall be rounded up to the next NT dollar. The resulting difference shall be recognized as a company expense.
- (3) Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Chairman be authorized to determine the record date to distribute the cash dividend and other relevant issues.

Resolution :

V. Discussion

Proposal No. 1 : Discussion on the proposal to amend “Articles of Incorporation.”
(Proposed by the Board of Directors)

Explanation :

- (1) In order to conform to the amendments of related laws, the company hereby proposes to amend “Articles of Incorporation”.
- (2) The Comparison Table for the “Articles of Incorporation” Before and After Revision is attached hereto as Attachment V (page 27 ~ 28).

Resolution :

Proposal No. 2 : Discussion on the proposal to amend “Procedure for Acquisition or Disposal of Assets” (Proposed by the Board of Directors)

Explanation :

- (1) In order to meet the needs of the company's operations, the company hereby proposes to amend “Procedure for Acquisition or Disposal of Assets”.
- (2) The Comparison Table for the “Procedure for Acquisition or Disposal of Assets” Before and After Revision is attached hereto as Attachment VI (page 29 ~ 41)

Resolution :

Proposal No. 3 : Discussion on the proposal to amend “Procedures for Endorsements and Guarantees” (Proposed by the Board of Directors)

Explanation :

- (1) In order to conform to the amendments of related laws and the company's operations, the company hereby proposes to amend “Procedures for Endorsements and Guarantees”.
- (2) The Comparison Table for the “Procedures for Endorsements and Guarantees” Before and After Revision is attached hereto as Attachment VII (page 42).

Resolution :

Proposal No. 4 : Discussion on the proposal to amend “Procedures for Loaning of Company Funds” (Proposed by the Board of Directors)

Explanation :

- (1) In order to meet the needs of the company's operations, the company hereby proposes to amend “Procedures for Loaning of Company Funds”.
- (2) The Comparison Table for the “Procedures for Loaning of Company Funds” Before and After Revision is attached hereto as Attachment VIII (page 43)

Resolution :

Proposal No. 5 : Discussion on the proposal to amend “Regulations Governing Remuneration Paid to Directors”

Explanation :

- (1) In order to meet the needs of the company's operations, the company hereby proposes to amend “Regulations Governing Remuneration paid to Directors” and revised the title to “Regulations Governing Remuneration paid to Directors and Functional Committee”.
- (2) The Comparison Table for the “Regulations Governing Remuneration paid to Directors and Functional Committee” Before and After Revision is attached hereto as Attachment IX (page 44 ~ 46)

Resolution:

VI. Elections

Proposal No. 1 : To elect 7 members of the 9th Board of Directors. (Including 4 independent directors) (Proposed by the Board of Directors)

Explanation :

- (1) The term of directors of the 8th Board will expire on 12/05/2019. According to the Article 199-1 of “Company Act” and Article 14 of “Articles of Incorporation”, the company proposes to re-elect new Board members at this year's Annual Shareholders’ Meeting.
- (2) According to the “Securities and Exchange Act”, the Company establishes an audit committee. According to the Article 7 of the “Procedures for Election of Directors” and Article 14 of “Articles of Incorporation”, the company proposes to duly elect 7 new Board members by nomination. (including 4 independent directors) The tenure of newly elected directors shall be 3 years, commencing on May 24, 2019 and expiring on May 23, 2022.
- (3) The qualification of the nominated. Please refer to Attachment X (page 47 ~ 49) for details.

Voting by Poll :

VII. Other Matters

Proposal No. 1 : To release the directors from non-competition restrictions. (Proposed by the Board of Directors)

Explanation :

- (1) In accordance with Article 209 of Company Act, any director acting for himself/ herself, or for any other person within the scope of the Company business, should explain the important matters of such acts and acquire the approval of the shareholders’ meeting.

- (2) It is proposed to submit to the 2019 Annual Meeting for approval on the lifting of newly-elected directors of non-competition restrictions. Please refer to Attachment XI (page 51 ~ 52) for details.

Resolution :

VIII. Questions and Motions

IX. Adjournment

X. Attachments

Attachment I Business Reports



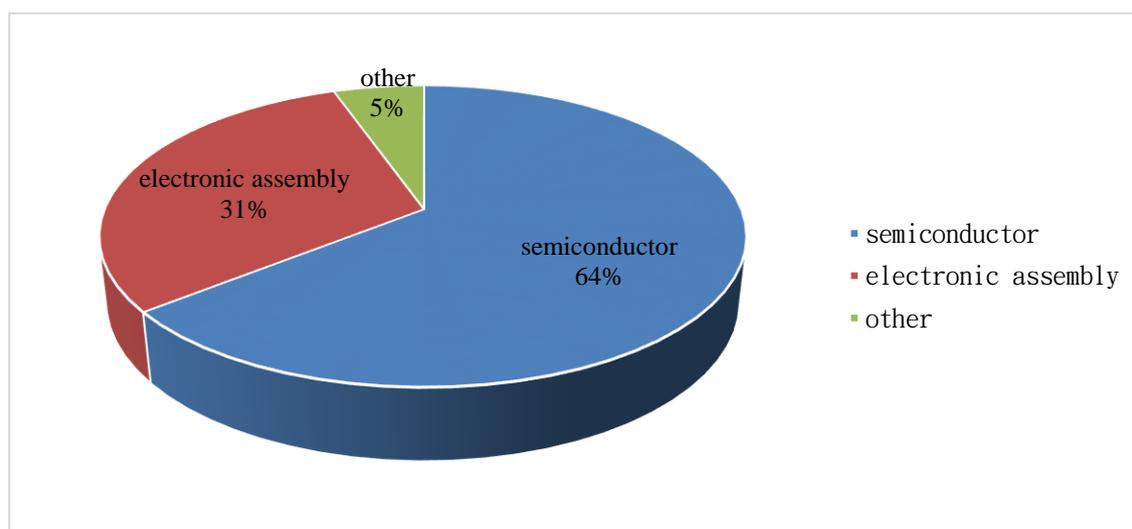
NOVA TECHNOLOGY CORP. 2018 Business Reports

I. 2018 Business results

A. Business plan implementation results

Nova Technology Corp. has been working for many years and has a good reputation and stable customer base in the high-tech industry. This year benefited from China active development of the semiconductor and panel industry, which led to an increase in capital expenditures for major customers to build new plants, and increased overall revenue growth. The consolidated operating revenue for the year 2018 reached NTD 4,867 million, which represents a growth of 45.6% compared to last year. In terms of profit, the combined net profit after tax of 2017 was 560 million, which was a 25.1% compared to last year.

Operating Revenue Type Ratio



Unit: In thousands NT\$, %

Item	2018	2017	%
Operating revenue	4,866,703	3,342,542	45.6%
Operating Cost	3,765,651	2,345,098	60.6%
Gross profit	1,101,052	997,444	10.4%
Operating expenses	395,483	321,542	23.0%
Operating income	705,569	675,902	4.4%
Non-Operating income and expenses	99,428	(79,191)	225.6%
Income before income taxes	804,997	596,711	34.9%

B. State of budget implementation :

This item is not applicable since Nova Tech has not disclosed any financial forecasts.

C. Financial structure and profitability

Item		2018	2017	
Financial Structure	Debt to asset ratio (%)	47.50	62.96	
	Long-term capital to property, plant and equipment (%)	1,743.69	2,292.2	
Solvency	Current ratio (%)	225.15	160.67	
	Quick ratio (%)	192.71	93.09	
Profitability	Return on assets (%)	11.44	10.13	
	Return on stockholders' equity (%)	26.02	29.22	
	Ratio to issued capital(%)	Operating income	207.96	199.22
		Pre-tax income	237.27	175.88
	Profit ratio (%)	11.5	13.39	
	Basic after-tax EPS (NTD)	16.5	15.07	

D. Technology and R&D Overview:

The R&D department continuously develops various innovative engineering methods and equipment improvements for different industries and projects, and takes value engineering as the guide to strengthen our competitive advantage. Described as follows:

- a. Process waste solvent and waste TMAH recycling and reuse: cooperate with foreign companies and domestic institutes to develop high-purification and reuse of chemicals with rectification technology as the core technology.

The amount of process TMAH is increasing day by day. Our company cooperate with domestic top institutes to focus on the high-concentration waste TMAH solution recovery system that can be handled by the customers in their plants. It has the following advantages:

- I. Reduce the cost of sludge and waste liquid for electro-optical customers.
- II. Reduce the cost of wastewater treatment plant operation fee for electro-optical customers.
- III. Recycling chemicals with economic value (such as H₃PO₄, aluminum, etc.) in waste liquids to achieve the goal of circular economy.
- IV. Produce other chemicals of high economic value, such as Iron(II) phosphate, Tricalcium phosphate, etc.

Applied in the current electro-optical customers' plants to help they reduce production costs and improve process recovery rate to achieve the ultimate goal of circular economy.

- b. Chemical liquid concentration control system: The integrated application of online dilution equipment and high-precision meter. Eliminate temperature and measurement errors based on temperature characteristics curves or moving average data processing to ensure accuracy.

- c. Slurry mixing supply equipment: Different design methods not only realize the non-volatile crystallization of the slurry, but also ensure the quality, and the degree of automation is higher. The mechanical stirring method can fully mix the slurry, and can control and change the height.
- d. Module design and planning for large-scale desalination plants: Water shortages are widespread throughout the world due to changes in the climate. The World Meteorological Organization (WMO) predicts that 1 billion people in the global coastal areas will face a drinking water crisis in 2050. Cooperate with foreign large-scale desalination companies to develop seawater desalination technology with the lowest investment cost and unit water price.
- e. Development of developer recycling system: The development process is an important part of the semiconductor and electro-optical industries. After the process reaction, the developer flows to the wastewater treatment system will cause the ammonia nitrogen treatment problem because it contains a large amount of amine.

II. Business Plan for 2018

A. Business objectives

- a. Implement corporate governance and deepen corporate culture.
- b. Continuing existing customers in mainland China and Southeast Asia, and developing new customers to improve operational efficiency.
- c. Strengthen cooperation with international partners and deepen the professional and technical capabilities of green energy and water resources engineering.
- d. Recruiting more diverse talents and actively training management teams.

B. Sales forecast and sales policy

In recent years, the China government has promoted the policy of localization of the supply chain. More and more international semiconductor manufacturers have set up plants in China to grasp the potential business opportunities in the China market. According to statistics from IC Insights, the market share of semiconductors manufactured locally in China in 2016 was 11.6%. It is estimated that the compound annual growth rate of China's semiconductor manufacturing industry is 18% from 2016 to 2021. It is estimated that the global market share of China's IC will reach 17% by 2020, and the market share will reach 25% in 2025. According to the Semiconductor Equipment and Materials International (SEMI), semiconductor equipment sales performance in 2018 was impressive, growing by 9.7%, a record high. However, the estimated sales amount in 2019 will decrease, and will fall by 4% compared with 2018, but will grow by 20.7% in 2020 and continue to record a new high. SEMI said that the decline in sales in 2019 was mainly due to the slowdown in global economic growth. The US-China trade war led the United States to limit the export of semiconductor equipment and components to some enterprises, and the impact of memory prices go down and other variables. In addition, China has vigorously supported semiconductors and the growth rate of semiconductor equipment procurement was 55.7% in 2018, became the one of largest market and second only to South Korea in the world. Our company has been deeply involved in the China market for many years, and its regional sales accounted for more than half. It is expected that under the China government's promotion of high-tech industry development policies, although the semiconductor equipment sales are expected to be poor in the year of 2019, we will continue to work hard in 2019 to create the best shareholders' interests.

III. Future development strategy

High-tech process supply systems are mainly used in semiconductor, optoelectronics, and other high-investment industries, where safety and quality requirements establish a threshold for competition. The technology and demand of high-tech industries are changing with each passing day, which can adapt to the changes in the market and expand the development space of the business, so that they can survive and grow rapidly under the elimination mechanism of market. In the situation where the competition between domestic and foreign peers has become more intense, technological capabilities, scale economies, efficiency enhancement, and integration services are the winning factors. In view of this, the company continued to carry out research and development of related products, sought cooperation between domestic and foreign advanced products and manufacturers, and constantly self-improvement, in response to market demand and future development.

Due to climate and environmental changes, water shortages are spreading throughout the world. The World Meteorological Organization predicts that one billion people will face drinking water crisis in the global coastal areas in 2050. This company has cooperated with international water resources professional companies to develop water resources related system equipment and engineering, to provide customers with the best solutions and services, and to fulfill the responsibilities of global citizens.

IV. The impact of th External Competitive Environment, Regulatory Environment and Macroeconomic Conditions

A. External competitive environment

In the situation where the competition between domestic and foreign peers has become more intense, technological capabilities, economies of scale, efficiency enhancement, and integration services are the winning factors, the establishment of corporate physique and the implementation of professional technology are the only ways to expand the space for career development and create vitality. In current industry competition pattern, we can quickly grasp the source of raw materials and provide customers with faster and more advanced products and services, which are important factors in whether we can take the leading position in the industry. In view of this, this company continued to carry out research and development of related products, and sought cooperation between domestic and foreign advanced products and manufacturers, and constantly self-improvement, in response to market demand and future development.

B. Regulatory environment

This company regularly reviews changes in laws and regulations and complies with the requirements of the competent authorities and upholds the philosophy of decent management. As a whole, changes in the regulatory environment will have no major impact on this company.

C. Macroeconomic conditions

As mentioned above, Chinese government is actively promoting the development of local semiconductor industry, it is expected that the company will benefit from related capital expenditure requirements and further increase the market share in China region.

Taiwan region is actively developing the use of water resources, according to the plan of the Water Resources Department, the amount of reclaimed water to be used every day should reach 700,000 tons in 2021, and 1,320,000 tons in year 2043.

(Source : <http://file.wra.gov.tw/public/Data/57713564171.pdf>)

This company actively cooperates with internationally renowned companies in the development of water resource utilization plans and cultivates relevant professionals. It is expected that it will be able to lay a solid foundation for the company's next phase of development in this area.

V. Important production and sales policies

For many years, this company has continuously researched and developed high-tech industrial process equipment and the surrounding pipeline engineering design and overall system to provide customers with competitive customized equipment and services. In addition to many years of deep plowing in mainland China, and in line with government's efforts to promote South moving policy and the rise of countries in Southeast Asian region, company has set up a subsidiary in Singapore to help expand overseas markets in the future.

Production and sales policies will continue to deliver aforementioned advantages and grasp current opportunities, we will continue to take care of customers' needs to consolidate existing customers and develop new customers in order to maintain steady growth in company business and profitability. In production side, we continue to strengthen our design capabilities, and on the premise of ensuring production of high-quality equipment, we have now add Suzhou Winmax Technology Co., Ltd. to expand its equipment manufacturing capacity in a timely manner and steadily move forward.

VI. Corporate Social Responsibility

"Happy employees, satisfied customers, and sustainable environment" is the goal and responsibility of Novatech. Adhering to the goal is to start from the surrounding stakeholders, create team benefits, and create a sustainable Novatech. The customer's attempt is our mission, the mission must get result is the spirit of Novatech, satisfying customers and applying core skills to add the environmental protection elements to customer needs, reducing the environmental impact of the production process, and pursuing win-win symbiosis.

In addition, "Sincerity, Trustworthy, Simple, Steady" has always been the consistent corporate culture of Novatech to pursuit of sustainable management. We know that the sustainable development of the company is maintained by good communication and interaction with all stakeholders. We also hope to gradually integrate corporate social responsibility into daily operations and corporate behavior, so that every member of our company will give back to society and be friendly to the environment. In terms of talent cultivation, we cooperate with institutes to provide students with opportunities to enter the industry. At the same time, we will promote the mentoring system, new employee orientation, promote the elite school, and create a growth stage.

Novatech implements the government's promotion of work safety and health management, requesting each project to be based on standard operating standards, ensuring the safety management of the site's work, and promoting precautions. Strictly request the safety equipment and protection to be checked from time to time during the construction process to ensure that all executives successfully complete the project and return home safely.

All the personnel of Novatech uphold the company's "Tomorrow to be Better" concept and continue to overcome difficulties. We hope to provide customers with satisfactory services and the greatest benefit for shareholders with excellent products, better solutions and quality.

Sincerely Yours,

Chairman : Chin-Li ,Liang

General Manager : Hsu, Chung-Cheng

Financial and Accounting Manager : Ou, Chun-Yen

Attachment II 2018 Independent Auditors' Report and Financial Statements

Independent Auditors' Report

To the Board of Directors of Nova Corporation:

Opinion

We have audited the consolidated financial statements of Nova Corporation (the "Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as of December 31, 2018 and 2017, and the consolidated statement of comprehensive income, changes in equity and cash flows for the year ended December 31, 2018 and 2017, 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 of December 31, 2018 and 2017, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), interpretations as well as related guidance endorsed 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. Based on our judgment, the key audit matters should be reflected in our report are as follow:

1. Recognition of construction contract revenue (including estimated total budget cost)

Please refer to Note 4(9) "Revenue from contracts with customers", Note 5 "Major Sources of Accounting Judgments, Estimations and Assumptions of Uncertainty", and Note 6(3) "Construction contracts" to the consolidated financial statements.

Description of key audit matter:

The Group recognized its revenue by using the percentage of completion method. The completion level is based on the cost for each contract at year-end. The management will re-evaluate the cost if the total budget had significantly increased or decreased, and will recalculate the percentage of completion in accordance with the adjusted cost. The accuracy of the construction contract revenue may be affected by the completion level and appropriateness of the estimation of total budget cost. Thus, we considered the recognition of revenue as one of the key matters of our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: reviewing significant contracts to understand the specific terms and risks of each contract; testing the key internal controls of the revenue cycle to confirm the significant risk of the abnormality. Also, enquiring with the management and updating the preparation and approval process of the estimated cost of the contracts; understanding the process of accounting estimates made by the management and considering other evidences to evaluate the management's assumptions on the completeness of construction revenue; checking the differences between the estimated total budget cost and the actual cost of the construction contract. Furthermore, considering whether the management has estimated the cost that had not been invested before the completion date, and the possibility of reversal on the expected price are appropriate and reasonable; as well as assessing whether the revenue is in accordance with the relevant regulations, and the cost is appropriately disclosed.

2. Valuation of receivables

Please refer to Note 4(7) "Financial instruments", Note 5 "Major Sources of Accounting Judgments, Estimations and Assumptions of Uncertainty", and Note 6(2) "Notes receivable, Accounts receivable and overdue receivable, net" to the consolidated financial statements.

Description of key audit matter:

The recoverability of the Group's accounts receivable is related to the economic cycle and customer operations. The management measures the financial position of the customers and assesses the expected credit losses arising from all possible defaults during the expected life of the accounts receivable. The assessment of the impairment loss of receivables is determined by management judgment. Therefore, the valuation of accounts receivable is one of the key matters for our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: testing the control and validity of the collection, and checking the receipt of cash after the year-end, analyzing the aging of the allowance evaluation assumptions and measuring the credit loss during expected period of the receivables to consider the adequacy of the Group's disclosures in the accounts.

3. Accrual of construction contract losses

Please refer to Note 4(12) "Construction contracts", Note 5 "Major Sources of Accounting Judgments, Estimations and Assumptions of Uncertainty", and Note 9(4) "Significant Commitments and Contingencies" to the consolidated financial statements.

Description of key audit matter:

If the Group assesses that the contract cost that has been incurred is "unlikely to be recovered" then will make an accrual for the loss and recognize it as an expense immediately. The accrual of the losses involves management judgment so that the estimation of construction contract losses is one of the key matters for our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: Comparing the actual amount of construction contract losses and loss provisions accrued in the past; assessing and understanding how the management estimates the losses, including the method of assessment, whether the source of the information is appropriate, and the possibility to correct the accounting estimates; evaluating the appropriateness of accounting principles and related disclosures. In addition, if the completion of the contract is subject to the outcome of pending litigation or legislation, the construction contract losses will also be evaluated in accordance with IAS 37.

Other Matter

The Company has additionally prepared its parent company only financial statements as of and for the years ended December 31, 2018 and 2017, on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with 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 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 group financial statements. We are responsible for the direction, supervision and performance of the group audit.

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.

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 Hai-Ning Huang and Tzu-Hsin Chang.

KPMG

Taipei, Taiwan (Republic of China)
February 25, 2019

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated statement of financial position, financial performance and its 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 auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' report and consolidated financial statements, the Chinese version shall prevail.

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

Nova Corporation and subsidiaries

Consolidated Balance Sheets

December 31, 2018 and 2017

(Expressed in Thousands of New Taiwan Dollars)

Assets	December 31, 2018		December 31, 2017		Liabilities and Equity	December 31, 2018		December 31, 2017	
	Amount	%	Amount	%		Amount	%	Amount	%
Current assets:					Current liabilities:				
Cash and cash equivalents (not 6(1))	\$ 1,717,725	39	2,246,348	42	Notes payable	\$ 43,126	1	149,917	3
Notes receivable, net (note 6(2))	227,870	5	81,741	2	Accounts payable	861,160	20	937,107	18
Accounts receivable, net (note 6(2))	1,377,726	31	565,996	11	Accounts payable to related parties (note 7)	2,961	-	2,063	-
Contract assets – current (notes 6(12) and 7)	81,936	2	-	-	Contract liabilities – current (notes 6(12) and 7)	542,657	12	-	-
Construction contracts receivable (notes 6(3) and 7)	-	-	401,156	7	Construction contracts payable (notes 6(3) and 7)	-	-	47,777	1
Other receivables due from related parties (note 7)	225	-	207	-	Salary and bonus payable	164,773	4	125,741	2
Inventories (note 6(4))	306,787	7	1,634,371	30	Provisions – current (note 6(7))	152,970	3	180,549	3
Prepayments to suppliers	217,743	5	171,273	3	Unearned sales revenue (note 3)	-	-	1,702,275	32
Other financial assets – current (notes 6(5) and 8)	249,731	6	119,743	2	Other current liabilities	101,856	2	119,617	2
Other current assets	29,510	1	25,272	-	Total current liabilities	1,869,503	42	3,265,046	61
Total current assets	4,209,253	96	5,246,107	97	Non-Current liabilities:				
Non-current assets:					Deferred tax liabilities (note 6(9))	192,005	4	107,608	2
Property, plant and equipment (note 6(6))	144,648	3	92,816	2	Net defined benefit liabilities – non-current (note 6(8))	24,403	1	22,280	-
Deferred tax assets (note 6(9))	29,007	1	44,525	1	Total non-current liabilities	216,408	5	129,888	2
Other non-current assets (note 6(2))	8,814	-	9,122	-	Total liabilities	2,085,911	47	3,394,934	63
Total non-current assets	182,469	4	146,463	3	Equity (note 6(10):				
					Ordinary share capital	339,280	8	339,280	6
					Capital surplus	866,545	20	866,545	16
					Retained earnings	1,140,428	26	817,987	15
					Other equity interest	(40,442)	(1)	(26,176)	-
					Total equity	2,305,811	53	1,997,636	37
Total assets	\$ 4,391,722	100	5,392,570	100	Total liabilities and equity	\$ 4,391,722	100	5,392,570	100

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
Nova Corporation and subsidiaries
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2018 and 2017
(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

	For the years ended December 31,			
	2018		2017	
	Amount	%	Amount	%
Net operating revenue (notes 6(3), (12) and (13))	\$ 4,866,703	100	3,342,542	100
Operating costs (notes 6(3), (4), (8) and 7)	3,765,651	78	2,345,098	71
Gross profit	1,101,052	22	997,444	29
Operating expenses (notes 6(2), (8), (10) and (15)):				
Selling	74,940	2	51,892	2
General and administrative	208,805	4	199,765	6
Research and development	116,037	2	81,945	2
Expected credit Impairment loss (gain)	(4,299)	-	(12,060)	-
Total operating expenses	395,483	8	321,542	10
Net operating income	705,569	14	675,902	19
Non-operating income and expenses:				
Other gains and losses (note 6(14))	99,428	2	(78,015)	(2)
Finance costs (note 6(14))	-	-	(1,176)	-
	99,428	2	(79,191)	(2)
Income before income tax	804,997	16	596,711	17
Less: income tax expense (note 6(9))	245,134	5	149,236	4
Net income	559,863	11	447,475	13
Other comprehensive income:				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of the defined benefit plans (note 6(8))	(2,342)	-	(5,527)	-
Income tax relating to items that will be not reclassified subsequently	-	-	-	-
Total items that will not be reclassified subsequently to profit or loss	(2,342)	-	(5,527)	-
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign financial statements	(19,015)	-	(2,907)	-
Income tax relating to items that may be reclassified subsequently (note 6(9))	4,749	-	494	-
Total items that may be reclassified subsequently to profit or loss	(14,266)	-	(2,413)	-
Other comprehensive income, net	(16,608)	-	(7,940)	-
Total comprehensive income	\$ 543,255	11	439,535	13
Earnings per share (New Taiwan Dollars) (note 6(11))				
Basic earnings per share	\$ 16.50		15.07	
Diluted earnings per share	\$ 16.39		14.99	

See accompanying notes to consolidated financial statements.

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

Nova Corporation and subsidiaries

Consolidated Statements of Changes in Equity

For the years ended December 31, 2018 and 2017

(Expressed in Thousands of New Taiwan Dollars)

	Ordinary share capital	Capital surplus	Retained earnings				Total	Exchange differences on translation of foreign financial statements	Total equity
			Legal reserve	Special reserve	Unappropriat ed retained earnings				
Balance as of January 1, 2017	\$ 296,280	239,295	99,262	9,241	445,304	553,807	(23,763)	1,065,619	
Net income for the period	-	-	-	-	447,475	447,475	-	447,475	
Other comprehensive income for the period	-	-	-	-	(5,527)	(5,527)	(2,413)	(7,940)	
Total comprehensive income for the period	-	-	-	-	441,948	441,948	(2,413)	439,535	
Appropriation and distribution of retained earnings:									
Appropriation for legal reserve	-	-	26,439	-	(26,439)	-	-	-	
Appropriation for special reserve	-	-	-	23,763	(23,763)	-	-	-	
Cash dividends distributed to shareholder	-	-	-	-	(177,768)	(177,768)	-	(177,768)	
Capital increase by cash	43,000	615,266	-	-	-	-	-	658,266	
Share-based payment for the subscription of new shares by employees	-	11,984	-	-	-	-	-	11,984	
Balance as of December 31, 2017	339,280	866,545	125,701	33,004	659,282	817,987	(26,176)	1,997,636	
Effects of retrospective application of new standards	-	-	-	-	104,200	104,200	-	104,200	
Balance on January 1, 2018 after adjustments	339,280	866,545	125,701	33,004	763,482	922,187	(26,176)	2,101,836	
Net income for the period	-	-	-	-	559,863	559,863	-	559,863	
Other comprehensive income for the period	-	-	-	-	(2,342)	(2,342)	(14,266)	(16,608)	
Total comprehensive income for the period	-	-	-	-	557,521	557,521	(14,266)	543,255	
Appropriation and distribution of retained earnings:									
Appropriation for legal reserve	-	-	44,748	-	(44,748)	-	-	-	
Reversal Special reserve	-	-	-	(6,828)	6,828	-	-	-	
Cash dividends distributed to shareholder	-	-	-	-	(339,280)	(339,280)	-	(339,280)	
Balance as of December 31, 2018	\$ 339,280	866,545	170,449	26,176	943,803	1,140,428	(40,442)	2,305,811	

See accompanying notes to consolidated financial statements.

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

Nova Corporation and subsidiaries

Consolidated Statements of Cash Flows

For the years ended December 31, 2018 and 2017

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31,	
	2018	2017
Cash flows from operating activities:		
Income before income tax	\$ 804,997	596,711
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation	10,064	6,671
Expected credit Impairment loss (gain)	(4,299)	(12,060)
Allowance for inventory valuation and obsolescence loss	5,309	2,414
Interest expense	-	1,176
Interest income	(24,390)	(11,555)
Compensation cost of share-based payment transactions	-	11,984
Others	30	460
Total adjustments to reconcile profit (loss)	(13,286)	(910)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes and accounts receivable	(953,088)	159,015
Contract assets	424,348	(341,917)
Inventories	(73,423)	(540,099)
Other current assets	(80,714)	(57,311)
Total changes in operating assets	(682,877)	(780,312)
Changes in operating liabilities:		
Contract liabilities	211,423	(303,946)
Notes and accounts payable	(182,738)	375,379
Accounts payable–related parties	898	(140)
Unearned sales revenue	(10,023)	659,007
Accrued expenses and other current assets	(7,840)	197,094
Total changes in operating liabilities	11,720	927,394
Total adjustments	(684,443)	146,172
Cash flows generated from operations	120,554	742,883
Interest received	24,390	11,555
Interest paid	-	(1,182)
Income taxes paid	(152,729)	(79,022)
Net cash flows from (used in) operating activities	(7,785)	674,234
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(63,114)	(14,103)
Proceeds from disposal of property, plant and equipment	277	150
Increase in other financial assets	(100,000)	-
Decrease (increase) in other non-current assets	308	(3,864)
Net cash flows used in investing activities	(162,529)	(17,817)
Cash flows from financing activities:		
Cash dividends paid	(339,280)	(177,768)
Capital increase by cash	-	658,266
Net cash flows generated from (used in) financing activities	(339,280)	480,498
Effect of exchange rate changes	(19,029)	(3,485)
Net increase (decrease) in cash and cash equivalents	(528,623)	1,133,430
Cash and cash equivalents at beginning of period	2,246,348	1,112,918
Cash and cash equivalents at end of period	\$ 1,717,725	2,246,348

See accompanying notes to consolidated financial statements.

Attachment III Audit Committee's Review Report

NOVA TECHNOLOGY CORPORATION

Audit Committee's Review Report

The Board of Directors has prepared the company's 2018 Financial Statements (both consolidated and individual). The CPA firm of KPMG was retained to audit NOVA Technology Corporation's Financial Statements and has issued an audit report relating to the Financial Statements.

This company's 2018 business report and earnings distribution proposal have been prepared and issued by the board of directors. The foregoing business report and earnings distribution proposal have been reviewed and determined to be correct and accurate by the audit committee member of NOVA Technology Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

2019 shareholders meeting of NOVA TECHNOLOGY CORPORATION

NOVA TECHNOLOGY CORPORATION

Chairman of the Audit Committee: Yang, Sheng-Yung

February 25, 2019

Attachment IV Comparison Table of the Rules of Procedure for Board of Directors Meeting

Article	After revision	Before revision
Article 15	<p>Director's interest avoidance system</p> <p>Directors who have a stake in a conference event are legally interested in their own or their legal representative. They should be aware of the important content of their interest in the Board of Directors. If they are harmful to the interests of the company, they must not join the discussion and vote and discuss and vote should To evade and not to act on behalf of other directors exercising their voting rights.</p> <p>The CompanyBoard of Directors resolution applies Article 180-2 regulations for the directors who are not allowed to exercise the voting rights under the preceding paragraph according to the <u>Article 204 paragraph four of the Company Act</u> Article 206-3.</p>	<p>Director's interest avoidance system</p> <p>Directors who have a stake in a conference event are legally interested in their own or their legal representative. They should be aware of the important content of their interest in the Board of Directors. If they are harmful to the interests of the company, they must not join the discussion and vote and discuss and vote should To evade and not to act on behalf of other directors exercising their voting rights.</p> <p>The CompanyBoard of Directors resolution applies Article 180-2 regulations for the directors who are not allowed to exercise the voting rights under the preceding paragraph according to the Company Act Article 206-3.</p>

Attachment V Comparison Table of the Articles of Incorporation

Article	After revision	Before revision
Article 1	The Company is organized under the terms of the Company Act and <u>and its name shall be 朋億股份有限公司 in the Chinese language, and NOVA TECHNOLOGY CORPORATION in the English language.</u>	The Company is organized under the terms of the Company Act and is named NOVA TECHNOLOGY CORPORATION.
Article 4	The total amount of investment made by the company in other invested companies shall not be restricted by Section 1 , Article 13 of the Company Law. The board of directors is authorized to make such investment.	The total amount of investment made by the company in other invested companies shall not be restricted by Section 1, Article 13 of the Company Law. The board of directors is authorized to make such investment.
Article 7-1	<u>Treasury stocks bought back by the company in accordance with the Company Act, new shares issued by the company, employee stock warrants or the restricted employee shares can be granted to employees of parents or subsidiaries of the company as well whoever meets criteria developed by the Company.</u>	None
Article 19-1	If the company is profitable for the year, it should retain the amount of accumulated losses before tax. The net profit before tax of not including dispatched employees' and directors' remuneration shall be no less than 3% for employee remuneration, and then set not more than five percent for directors. <u>Employee and directors remuneration are resolved by a majority vote at a Board of Directors meeting attended by two-thirds of the total number of directors and shall be reported to the shareholders' meeting.</u> <u>Employee remuneration shall be distributed in stocks or in cash. The payment shall apply to employees of parents or subsidiaries of the company as well whoever meets criteria developed by the Board of Directors.</u>	If the company is profitable for the year, it should retain the amount of accumulated losses before tax. The net profit before tax of not including dispatched employees' and directors' remuneration shall be no less than 3% for employee remuneration, and then set not more than five percent for directors.
Article 20-1	The Company will consider the company's environment and growth stage. In response to the unsatisfied funding requirements, financial structure, surplus situation and balanced and stable dividend policy, depending on the funding needs and the dilution of the company's earnings per share, the Company will allocate the surplus for distribution each year. Not less than 10% of shareholder dividends are distributed.	The Company will consider the company's environment and growth stage. In response to the unsatisfied funding requirements, financial structure, surplus situation and balanced and stable dividend policy, depending on the funding needs and the dilution of the company's earnings per share, the Company will allocate the surplus for distribution each year. Not less than 10% of shareholder dividends are distributed.

Article	After revision	Before revision
	<p>The Company may adopt a modest stock dividend or cash dividend method, of which the cash dividend shall not be less than 10% of the total dividends paid. <u>However, due to the company's significant investment plan and the inability to obtain other funds, the board of directors proposed and the shareholders' meeting decided not to issue cash dividends.</u></p>	<p>The Company may adopt a modest stock dividend or cash dividend method, of which the cash dividend shall not be less than 10% of the total dividends paid.</p>
<p>Article 22</p>	<p>This Articles of Association was concluded on May 27, 1997..... The twenty-first revision was made on May 22, 2017. <u>The twenty-second revision was made on May 24, 2019.</u></p>	<p>This Articles of Association was concluded on May 27, 1997..... The twenty-first revision was made on May 22, 2017.</p>

Attachment VI Comparison Table of the Procedure for Acquisition or Disposal of Assets

Article	After revision	Before revision
<p>Article 2</p>	<p>Asset scope The scope of the assets referred to in this procedure is as follows: 2.1 Stocks, public debts, corporate bonds, financial bonds, recognition of the fund's securities, depository receipts, subscriptions (sales) warrants, beneficiary securities, and asset-based securities. 2.2 Real estate (including land, housing and construction, investment property, land use rights, and construction industry inventory) and equipment. 2.3 Membership Card. 2.4 Intangible assets such as patents, copyrights, trademark rights, franchise rights, etc. <u>2.5 Right-of-use assets</u> 2.5 <u>2.6</u> Claims of financial institutions (including accounts receivable, purchase discounts, lending, and collection payments). 2.6 <u>2.7</u> Derived goods. 2.7 <u>2.8</u> Assets acquired or dispositioned by merger, division, acquisition or transfer of shares pursuant to law. 2.8 <u>2.9</u> Other important assets.</p>	<p>Asset scope The scope of the assets referred to in this procedure is as follows: 2.1 Stocks, public debts, corporate bonds, financial bonds, recognition of the fund's securities, depository receipts, subscriptions (sales) warrants, beneficiary securities, and asset-based securities. 2.2 Real estate (including land, housing and construction, investment property, land use rights, and construction industry inventory) and equipment. 2.3 Membership Card. 2.4 Intangible assets such as patents, copyrights, trademark rights, franchise rights, etc. 2.5 Claims of financial institutions (including accounts receivable, purchase discounts, lending, and collection payments). 2.6 Derived goods. 2.7 Assets acquired or dispositioned by merger, division, acquisition or transfer of shares pursuant to law. 2.8 Other important assets.</p>
<p>Article 3.1</p>	<p>Derivative Products: <u>Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</u></p>	<p>Derivative Products: It refers to the forward contracts whose value is derived from commodities such as assets, interest rates, exchange rates, indices or other interests, futures contracts, futures contracts, leveraged margin contracts, exchange contracts, and the combination of these commodities. The so-called forward contracts do not include insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts, and long-term import (sales) contracts.</p>

Article	After revision	Before revision
Article 3.2	<p>Assets acquired or dispositioned in accordance with law mergers, divisions, acquisitions or share transfers:</p> <p>Refers to assets acquired or discontinued pursuant to the Mergers and Acquisitions Act, the Company Act, the Merger Act of the Financial Institutions, or other laws, mergers, divisions, or acquisitions, or the issuance of new shares pursuant to Article 156-3156, Article 8 of the Company Act Received shares of other companies (hereinafter referred to as shares).</p>	<p>Assets acquired or dispositioned in accordance with law mergers, divisions, acquisitions or share transfers:</p> <p>Refers to assets acquired or discontinued pursuant to the Mergers and Acquisitions Act, the Company Act, the Merger Act of the Financial Institutions, or other laws, mergers, divisions, or acquisitions, or the issuance of new shares pursuant to Article 156, Article 8 of the Company Act Received shares of other companies (hereinafter referred to as shares).</p>
Article 4	<p><u>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:</u></p> <p>4.1 <u>May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</u></p> <p>4.2 <u>May not be a related party or de facto related party of any party to the transaction.</u></p> <p>4.3 <u>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.</u></p> <p><u>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</u></p> <p>4.3.1 <u>Prior to accepting a case, they shall</u></p>	<p>The company obtains a valuation report or a statement of accountants, lawyers, or securities underwriters. The professional valuer and its appraiser, accountant, lawyer, or securities underwriter cannot be related to the company.</p>

Article	After revision	Before revision
	<p><u>prudently assess their own professional capabilities, practical experience, and independence.</u></p> <p>4.3.2 <u>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.</u></p> <p>4.3.3 <u>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.</u></p> <p>4.3.4 <u>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.</u></p>	
Article 6.3.1	<p>For the purpose of the operation, the transfer of equity shall be subject to equity disposal. If the amount of each transaction is <u>NT\$300 million or more, 20 percent of the company's paid-in capital or NT\$300 million or more,</u> it shall be submitted to the Board of Directors, if not more than <u>20 percent of the company's paid-in capital or NT\$300 million,</u> authorized by the chairman to approve. If the transaction amount exceeds NT\$100 million, it is <u>and</u> reported to the nearest Board of Directors for review.</p>	<p>For the purpose of the operation, the transfer of equity shall be subject to equity disposal. If the amount of each transaction is NT\$300 million or more, it shall be submitted to the Board of Directors, if not more than NT\$300 million, authorized by the chairman to approve. If the transaction amount exceeds NT\$100 million, it is reported to the nearest Board of Directors for review.</p>
Article 7.1	<p>Price Determination Method and Reference To obtain or dispose of real estate, or equipment and other fixed assets <u>or right-of-use assets,</u> reference shall be made to the present value of the announcement, the assessed value, and the actual transaction</p>	<p>Price Determination Method and Reference To obtain or dispose of real estate or equipment and other fixed assets, reference shall be made to the present value of the announcement, the assessed value, and the actual transaction price of the nearby real</p>

Article	After revision	Before revision
	price of the nearby real estate. The transaction conditions, transaction price, and analysis report shall be prepared through procedures such as inquiry, price comparison, bargaining, or public tendering. Reporters are long.	estate. The transaction conditions, transaction price, and analysis report shall be prepared through procedures such as inquiry, price comparison, bargaining, or public tendering. Reporters are long.
Article 7.2	<p>Asked experts to issue a valuation report</p> <p><u>In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, the company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</u></p>	<p>Asked experts to issue a valuation report</p> <p>Acquiring or disposing of real estate or equipment, except for transactions with government agencies, establishment of committees, construction of leased land, or acquisition and disposal of equipment for business use, the transaction amount is up to 20 percent of the company's paid-in capital or new For NT\$300 million or more, an appraisal report issued by a professional appraiser shall be obtained before the factual occurrence date, and meet the following requirements:</p>
Article 7.2.1	<p><u>Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</u></p>	<p>When a limited price, a specific price or a special price is used as a reference for the transaction price for special reasons, the transaction shall be submitted to the Board of Directors for resolution. Changes in future trading conditions shall also be handled mutatis mutandis.</p>
Article 7.3	<p>Authorized Credits and Tiers</p> <p>The acquisition or disposal of real estate, or equipment <u>or right-of-use assets</u> with a transaction amount of NT\$3 million (inclusive)80 thousands to NT\$30 million <u>(inclusive)</u> shall be submitted to the chairman for approval; if the transaction amount exceeds NT\$3<u>30</u> million <u>(inclusive)</u>, it must be approved by the Board of Directors.</p>	<p>Authorized Credits and Tiers</p> <p>The acquisition or disposal of real estate or equipment with a transaction amount of NT\$3 million (inclusive) shall be submitted to the chairman for approval; if the transaction amount exceeds NT\$3 million, it must be approved by the Board of Directors.</p>
Article 7.4	<p>Implementation Unit</p> <p>When the company acquires or disposes of immovable property, or equipment <u>or right-of-use assets</u>, it shall be subject to the approval of the nuclear authority of the foregoing paragraph, and the use</p>	<p>Implementation Unit</p> <p>When the company acquires or disposes of immovable property or equipment, it shall be subject to the approval of the nuclear authority of the foregoing paragraph, and the use department and related power and</p>

Article	After revision	Before revision
	department and related power and responsibility units shall be responsible for the execution.	responsibility units shall be responsible for the execution.
Article 7.5	<p>Trading Process</p> <p>The Company obtains or disposes of transaction procedures for real estate, or equipment <u>or right-of-use assets</u>, and is required to comply with the Company's internal control system for real estate, plant and equipment cycle-related operations.</p>	<p>Trading Process</p> <p>The Company obtains or disposes of transaction procedures for real estate or equipment, and is required to comply with the Company's internal control system for real estate, plant and equipment cycle-related operations.</p>
Article 8.2	<p><u>The Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors and recognized by the supervisors:</u></p>	<p>The Company acquires or disposes of immovable property from the purchase or exchange with a related party, or obtains or disposes of other assets other than immovable assets with a related party and the transaction amount is 20% of the company's paid-up capital, 10% of total assets or new For NT\$300 million or more, in addition to buying and selling government bonds, bonds with buy-back, repurchase terms, and buying or repurchasing money market funds issued by domestic securities investment trusts, the following information shall be divided by two points by all members of the Audit Committee. One or more of them agreed and submitted the Board of Directors to the following to sign the transaction contract and pay the money:</p>
Article 8.2.3	<p><u>With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 8.3 and Article 8.4.</u></p>	<p>Obtain relevant information on the reasonableness of the pre-determined trading conditions as determined in accordance with 8.3 and 8.4 in obtaining real estate from related parties.</p>
Article 8.2.9	<p><u>With respect to the types of transactions listed below, when to be conducted between the company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the company's board of directors may pursuant to Article 7.3 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions</u></p>	<p>The company obtains or disposes of equipment for business use between the company and the parent company or subsidiary company. The Board of Directors may follow the 7.3 authorized directors to make a decisive deduction before a certain amount, and subsequently report the most recent issue of the Board of Directors.</p>

Article	After revision	Before revision
	<p><u>subsequently submitted to and ratified by the next board of directors meeting:</u></p> <p>(1) <u>Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</u></p> <p>(2) <u>Acquisition or disposal of real property right-of-use assets held for business use.</u></p>	
Article 8.3.1	To obtain real estate <u>or right-of-use assets</u> from a related party, the following methods should be used to assess the reasonableness of transaction costs:	To obtain real estate from a related party, the following methods should be used to assess the reasonableness of transaction costs:
Article 8.3.2	<u>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 Article 8.3.1.</u>	For mergers and acquisitions of land and housing of the same subject, transaction costs may be assessed for land and housing in accordance with any of the methods listed in 8.3.1.
Article 8.3.3	To acquire real estate <u>or right-of-use assets</u> from a connected person, the cost of the real property <u>or right-of-use assets</u> should be assessed in accordance with 8.3.1 and 8.3.2, and an accountant <u>certified public accountant</u> should review and express specific opinions.	To acquire real estate from a connected person, the cost of the real property should be assessed in accordance with 8.3.1 and 8.3.2, and an accountant should review and express specific opinions.
Article 8.3.4	<p>The acquisition of immovable property <u>or right-of-use assets</u> from a connected person is subject to the provisions of 8.2 related assessments and operating procedures, and does not apply the assessment requirements for the reasonableness of transaction costs specified in 8.3.1 to 8.3.3.</p> <p>(1) A person in a relationship acquires <u>immovable property or right-of-use assets</u> because of inheritance or gift.</p> <p>(2) The time for the contractor to obtain <u>immovable property or right-of-use assets</u> was more than five years before the contract date of the transaction.</p> <p>(3) Signing a co-construction contract with a affiliated person, or requesting the affiliated person to build an immovable property and obtaining real estate from the committee of the Party committee or the building committee of the prefecture.</p> <p>(4) <u>The real property right-of-use assets for</u></p>	<p>The acquisition of immovable property from a connected person is subject to the provisions of 8.2 related assessments and operating procedures, and does not apply the assessment requirements for the reasonableness of transaction costs specified in 8.3.1 to 8.3.3.</p> <p>(1) A person in a relationship acquires immovable property because of inheritance or gift.</p> <p>(2) The time for the contractor to obtain immovable property was more than five years before the contract date of the transaction.</p> <p>(3) Signing a co-construction contract with a affiliated person, or requesting the affiliated person to build an immovable property and obtaining real estate from the committee of the Party committee or the building committee of the prefecture.</p>

Article	After revision	Before revision
	<u>business use are acquired by the company with its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.</u>	
Article 8.4.1	<p>If the affiliate obtains the redevelopment of the original land or rented land, he or she must produce evidence that meets one of the following conditions:</p> <p>(1) As assessed by the method prescribed in 8.3, prime real estate is calculated based on the construction cost of the related party plus a reasonable construction profit, which is the aggregate of the actual transaction price. The so-called reasonable construction profits shall be based on the average operating gross margin of the related party's construction department in the recent three years or the lowest gross profit margin of the construction industry announced by the Ministry of Finance.</p> <p>(2) Other non-relationship transactions within one year in other floors of the same subject premises or in adjacent areas are similar in area, and the conditions are comparable if the transaction conditions are assessed on the basis of reasonable floor or regional spreads in accordance with the conventions governing the sale of real estate or lease.</p> <p>(3) Other non-relationship leasing cases within one year of other floors of the same subject premises are estimated to be equivalent to the reasonable floor price difference according to the normal floor price difference for real estate leasing practice.</p>	<p>If the affiliate obtains the redevelopment of the original land or rented land, he or she must produce evidence that meets one of the following conditions:</p> <p>(1) As assessed by the method prescribed in 8.3, prime real estate is calculated based on the construction cost of the related party plus a reasonable construction profit, which is the aggregate of the actual transaction price. The so-called reasonable construction profits shall be based on the average operating gross margin of the related party's construction department in the recent three years or the lowest gross profit margin of the construction industry announced by the Ministry of Finance.</p> <p>(2) Other non-relationship transactions within one year in other floors of the same subject premises or in adjacent areas are similar in area, and the conditions are comparable if the transaction conditions are assessed on the basis of reasonable floor or regional spreads in accordance with the conventions governing the sale of real estate.</p> <p>(3) Other non-relationship leasing cases within one year of other floors of the same subject premises are estimated to be equivalent to the reasonable floor price difference according to the normal floor price difference for real estate leasing practice.</p>
Article 8.4.2	<u>Where the company acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties</u>	<p>The real estate purchased from the evidence to the connected person shall have the same trading conditions and similar area and closeness to other non-relationship transactions in the neighboring area within one year.</p> <p>The transaction cases in the neighboring areas are said to be based on the same or</p>

Article	After revision	Before revision
	<p><u>within the preceding year. Completed transactions involving 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; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.</u></p>	<p>adjacent street profile and not more than 500 meters away from the subject matter of the transaction target or the current value of the announcement is similar; the similar area is said to be the case of other non-relationship transactions. The area of not less than 50% of the subject matter of the transaction is the principle; within one year, it is based on the date of the acquisition of real estate facts, and is calculated retrospectively for one year.</p>
Article 8.5	<p>To acquire real estate <u>or right-of-use assets</u> from a related party, if the evaluation results are lower than the transaction price as stipulated in 8.3 and 8.4, the following matters shall be handled:</p>	<p>To acquire real estate from a related party, if the evaluation results are lower than the transaction price as stipulated in 8.3 and 8.4, the following matters shall be handled:</p>
Article 8.5.1	<p>Special surplus reserves shall be provided in accordance with the Articles of Incorporation and the relevant laws and regulations for the difference between the price of the real property <u>or right-of-use assets</u> transaction and the evaluation cost, and shall not be distributed or transferred for capital allocation. Investors who evaluate the equity of the company's investment in the equity method, if they are publicly-issued companies, shall also set aside a special surplus reserve in accordance with relevant laws and regulations in proportion to the amount of such an offer.</p>	<p>Special surplus reserves shall be provided in accordance with the Articles of Incorporation and the relevant laws and regulations for the difference between the price of the real property transaction and the evaluation cost, and shall not be distributed or transferred for capital allocation. Investors who evaluate the equity of the company's investment in the equity method, if they are publicly-issued companies, shall also set aside a special surplus reserve in accordance with relevant laws and regulations in proportion to the amount of such an offer.</p>
Article 8.5.3	<p>The former 8.5.1 and 8.5.2 cases should be submitted to Shareholders' meeting and the details of the transaction should be disclosed in the annual report and the public statement. <u>The company and the public offering 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</u></p>	<p>The former 8.5.1 and 8.5.2 cases should be submitted to Shareholders' meeting and the details of the transaction should be disclosed in the annual report and the public statement. The company and the public offering company that evaluates the equity of the company adopts the equity method to assess the special surplus reserves. The assets that should be purchased at high</p>

Article	After revision	Before revision
	<p><u>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 Financial Supervisory Commission has given its consent.</u></p>	<p>prices have recognized the loss or disposition of the loss or have been properly compensated or restored. Other evidence confirms that there is no unreasonable person, and after obtaining the approval of the Financial Supervisory Commission, the special surplus reserve fund may be used.</p>
Article 8.6	<p>The Company obtains real estate <u>or right-of-use assets</u> from related parties. If there is any other evidence showing that the transaction is inconsistent with business practices, it shall comply with the provisions of 8.5.</p>	<p>The Company obtains real estate from related parties. If there is any other evidence showing that the transaction is inconsistent with business practices, it shall comply with the provisions of 8.5.</p>
Article 9	<p><u>The company acquires or disposes of evaluation and operating procedures of intangible assets or right-of-use assets thereof or memberships.</u></p>	<p>Obtain or dispose of evaluation and operating procedures of membership cards and intangible assets</p>
Article 9.1	<p>Price Determination Method and Reference To obtain or dispose of membership cards or intangible assets <u>intangible assets or right-of-use assets thereof or memberships</u>, it is necessary to consider the potential benefits and market-determined value of the assets in the future, and if necessary, refer to expert opinions and negotiate with the transaction counterparts.</p>	<p>Price Determination Method and Reference To obtain or dispose of membership cards or intangible assets, it is necessary to consider the potential benefits and market-determined value of the assets in the future, and if necessary, refer to expert opinions and negotiate with the transaction counterparts.</p>
Article 9.2	<p>Ask experts to issue opinions <u>The company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the Accounting Research and Development Foundation; the calculation of the aforementioned transaction amounts shall be handled in accordance with the provisions of 13.2.</u></p>	<p>Ask experts to issue opinions Obtain or dispose of membership cards or intangible assets. If the transaction amount reaches 20 percent of the company's paid-in capital or more than NT\$300 million, the transaction should be made before the actual occurrence date in addition to dealings with government agencies. The reasonableness of the opinions expressed shall be handled by the accountants in accordance with the stipulations of the Auditing Standards Bulletin No. 20 issued by the Accounting Research and Development Foundation; the calculation of the aforementioned transaction amounts shall be handled in accordance with the provisions of 13.2.</p>

Article	After revision	Before revision																														
Article 9.3.2	Obtaining or disposing of intangible assets <u>or right-of-use assets</u> , if the transaction amount is less than NT\$1 million (inclusive), must be signed by the company and submitted to the directors for approval, and the latest Board of Directors should be submitted. If the transaction amount exceeds NT\$1 million, it must be approved by the Board of Directors.	Obtaining or disposing of intangible assets, if the transaction amount is less than NT\$1 million (inclusive), must be signed by the company and submitted to the directors for approval, and the latest Board of Directors should be submitted. If the transaction amount exceeds NT\$1 million, it must be approved by the Board of Directors.																														
Article 9.4	Implementation Unit The company's obtaining and disposing of membership cards and intangible assets <u>or right-of-use assets thereof or memberships</u> shall be performed by the user unit and the relevant power and responsibility unit after the nuclear authority has been submitted for verification.	Implementation Unit The company's obtaining and disposing of membership cards and intangible assets shall be performed by the user unit and the relevant power and responsibility unit after the nuclear authority has been submitted for verification.																														
Article 9.5	Trading Process The Company obtains or disposes of membership cards or intangible assets <u>or right-of-use assets thereof or memberships</u> , which is handled in accordance with the Company's approval list and internal control system procurement and payment cycle procedures.	Trading Process The Company obtains or disposes of membership cards or intangible assets, which is handled in accordance with the Company's approval list and internal control system procurement and payment cycle procedures.																														
Article 11.5	<p>Delegation Lines and Levels</p> <p>The authorization limits and hierarchies of hedging operations are as follows:</p> <p>The company's authorized trader must be able to enter into the transaction only after the amount of the transaction contract specified in 11.3.1 has been approved by the chief financial officer and approved by the treasurer.</p> <p>Each transaction must be internally signed in accordance with the amount of credit, and its authorization limit, transaction approval and hierarchy are as follows:</p> <table border="1"> <thead> <tr> <th>Amount (NT)</th> <th>Department heads</th> <th>General manager</th> <th>Chairman</th> <th>Board of Directors</th> </tr> </thead> <tbody> <tr> <td>Below 100 million or less</td> <td>Review</td> <td>Review</td> <td>Approved</td> <td>Recognize</td> </tr> <tr> <td>100 million or more</td> <td>Review</td> <td>Review</td> <td>Approved Review</td> <td>Resolution</td> </tr> </tbody> </table> <p>In order to enable the transaction partner to cooperate with the supervision and</p>	Amount (NT)	Department heads	General manager	Chairman	Board of Directors	Below 100 million or less	Review	Review	Approved	Recognize	100 million or more	Review	Review	Approved Review	Resolution	<p>Delegation Lines and Levels</p> <p>The authorization limits and hierarchies of hedging operations are as follows:</p> <p>The company's authorized trader must be able to enter into the transaction only after the amount of the transaction contract specified in 11.3.1 has been approved by the chief financial officer and approved by the treasurer.</p> <p>Each transaction must be internally signed in accordance with the amount of credit, and its authorization limit, transaction approval and hierarchy are as follows:</p> <table border="1"> <thead> <tr> <th>Amount (NT)</th> <th>Department heads</th> <th>General manager</th> <th>Chairman</th> <th>Board of Directors</th> </tr> </thead> <tbody> <tr> <td>100 million or less</td> <td>Review</td> <td>Review</td> <td>Approved</td> <td>Recognize</td> </tr> <tr> <td>100 million or more</td> <td>Review</td> <td>Review</td> <td>Approved</td> <td>Resolution</td> </tr> </tbody> </table> <p>In order to enable the transaction partner to cooperate with the supervision and management of the Company, the transaction authorization amount and level</p>	Amount (NT)	Department heads	General manager	Chairman	Board of Directors	100 million or less	Review	Review	Approved	Recognize	100 million or more	Review	Review	Approved	Resolution
Amount (NT)	Department heads	General manager	Chairman	Board of Directors																												
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100 million or less	Review	Review	Approved	Recognize																												
100 million or more	Review	Review	Approved	Resolution																												

Article	After revision	Before revision
	management of the Company, the transaction authorization amount and level specified in this section should be notified in writing to the transaction target. However, the written confirmation with the transaction object, regardless of the amount of money, is signed by the treasurer.	specified in this section should be notified in writing to the transaction target. However, the written confirmation with the transaction object, regardless of the amount of money, is signed by the treasurer.
Article 13.1.1	<u>The company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises shall not be included.</u>	Obtaining or disposing of immovable property from a related party, or obtaining or disposing of other assets outside the real estate with a related party, and the transaction amount is 20% of the company's paid-up capital, 10% of total assets or NT\$300 million Yuan above. However, the purchase and sale of government bonds, bonds with repurchased terms and conditions for repurchase, and purchases or repurchase of money market funds issued by domestic securities investment trusts shall not be included.
Article 13.1.4	The types of assets acquired <u>Acquired</u> or disposed of are <u>equipment or right-of-use assets</u> for business use, and the parties to the transaction are not related parties, and the transaction amount has reached NT\$500 million or more.	The types of assets acquired or disposed of are equipment for business use, and the parties to the transaction are not related parties, and the transaction amount has reached NT\$500 million or more.
Article 13.1.5	The Company has acquired or disposed of the real estate <u>or right-of-use assets</u> for construction use by the company in construction business and the transaction partner is not a related party, and the transaction amount has reached more than NT\$500 million.	The Company has acquired or disposed of the real estate for construction use by the company in construction business and the transaction partner is not a related party, and the transaction amount has reached more than NT\$500 million.
Article 13.1.6	The real estate is obtained from the methods of the construction of the local committee, the lease of the land, the construction of the sub-houses, the construction of the sub-units, and the construction of the sub-sales. The company expects to invest more than NT\$500 million in the transaction <u>the parties to the transaction are not related parties.</u>	The real estate is obtained from the methods of the construction of the local committee, the lease of the land, the construction of the sub-houses, the construction of the sub-units, and the construction of the sub-sales. The company expects to invest more than NT\$500 million in the transaction.

Article	After revision	Before revision
Article 13.1.7	<p>Excluding the previous six-point asset transactions, financial institutions disposing of claims, or engaging in investment in the mainland, the transaction amount of the company's paid-in capital amounted to 20 percent or more than NT\$300 million. However, the following circumstances are not limited:</p> <p>(1) <u>Trading of domestic government bonds.</u></p> <p>(2) <u>Where done by professional investors-securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</u></p> <p>(3) <u>Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</u></p>	<p>Excluding the previous six-point asset transactions, financial institutions disposing of claims, or engaging in investment in the mainland, the transaction amount of the company's paid-in capital amounted to 20 percent or more than NT\$300 million. However, the following circumstances are not limited:</p> <p>(1) Buying and selling public debt.</p> <p>(2) Specializing in investment, trading in securities for stocks in stock exchanges or stock exchanges at home and abroad, or subscription of general corporate bonds issued in general and unquoted general financial bonds, or securities companies in the domestic primary market As a result of underwriting business needs, it serves as a securities company to negotiate and recommend the securities to be subscribed by TPEX.</p> <p>(3) Buy and sell bonds with Repo, Reverse Repo, apply for purchase, or buy back money market funds issued by domestic securities investment trusts.</p>
Article 13.2.3	<p>Accumulated acquisitions or dispositions (acquisition, disposition, respectively) of the amount of real estate <u>or right-of-use assets</u> of the same development plan within one year.</p>	<p>Accumulated acquisitions or dispositions (acquisition, disposition, respectively) of the amount of real estate of the same development plan within one year.</p>
Article 13.3	<p><u>The company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the Financial Supervisory Commission by the 10th day of each month</u> and provide relevant information on a monthly basis.</p>	<p>The Company shall, on a monthly basis, enter the company and non-domestic companies that are not publicly-owned as of the end of the month to engage in derivative commodity transactions in accordance with the prescribed format, enter the financial reporting website specified by the Financial Supervisory Commission and provide relevant information on a monthly basis. Information to the parent company of the</p>

Article	After revision	Before revision
	Information to the parent company of the group..	group.
Article 13.7	<p>If the subsidiary of the Company is not a public issuer and acquires or disposes of assets that meet the declared standards for the publication of Articles 30 and 31 of the "Criterion for Handling Acquisition and Disposal of Assets by Public Companies <u>Regulations Governing the Acquisition and Disposal of Assets by Public Companies</u>", the Company shall also The subsidiary handled the notification of the announcement. The applicable reporting standards of the subsidiary company shall be related to the declared amount of 20 percent of the paid-in capital or 10 percent of the total assets, which is based on the paid-in capital of the company or the total assets.</p>	<p>If the subsidiary of the Company is not a public issuer and acquires or disposes of assets that meet the declared standards for the publication of Articles 30 and 31 of the "Criterion for Handling Acquisition and Disposal of Assets by Public Companies", the Company shall also The subsidiary handled the notification of the announcement. The applicable reporting standards of the subsidiary company shall be related to the declared amount of 20 percent of the paid-in capital or 10 percent of the total assets, which is based on the paid-in capital of the company or the total assets.</p>

Attachment VII Comparison Table of the Procedures for Endorsements and Guarantees

Article	After revision	Before revision
Article 4.1.3	<p><u>In the case of endorsement and guarantee to companies or firms who have a business relationship with the Company, the total endorsement and guarantee amount of an individual company or firms shall not exceed the total amount of the business transactions between the Company and the individual company or firms. The “total amount of the business transactions” refers the amount of purchases or sales during the recent year or the estimate for the next year, whichever is higher.</u></p>	<p>The amount of an endorsement and guarantee provided for business dealings except above subparagraphs shall not exceed the amount of such business dealings. Amount of business dealing means the amount of product purchase or product sale between the companies during one year, whichever is higher.</p>
Article 10.3	<p>“Date of occurrence” in these Regulations means the date of contract signing, date of payment, dates of boards of directors resolutions, or other date that can confirm the counterparty <u>about endorsements and guarantees</u> and monetary amount of the transaction, whichever date is earlier.</p>	<p>“Date of occurrence” in these Regulations means the date of contract signing, date of payment, dates of boards of directors resolutions, or other date that can confirm the counterparty and monetary amount of the transaction, whichever date is earlier.</p>
Article 12.4	<p>When the endorsement and guarantee procedure is submitted to the board of directors for discussion in accordance with the previous section, opinions from each independent director shall be fully taken into consideration and the specific opinions of approval or objection and the reasons for objection shall be included in the minutes of the board meeting. <u>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.</u></p>	<p>When the endorsement and guarantee procedure is submitted to the board of directors for discussion in accordance with the previous section, opinions from each independent director shall be fully taken into consideration and the specific opinions of approval or objection and the reasons for objection shall be included in the minutes of the board meeting.</p>

Attachment VIII Comparison Table of the Procedures for Loaning of Company Funds

Article	After revision	Before revision
Article 2.1.2(3)	Capital lending among overseas companies whose 100% voting shares are directly or indirectly held by the company, <u>or overseas companies whose 100% voting shares are directly or indirectly held by the company lending to the company.</u>	Capital lending among overseas companies whose 100% voting shares are directly or indirectly held by the company
Article 2.2.4	According to Article 2.1.2(3) Capital lending among overseas companies whose 100% voting shares are directly or indirectly held by the company <u>or overseas companies whose 100% voting shares are directly or indirectly held by the company lending to the company</u> is not subject to the restrictions under Article 2.2.1~2.2.3. The aggregate amount of loans and the maximum amount permitted to a single borrower shall each be prescribed separately for business transactions and for short-term financing respectively.	According to Article 2.1.2(3) Capital lending among overseas companies whose 100% voting shares are directly or indirectly held by the company is not subject to the restrictions under Article 2.2.1~2.2.3. The aggregate amount of loans and the maximum amount permitted to a single borrower shall each be prescribed separately for business transactions and for short-term financing respectively.
Article 2.2.6	<u>When the person in charge of the company violates the provisions of Article 2.2.1~2.2.3, it shall be responsible for the return of the loan with the borrower; if the company suffers damage, it shall also be liable for damages</u>	None
Article 5.3	“Date of occurrence” in these Regulations means the date of contract signing, date of payment, dates of boards of directors resolutions, or other date that can confirm the counterparty <u>about fund lending</u> and monetary amount of the transaction, whichever date is earlier.	“Date of occurrence” in these Regulations means the date of contract signing, date of payment, dates of boards of directors resolutions, or other date that can confirm the counterparty and monetary amount of the transaction, whichever date is earlier.
Article 8.4	When the funds lending procedure is submitted to the board of directors for discussion in accordance with the previous section, opinions of independent directors shall be fully taken into consideration and the specific opinions of approval or objection and the reasons for objection shall be included in the minutes of the board meeting. <u>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.</u>	When the funds lending procedure is submitted to the board of directors for discussion in accordance with the previous section, opinions from each independent director shall be fully taken into consideration and the specific opinions of approval or objection and the reasons for objection shall be included in the minutes of the board meeting.

Attachment IX Comparison Table of the Regulations Governing Remuneration Paid to Directors and Functional Committee

Article	After revision	Before revision
Article 1	<p>In order to follow the company's director's rewards, special measures have been established.<u>In accordance with Article 16-1 and 19-1 of the Articles of Incorporation, this regulation is established to determine the remuneration of directors.</u></p>	<p>In order to follow the company's director's rewards, special measures have been established.</p>
Article 2	<p>The directors' rewards mentioned in these Measures refer to the following:</p> <ol style="list-style-type: none"> 1.Remuneration of directors based on the Articles of Incorporation (refers to salary, position bonuses, various bonuses, severance payments, bonuses, etc.) <u>Excluding business execution expenses, including fees paid for seats the transportation and attendance fare for directors attending the board meetings and special expenses during the meeting , various allowances, dormitories, cars, etc. provided in kind).</u> 2.According to the Articles of Incorporation, directors' rewards are paid annually. 	<p>The directors' rewards mentioned in these Measures refer to the following:</p> <ol style="list-style-type: none"> 1.Remuneration of directors based on the Articles of Incorporation (refers to salary, position bonuses, various bonuses, severance payments, bonuses, etc.) Excluding business execution expenses, including fees paid for seats and special expenses during the meeting , various allowances, dormitories, cars, etc. provided in kind). 2.According to the Articles of Incorporation directors' rewards are paid annually.
Article 3	<p>The amount of remuneration and distribution method</p> <ol style="list-style-type: none"> 1. Independent director, whose fixed remuneration does not exceed NT\$50,000 per month authorizing the Board of Directors to decide not to participate in the annual directors' remuneration. <u>The fixed amount of remuneration for independent directors is NT\$40,000 dollars per month. Independent directors shall be excluded from distribution. Independent directors that be appointed to be any member of functional committee by the board meeting can gain extra remuneration mentioned under section 5.</u> 2. Directors' fees<u>Transportation fare for board meeting: Each time the Board of Directors pays NT\$6,000 dollars for each director, according to the actual attendance calculation, the payment is paid after each meeting.</u> 	<p>The amount of remuneration and distribution method</p> <ol style="list-style-type: none"> 1. Independent director, whose fixed remuneration does not exceed NT\$50,000 per month authorizing the Board of Directors to decide not to participate in the annual directors' remuneration. 2. Directors' fees: Each time the Board of Directors pays NT\$6,000, according to the actual attendance calculation, the payment is paid after each meeting. 3. Directors attendance fee: Each time the Board of Directors pays the new Taiwanese dollar Lu Yuyuan, according to the actual attendance calculation (including the video conferencing method), payment is made after each meeting. 4. When the Company directors act as managers or employees, they are treated as employees of the Company to

Article	After revision	Before revision
	<p>3. Directors attendance fee <u>Attendance fare for board meeting: Each time the Board of Directors pays the new Taiwanese dollar Lu Yuyuan NT\$6,000 dollars for each director, according to the actual attendance calculation (including the video conferencing method), payment is made after each meeting.</u></p> <p>4. <u>Transportation fare for functional committee meeting: NT\$6,000 dollars per meeting for each members of functional committee. It is determined on the basis of the actual attendance (including attendance via video conference) and shall be paid after each meeting. No fare will be paid when the functional committee meeting is convened at the same day of the board meeting and members of functional committee have received the transportation and attendance fare for the board meeting.</u></p> <p>5. <u>The remuneration for members of functional committee: The remuneration for each member of each functional committee is NT\$10,000 dollars per month since he/her be appointed by the company. For the calculation of member resign during the year, the remuneration will be calculated based on the proportion of the period of serving.</u></p> <p>6. 4-When the Company directors act as managers or employees, they are treated as employees of the Company to receive salary, bonuses and bonuses.</p> <p>7. 5-For directors other than the above listed independent directors, their remuneration is distributed in accordance with the total amount of directors awarded through the annual allocation of the Board of Directors in the following ways:</p> <p>(1). The directors are each 1 basis point. For those who are less than one year old, the number of points is calculated based on the ratio of the total number of elected months to</p>	<p>receive salary, bonuses and bonuses.</p> <p>5. For directors other than the above listed independent directors, their remuneration is distributed in accordance with the total amount of directors awarded through the annual allocation of the Board of Directors in the following ways:</p> <p>(1). The directors are each 1 basis point. For those who are less than one year old, the number of points is calculated based on the ratio of the total number of elected months to the whole year. If the resignation period is not included in the calculation of the year of remuneration, the resignation shall not be included in the calculation.</p> <p>(2). Increase the number of director positions by 0.5 basis points.</p> <p>(3). If the director has an increase of 0.5 basis point for the company's endorsement guarantor in the year of assigning compensation.</p> <p>(4). Remuneration for individual directors: The total base points for directors divided by the total base points for all directors participating in the distribution, and then multiplied by the total amount of directors paid through the Board of Directors for that year.</p> <p>6. If legal directors need to actually participate in the company's business operations, they will be paid NT\$50,000 per month fee after being confirmed by the board of directors.</p>

Article	After revision	Before revision
	<p>the whole year. If the resignation period is not included in the calculation of the year of remuneration, the resignation shall not be included in the calculation.</p> <p>(2). Increase the number of director positions by 0.5 basis points. The chairman of the board gains an additional 1.5 basis points.</p> <p>(3). If the director has an increase of 0.5 basis point for the company's endorsement guarantor in the year of assigning compensation.</p> <p>(4). Remuneration for individual directors: The total base points for directors divided by the total base points for all directors participating in the distribution, and then multiplied by the total amount of directors paid through the Board of Directors for that year.</p> <p>8. 6.If legal directors need to actually participate in the company's business operations, they will be paid NT\$50,000 <u>dollars</u> per month fee after being confirmed by the board of directors.</p>	
Article 4	<p>The present Measures shall come into effect after being resolved by the shareholders' meeting, and shall also be the same when amended.</p> <p><u>This regulation shall be implemented after approval by the board of directors. The same procedure shall be applicable to any amendment hereof.</u></p>	<p>The present Measures shall come into effect after being resolved by the shareholders' meeting, and shall also be the same when amended.</p>

Attachment X The qualification of the nominated

Category /Name	Current Shareholding	Education	Experience
Director, Acter Co., Ltd. Representative: Liang ,Chin-Li	21,098,179 Shares	<ul style="list-style-type: none"> • EMBA, National Chiao Tung University • Department of Electrical Engineering – Refrigerating and Air-conditioning, Taipei Tech 	<p>Experience</p> <ul style="list-style-type: none"> • Manager, Engineering Department, Gongshan Air-conditioning and Refrigerating Co., Ltd. <p>Current Position</p> <ul style="list-style-type: none"> • Chairman/President, Acter Co., Ltd. • Chairman, Nova Technology Corp. • Chairman, Her Suo Eng.,Co., Ltd. • Chairman, Sheng Huei (Suzhou) Engineering., Co.,Ltd. • Chairman, Zhangjiagang Free Trade Zone Fuyu International Trade Co., Ltd. • Director, Sheng Huei (Shenzhen) Engineering.,Co., Ltd. • Director, Shenzhen Dingmao Trade Co., Ltd. • Legal Representative, Sheng Huei International Co., Ltd. Corporate • Legal Representative, Acter International Limited Corporate • Legal Representative, New Point Group Limited Corporate • Director, Nova Technology Singapore Pte., Ltd • Director, Nova Technology Malaysia Sdn. Bhd. • Supervisor, Winmax Technology Corporation • Director, Fengze Engineering Co., Ltd. • Chairman, Winmega Technology Corp. • Director, Acter Engineering Co., Ltd. • Supervisor, Suzhou Winmax Technology Corporation • Director, Novatech Engineering & Construction Pte Ltd. • Director, Sheng Huei (Vietnam) Engineering Co., Ltd.
Director, Acter Co., Ltd. Representative: Hsu, Chung-Cheng	21,098,179 Shares	<ul style="list-style-type: none"> • National Taiwan University EMBA- International Business Master • National Taiwan University Department of Chemical Engineering 	<p>Experience</p> <ul style="list-style-type: none"> • General manager, Acter Co., Ltd. • Supervisor, Sheng Huei Engineering (Suzhou) Co., Ltd. • Director, Sheng Huei Engineering (Shenzhen) Co., Ltd. • Supervisor, Shenzhen Shiding Trading Co., Ltd. • Director, Pt. Novamex Indonesia • Director, Acter Egeining Co.,

Category /Name	Current Shareholding	Education	Experience
			<p>Ltd.</p> <ul style="list-style-type: none"> • Director, Nova Technology Singapore Pte. Ltd. • Director, Nova Technology Malaysia Sdn. Bhd. • Vice general manager, Osense Technology Corp. • Chairman and general manager, Winmax Technology Corp. • Chairman and general manager, Suzhou Winmax Technology <p>Current Position</p> <ul style="list-style-type: none"> • Director/general manager, Nova Technology. • Director, Winmax Technology Corporation • Director, Suzhou Winmax Technology Corporation • Director, Winmega Technology Corp. • Director, Fengze Engineering Co., Ltd • Director/ general manager, Novatech Engineering & Construction Pte Ltd.
<p>Director, Acter Co., Ltd. Representative: Wu, Bi-Hui</p>	<p>21,098,179 Shares</p>	<ul style="list-style-type: none"> • National Chung Hsing University College of Management Master Program • Feng Chia University Department of International Busienss 	<p>Experience</p> <ul style="list-style-type: none"> • General manager, Long King Leather Products Co., Ltd. • General manager, Linglu Composite Building Material (shanghai) Co., Ltd.
<p>Independent Director, Chi, Chih-Yi</p>	<p>0 Shares</p>	<ul style="list-style-type: none"> • Harvard University PhD in Economics • National Taiwan University Master in Economics • National Chengchi University Bachelor of Public Finance 	<p>Experience</p> <ul style="list-style-type: none"> • Associate Professor, National Chung Hsing University College of Finance and Taxation • Director, National Chung Hsing University Accounting Department • Associate Professor, National Chung Cheng University Department of Economics • Supervisor ,Siward Crystal Technology

Category /Name	Current Shareholding	Education	Experience
			<p>Current Position</p> <ul style="list-style-type: none"> • Professor , National Chung Hsing University College of Department of Finance and Taxation • Independent Director/ Audit Committee Member/ Remuneration Committee Member of Sinon Co., Ltd.
<p>Independent Director, Yang, Sheng-Yung</p>	<p>0 Shares</p>	<ul style="list-style-type: none"> • Drexel University LeBow's Finance Department PhD • Drexel University LeBow's Master in Business Management • National Taiwan University Department of Agricultural Economics Bachelor Degree 	<p>Experience</p> <ul style="list-style-type: none"> • Dean of Asia University College of Management • Director, National Chung Hsing University Department of Finance • CEO, National Chung Hsing University EMBA • Division Director, National Chung Hsing University Office of Research Development • Independent Director/ Audit Committee Member / Remuneration Committee Member, Grand Bills Finance Corp. • Independent Director/ Remuneration Committee Member, High-Tek Group <p>Current Position</p> <ul style="list-style-type: none"> • Dean of University International College and International and Cross-Strait Affairs • Director/ Audit Committee Member/ Remuneration Committee Member, JMicron Technology Corp. • Remuneration Committee Member, Sinon Co., Ltd.
<p>Independent Director, Li, Cheng</p>	<p>0 Shares</p>	<ul style="list-style-type: none"> • Tulane University PhD • Tunghai University Bachelor Degree in Law 	<p>Experience</p> <ul style="list-style-type: none"> • Attorney, U.S. Federal and New York State • Attorney, Lee & Tsai. Attorney at Law • Chair of Tunghai University Department of Law and Director of Graduate Institute of Law • Advisor of Trade Investigation Commission of the Ministry of Economic Affairs

Category /Name	Current Shareholding	Education	Experience
			<p>Current Position</p> <ul style="list-style-type: none"> • Associate Professor, Tunghai University College of Law • Independent Director/ Remuneration Committee member, Ginko International Co., Ltd. • Consultant, International Patent Trademark & Law Office • Director, Top Food Industry Corporation • Remuneration Committee member, Rexon Technology Corp.
<p>Independent Director, Chiu, Hui Yin</p>	<p>0 Shares</p>	<ul style="list-style-type: none"> • National Taiwan University Master in Accounting • National Chengchi University Bachelor of Accounting 	<p>Experience</p> <ul style="list-style-type: none"> • Partner CPA, Deloitte & Touche • Assurance department manager, Deloitte & Touche <p>Current Position</p> <ul style="list-style-type: none"> • Partner CPA, Everwell & Co., CPAs. • Representative, Li Jung Investment Co.,Ltd

Attachment XI Adjunct Positions of the directors (including independent directors)

Title	Name	Current Adjunct Positions
Director	Acter Co., Ltd.	<ul style="list-style-type: none"> • Sheng Huei International Co., Ltd. Corporate • Her Suo Eng.,Co., Ltd. • Fengze Engineering Co., Ltd. • Nova Technology Singapore Pte., Ltd • New Point Group Limited Corporate • Acter International Limited Corporate • Sheng Huei (Suzhou) Engineering., Co.,Ltd. • Sheng Huei (Vietnam) Engineering Co., Ltd. • Winmega Technology Corp. • Winmax Technology Corporation • Nova Technology Malaysia Sdn. Bhd. • Pt. Novamex Indonesia • Zhangjiagang Free Trade Zone Fuyu International Trade Co., Ltd. • Sheng Huei (Shenzhen) Engineering.,Co., Ltd. • Shenzhen Dingmao Trade Co., Ltd. • Acter Engineering Co., Ltd • Suzhou Winmax Technology Corporation • Novatech Engineering & Construction Pte Ltd.
Director	Acter Co., Ltd. Representative: Liang ,Chin-Li	<ul style="list-style-type: none"> • Chairman/President, Acter Co., Ltd. • Chairman, Her Suo Eng.,Co., Ltd. • Legal Representative, Sheng Huei International Co., Ltd. Corporate • Legal Representative, Acter International Limited Corporate • Legal Representative, New Point Group Limited Corporate • Chairman, Sheng Huei (Suzhou) Engineering., Co.,Ltd. • Director, Sheng Huei (Shenzhen) Engineering.,Co., Ltd. • Chairman, Zhangjiagang Free Trade Zone Fuyu International Trade Co., Ltd. • Supervisor, Winmax Technology Corporation • Director, Nova Technology Singapore Pte., Ltd • Director, Nova Technology Malaysia Sdn. Bhd. • Director, Shenzhen Dingmao Trade Co., Ltd. • Director, Fengze Engineering Co., Ltd. • Chairman, Winmega Technology Corp. • Director, Acter Engineering Co., Ltd • Supervisor, Suzhou Winmax Technology Corporation • Director, Novatech Engineering & Construction Pte Ltd. • Director, Sheng Huei (Vietnam) Engineering Co., Ltd.

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Title	Name	Current Adjunct Positions
Director	Acter Co., Ltd. Representative: Hsu, Chung-Cheng	<ul style="list-style-type: none"> • General manager, Nova Technology. • Director, Winmax Technology Corporation • Director, Fengze Engineering Co., Ltd • Director, Suzhou Winmax Technology Corporation • Director, Winmega Technology Corp. • Director/ general manager, Novatech Engineering & Construction Pte Ltd.
Independent Director	Chi, Chih-Yi	<ul style="list-style-type: none"> • Director, Sinon Co., Ltd. Independent
Independent Director	Yang, Sheng-Yung	<ul style="list-style-type: none"> • Director, JMicon Technology Corp.
Independent Director	Li, Cheng	<ul style="list-style-type: none"> • Independent Director, Ginko International Co., Ltd. • Director, Top Food Industry Corporation
Independent Director	Chiu, Hui Yin	<ul style="list-style-type: none"> • Partner CPA, Everwell & Co., CPAs. • Representative, Li Jung Investment Co.,Ltd

XI. Appendix

Appendix I Articles of Incorporation< Before the revision>

NOVA TECHNOLOGY CORPORATION **Articles of Incorporation**

Chapter 1 General

Article 1 : The Company is organized under the terms of the Company Act and is named NOVA TECHNOLOGY CORPORATION.

Article 2 : The Company's business is as follows:

1. C801010 Basic chemical industry
2. C801020 Petrochemical raw material manufacturing
3. C801030 Precision Chemical Materials Manufacturing
4. C805050 Industrial Plastic Product Manufacturing
5. CA02010 Metal structure and building module manufacturing
6. CA02050 Valve manufacturing
7. CA02090 Metal wire product manufacturing
8. CA02990 Other metal products manufacturing
9. CB01010 Machinery and equipment manufacturing
10. CB01030 Pollution prevention equipment manufacturing industry
11. CB01990 Other machinery manufacturing
12. CC01010 Power generation, transmission, and distribution machinery manufacturing
13. CC01080 Electronic component manufacturing
14. CC01990 Other electrical and electronic machinery and equipment manufacturing
15. CE01010 General instrument manufacturing
16. E103101 Environmental Protection Engineering Professional Construction Industry
17. E502010 Fuel pipe installation engineering
18. E599010 Plumbing industry
19. E601010 Electrical appliance industry
20. E601020 Electrical installation industry
21. E603010 Cable installation engineering
22. E603020 Elevator installation engineering
23. E603040 Fire safety equipment installation engineering
24. E603050 Automatic Control Equipment Engineering
25. E603080 Traffic Signal Installation Engineering
26. E603090 Lighting installation engineering

27. E603100 Welding Engineering
28. E604010 Mechanical installation industry
29. E605010 Computer equipment installation industry
30. E801010 Interior decoration industry
31. E801020 Door and window installation engineering
32. E801030 Indoor light steel frame engineering
33. E903010 Anti-corrosion, anti-rust engineering industry
34. EZ02010 Lifting Engineering
35. EZ05010 Instrument and instrument installation engineering
36. EZ06010 Traffic Marking Engineering
37. EZ07010 Drilling Engineering
38. EZ09010 Electrostatic Protection and Elimination Engineering
39. EZ15010 Insulation, cold insulation installation engineering
40. EZ99990 Other engineering industry
41. F107200 Chemical raw materials wholesale
42. F107990 Other chemical wholesales
43. F113010 Machinery Wholesale
44. F113020 Electric appliance wholesale
45. F113030 Precision Instrument Wholesale
46. F113050 Computer and transactional machinery and equipment wholesale
47. F118010 Information software wholesale
48. F119010 Electronic materials wholesale
49. F207200 Chemical raw materials retail
50. F207990 Other chemicals retail
51. F213030 Computer and transactional equipment retail
52. F213040 Precision Instrument Retail
53. F213990 Other machinery and equipment retail
54. F218010 Information Software Retail
55. F219010 Electronic materials retail
56. F401010 International trade
57. G801010 Storage industry
58. H701050 Invest in public construction
59. I103060 Management Consultancy
60. I301010 Information Software Services
61. IF01010 Fire safety equipment maintenance industry
62. IG03010 Energy Technology Services
63. IZ06010 Tally packaging industry
64. IZ12010 Manpower dispatch
65. J101030 Waste removal industry

- 66. J101040 Waste treatment industry
- 67. J101050 Environmental Testing Services
- 68. J101060 Waste (sewage) water treatment industry
- 69. J101070 Radioactive Waste Treatment Services
- 70. JA02010 Electrical and electronic products repair industry
- 71. JE01010 Leasing industry
- 72. ZZ99999 In addition to the licensing business, businesses that are not prohibited or restricted by business regulations

Article 3 : The Company is headquartered in Hsinchu County, Taiwan Province. If necessary, it can set up branches or subsidiaries at home and abroad through the resolution of the Board of Directors.

Article 4 : The total amount of investment made by the company in other invested companies shall not be restricted by Section 1, Article 13 of the Company Law. The board of directors is authorized to make such investment.

Article 5 : The Company's announcement method is governed by the Company Act and other related laws and regulations.

Article 6 : The Company can guarantee externally that it is not subject to the Article 16 of the Company Act and that the endorsement of the endorsement is carried out with the consent of the Shareholders' meeting.

Chapter 2 Shares

Article 7 : The company's capital is generally rated at NT\$25 million and is divided into NT\$10 per share, NT\$10 per share, issued in multiple installments, and unissued shares are subject to actual resolution by the Board of Directors. The amount of NT\$10,000 was reserved for the use of the employee's share certificate in the total capital of the preceding paragraph. It was divided into 10,000 shares and NT\$30 per share. It may be issued in multiples according to the resolution of the Board of Directors.

Article 8 : The company's shares are registered by the director's signature and are issued after being legally granted a visa. The Company may acquire the non-printed stocks and shall contact the centralized securities depository institution to log in; the issuance of other securities shall be the same.

Article 9 : The Company's shareholding operations are handled in accordance with the relevant laws and regulations and the regulations of the competent authority.

Chapter 3 Shareholders' Association

Article 10 : The Shareholders' meeting is divided into general meeting and temporary meeting. The general meeting is held once a year and is held within six months after the end of each fiscal year. The temporary meeting is held according to law when necessary. The convening regulations are handled in accordance with relevant laws and regulations.

Article 11 : When the shareholders are unable to attend the Shareholders' meeting for any reason, they are issued a letter of authorization issued by the company, indicating the scope of the authorization, entrusting the agent, attending the Shareholders' meeting. In addition to the provisions of Article 177 of the Company Act and other relevant laws and regulations, the method of appointing a shareholder to attend shall be handled in accordance with the "Procedures" of the "Public Issuing Company to Attend the Shareholders' meeting" issued by the competent authority.

When the Company holds a Shareholders' meeting, it shall exercise its voting rights in writing or electronically. The Company shall list electronically as one of the shareholder's voting rights. Shareholders who vote by electronic means shall be deemed to be present in person. According to the regulations of the Act.

Article 12 : The Companyshareholders have one vote per share, but none of the parties to the provisions of Article 179 of the Company Act have the right to vote.

Article 13 : Resolutions of Shareholders' meeting, unless otherwise provided by the Act, shall be attended by shareholders representing more than half of the total number of issued shares, subject to the consent of a majority of shareholder's voting rights.

Article 13-1: Resolutions of Shareholders' meeting shall be made as Minutes of Meeting, signed or sealed by Chairmanperson and distributed to Minutes of Meeting within 20 days after the meeting. They shall be kept forever during the existence of the company. The production and distribution of Minutes of Meeting can be made electronically or by way of announcement.

Article 13-2: When the company wishes to cancel the public offering of shares, it must have obtained approval from the Board of Directors, and shareholder's attendance on behalf of the holders of shareholder's voting rights by attending Shareholders' meeting on behalf of more than two-thirds of the total number of issued shares. If the total number of shares attending the shareholder is less than the above-mentioned quota, the majority of shareholders who have represented the total number of issued shares can attend the meeting and agree to share more than two-thirds of the voting rights of the shareholder. During the period of development and listing (cabinet), this clause does not change.

Chapter 4 Directors and audit committee

Article 14 : The Company has five to nine directors for a term of three years. The shareholder's meeting will be selected by the person who has the ability to act and be reelected. The election of the directors shall nominate a nominee system for election, which shall be selected by Shareholders' meeting on the list of candidates. When the term of director expires but not re-election, he will extend his executive duties until the reappointment of directors to take office, and the proportion of shares held by all directors will be handled according to the regulations of the securities regulatory authority.

The nomination, selection method and related treatment of the Company directors shall be handled in accordance with the Company's "Directors Election Procedures" and related regulations.

In the Company directors quota, the number of independent directors must not be less than three and not less than one-fifth of directors' seats. Independent director adopts the nomination system for candidates, which is selected by shareholders on the list of independent directors candidates. The professional qualifications of the independent director, shareholding, part-time restrictions, nomination and selection methods, and other matters to be followed are handled in accordance with the relevant regulations of the competent authority.

Article 14-1: The Company has been authorized by the Board of Directors for the purchase of liability insurance, the amount of insurance and the insurance coverage of the director's liability for the scope of its business operations within the director's term of office.

Article 14-2: The Company establishes an audit committee in accordance with Article 14 quater of the Securities and Exchange Act and consists of all independent directors. Regarding the number of audit committees, terms of office, powers, Procedures, and other matters, according to the relevant provisions of the "Public Issuing Company Audit Committee to exercise powers," the provisions of the audit committee organizational rules set.

Article 14-3: The Company's Board of Directors has a payroll commission or other functional committee due to business operations.

Article 14-4: The Company Board of Directors should be held at least quarterly. The convocation of the Board of Directors shall set forth the reasons for notifying the directors seven days before, but may be called upon at any time in the event of an emergency. The Company Board of Directors is called up in writing, fax or e-mail.

When directors cannot attend the Board of Directors for any reason, they shall draw a power of attorney, and shall appoint the scope of authorization for the cause of the commission to appoint other directors to attend.

The above agent is subject to the entrustment of one person.

When the Board of Directors was convened, the videoconferencing meeting was made available to them. Directors participating in the videoconferencing were regarded as attending in person.

The resolution of the Board of Directors, with the exception of the Company Act, the Mergers and Acquisitions Act or other laws and regulations, takes the majority of directors' presence and consents to the majority of directors present.

Article 15: The Board of Directors is organized by directors, with more than two-thirds of the director's attendance and a majority of the directors participating in the director's consent.

Article 16: The Board of Directors, except as otherwise required by the Company Act, is called by the directors. When a director takes leave or fails to exercise his authority for any reason,

his agent shall handle it according to Article 208 of the Company Act. °

Article 16-1: The remuneration of all directors, the company has to pay remuneration, and its remuneration authorizes Board of Directors to refer to the recommendations of the Compensation Committee and to the value of its participation in, and contribution to, the company's operations, and to reference the usual levels of the industry.

Chapter 5 Managers and staff

Article 17: The Company can be established as a manager. Its appointment, dismissal and remuneration are governed by Article 9 of the Company Act.

Article 18: The Company has been resolved by the Board of Directors to hire consultants or key staff.

Chapter 6 Final accounts of revenue

Article 19: At the end of the fiscal year, the Company shall prepare the following lists by the Board of Directors. They shall be submitted to the Audit Committee for review by Shareholders' general meeting 30 days before the Shareholders' general meeting. (I) Business Reports (II) Financial Statements (III) Proposals for Distribution of Surplus or Provision for Loss.

Article 19-1: If the company is profitable for the year, it should retain the amount of accumulated losses before tax. The net profit before tax of not including dispatched employees' and directors' remuneration shall be no less than 3% for employee remuneration, and then set not more than five percent for directors.

Article 20: If the company has a surplus for the year, it is distributed in the following order:

- ii. Withholding taxes;
- iii. make up for losses;
- iv. Deposit 10% of the statutory surplus reserve, except when the statutory reserve has reached the total amount of capital;
- v. Authorize or repatriate special surplus reserves in accordance with law or the competent authority;
- vi. The balance depends on the company's environment, growth stage and long-term financial plan to retain some of the surplus. For its balance and accumulated undistributed earnings for the previous year, Board of Directors regards the financial situation and economic development of the current year, assigning shareholders. Dividends are submitted by the Board of Directors to the Shareholders' meeting resolution.

Article 20-1: The Company will consider the company's environment and growth stage. In response to the unsatisfied funding requirements, financial structure, surplus situation and balanced and stable dividend policy, depending on the funding needs and the dilution of the company's earnings per share, the Company will allocate the surplus for distribution

each year. Not less than 10% of shareholder dividends are distributed. The Company may adopt a modest stock dividend or cash dividend method, of which the cash dividend shall not be less than 10% of the total dividends paid.

Chapter 7 Annex

Article 21: All matters not specified in this charter are subject to the provisions of the Company Act.

Article 22: This Articles of Association was concluded on May 27, 1997

The first revision was made on June 28, 2000

The second revision was made on July 27, 2000

The third revision was made on December 10, 2000

The fourth revision was made on June 28, 2002

The fifth revision was made on December 10, 2002

The sixth revision was made on March 8, 2004

The seventh revision was made on June 28, 2004

The eighth revision was made on June 27, 2005.

The ninth revision was made on June 30, 2006

The tenth revision was made on June 1st, 2007

The eleventh revision was made on June 9, 2008

The twelfth revision was made on March 2, 2009

The thirteenth revision was made on August 12th, 2010

The fourteenth revision was made on October 7th, 2011

The fifteenth revision was made on February 26, 2013

The sixteenth revision was made on June 30, 2014

The seventeenth revision was made on August 21, 2014

The eighteenth revision was made on May 27, 2015.

The nineteenth revision was made on May 30, 2016

The twentieth revision was made on December 5, 2016

The twenty-first revision was made on May 22, 2017.

NOVA TECHNOLOGY CORPORATION

Chairman: Liang, Chin-Li

Appendix II Rules of Procedure for Shareholder Meetings

Rules of Procedure for Shareholder Meetings

Article 1 Basis and purpose

In order to establish a good Shareholders' meeting governance system, a sound supervision function, and strengthen management functions of the Company, we have established the Procedures in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies.

Article 2 Scope

The Procedures of the Company Shareholders' meeting shall be performed in accordance with this Procedures unless otherwise provided in the Act or the Constitution.

Article 3 Definition

The term "shareholders" as used in this Procedures refers to the agents to whom the shareholders and the shareholders are present.

Article 4 Shareholders' meeting call and meeting notice

- (1) The Company Shareholders' meeting shall be summoned by the Board of Directors unless otherwise provided by the Act.
- (2) The Company shall notify the Shareholders' meeting of the meeting, the power of attorney, the approval, the discussion, the selection or dismissal of the directors, etc. 30 days prior to the meeting of the Shareholders' general meeting or 15 days prior to the meeting of the shareholders. The case of the motion and the explanatory data were made into electronic files and transmitted to the public information observing station. And before the Shareholders' general meeting is held on the 21st or 15th meeting of the temporary shareholder meeting, the Shareholders' agenda manual and meeting supplemental materials are sent to the public information observing station. The Shareholders' meeting will be held 15 days before the supplementary materials of the current Shareholders' meeting proceedings and meeting are available for shareholders to read at any time and display on the company and the company's appointed professional share agency, and shall be held at the Shareholders' meeting. Released on site.
- (3) Notices and announcements should contain the reasons for the call. The person whose notification was approved by the counterparty can be electronically.
- (4) When selecting or dismissing directors, supervisors, changing constitutions, dissolving, merging, splitting, or matters involving Article 185-1 of the Company Act, Article 26-1, 43-6 of the Securities and Exchange Act, Article 56 and Article 60bis of Regulations Governing the Offering and Issuance of Securities by Securities Issuers, should be listed in the matter of the convocation, and should not be submitted in the form of a Temporary motion.
- (5) Shareholders who hold shares of more than 1 per cent of the total number of issued shares may submit a proposal for shareholder's general meeting to the Company in writing, but only if they are more than one, they are not included in the proposal. . In addition, Board of Directors may not be listed as a bill if one of the items proposed by shareholders has paragraph 4 of Article 172-1 of the Company Act.
- (6) The Company shall announce acceptance of shareholder's proposal, acceptance of premises and acceptance period prior to the closing of the shareholder's general meeting prior to the stop of the share transfer; its acceptance period shall not be less than ten days. The shareholders' proposal is limited to 300 words. If the number

exceeds 300 words, it shall not be included in the proposal. Proposals shareholders shall attend the Shareholders' general meeting in person or entrust others to participate in the discussion.

- (7) The Company shall notify the proposal shareholders of the results of the processing before the notice of the Shareholders' meeting convening, and shall include in the notice of the meeting the provisions of this Article. For Boardholders who have not included in the proposal, Board of Directors should explain why they are not included in the Shareholders' meeting.

Article 5 Attendance at Shareholders' meeting and authorization

- (1) The shareholders are required to issue a power of attorney issued by the company at each Shareholders' meeting, indicating the scope of the authorization and entrusting the agent to attend the Shareholders' meeting.
- (2) A shareholder issues a power of attorney and is limited to the one person entrusted to it and shall serve the company five days prior to the meeting of Shareholders' meetings. When the power of attorney is duplicated, the first person to be delivered shall prevail. However, the delegator before revoking the statement shall not be limited to this.
- (3) After the power of attorney has been served to the Company, shareholders who wish to attend the Shareholders' meeting in person or wish to vote in writing or electronically should notify the company in writing about the cancellation of the appointment two days prior to the meeting of the shareholder's meeting. The overdue revokes shall be subject to the voting right of the attorney to attend the exercise.

Article 6 The principle of the venue and time for holding the Shareholders' meeting
The venue where the Shareholders' meeting is to be held shall be based on the location of the Company or where it is convenient for shareholder attendance and for Shareholders' meeting. The meeting cannot begin earlier than 9 am or later than 3 pm. The venue and time of the convening should fully consider the opinions of independent director.

Article 7 Preparation of documents such as scrapbooks

- (1) The Company shall specify in the Notice of Meeting the date of receipt of the registration of the shareholder, the location of the registration, and other points of attention.
- (2) The check-in time for the shareholder of the former paragraph acceptance shall be at least thirty minutes before the start of the meeting. The registration office should be clearly marked and appropriate competent personnel should be assigned to handle it.
- (3) The shareholders entrusted by the shareholders (or shareholders) themselves or shareholderes shall attend the Shareholders' meeting with their attendance cards, signature cards or other attendance documents. The Company may not add any other documents to the certified files required by the shareholder. The person who is the solicitation requester should carry the identity document for verification.
- (4) The Company shall set up a scrapbook to provide for the signing of agents (hereinafter referred to as shareholders) authorized by the shareholder themselves or shareholder, or by presenting the signature card to the shareholders in place of the check-in.
- (5) The Company shall deliver the proceedings, annual reports, attendance cards, speeches, voting papers and other meeting materials to shareholders who are present at the Shareholders' meeting. If there are election directors or supervisors, Ballots shall be attached.

- (6) When the government or legal person is a shareholder, the representative of the Shareholders' meeting that should be present is not limited to one person. When a legal person is entrusted to attend the Shareholders' meeting, only one representative is required to attend.

Article 8 Chairperson, attendees of the Shareholders' meeting

- (1) If the Shareholders' meeting is summoned by the Board of Directors, the Chairman of the chairperson is assumed by the chairman. If the chairman takes leave or is unable to exercise his authority for any reason, the vice chairman shall act as the agent. If there is no vice chairman or vice chairman who also takes leave or is unable to exercise his authority for any reason, the chairman shall appoint one of the standing directors to act on behalf of the chairman. In the absence of general director, one of the designated directors is represented. When the chairman of the board does not appoint an agent, he or she is elected by one of the standing directors or directors.
- (2) The chairhead of the preceding paragraph is served by a standing director or directors agent who serves for more than six months and serves as an executive director or director who understands the financial business status of the company. If the Chairperson is the representative of the corporate directors, the situation is also the same.
- (3) The Shareholders' meeting convened by the Board of Directors should be personally chaired by the shareholders, and should be attended by at least one director of the Board of Directors (at least one independent director), and at least one member of the various functional committees should attend. Record attendance at Minutes of Meeting.
- (4) If the Shareholders' meeting is convened by a convener other than the Board of Directors, the Chairperson is held by the convener. When there are more than two callers, one person should be elected.
- (5) The Company may appoint an appointed lawyer, accountant or related person to attend the Shareholders' meeting.

Article 9 Record or video recording of the Shareholders' meeting process

The Company shall record and record the shareholder's registration process, the progress of the meeting, and the vote counting process from the beginning of the registration of the shareholder's record. It shall be kept for at least one year. However, if a shareholder filed a lawsuit in accordance with article 189 of the Company Act, the information should be kept until the end of the lawsuit.

Article 10 Shareholders' meeting attendance calculations and meetings

- (1) The attendance of Shareholders' meeting should be calculated on the basis of shares. The number of shares attended shall be calculated based on the signature book or the signed-in card submitted, together with the number of shares in which voting rights are exercised in writing or electronically.
- (2) When the session has been held, the Chairperson shall immediately announce the meeting. However, if there is no shareholder who represents a majority of the total number of issued shares, the Chairperson may announce that the meeting will be postponed. The number of delays shall be limited to the second time, and the total delay time shall not exceed one hour. If the postponed second time is still insufficient to represent more than one-third of the total number of shares issued by the shareholders, the chairperson announces disruption.
- (3) When the former paragraph is postponed twice and is still insufficient and represents more than one-third of the total number of issued shares, the shareholders may be

subject to Temporary Resolution pursuant to Article 175 of the Company Act. The Temporary resolution is notified to each shareholder to re-convene the Shareholders' meeting within one month.

- (4) Before the end of the current meeting, if the number of shares represented by the shareholder exceeds half of the total number of issued shares, the Chairperson will have a Temporary resolution made to re-send the vote in accordance with Article 174 of the Company Act.

Article 11 Motion discussion

- (1) If the Shareholders' meeting is convened by the Board of Directors, its agenda is set by the Board of Directors, and the meeting shall be conducted according to the scheduled agenda. It may not be changed without the resolution of the Shareholders' meeting.
- (2) If the Shareholders' meeting is convened by a caller other than Board of Directors, the provisions of the preceding paragraph shall apply.
- (3) The motions of the first two scheduled events shall not be terminated (including Temporary motion). Without the resolution, the Chairperson shall not directly announce the adjournment. If the Chairperson declares a dismissal in violation of the Procedures, the other members of the Board of Directors shall promptly assist all the attending shareholder in accordance with the legal procedure to elect another person to be the Chairperson with the consent of a majority of the shareholder's voting rights to continue the meeting.
- (4) The Chairperson shall give full explanation and discussion of the amendments proposed by the resolution and shareholder, or Temporary motion. When he thinks that the degree of voting has been reached, Chairperson may announce the suspension of the discussion and put forward the vote.

Article 12 Shareholders speech

- (1) Before a shareholder speaks, he must first fill in a speech note to specify the keynote, the shareholder's account number (or attendance number), and the user's name, and the Chairperson set the order of his/her speech.
- (2) If the shareholders only mention the note and does not speak, it is considered as not speaking. If the content of the speech is inconsistent with the content stated in the note of speech, the content of the speech shall prevail.
- (3) When the same proposal is expressed through each shareholder, it must not exceed two times without the consent of the Chairperson and must not exceed five minutes at a time. However, when there are shareholders that violate the rules or exceed the scope of the topic, the Chairperson has to stop the speaking.
- (4) When questions are raised by the shareholder(s) present, other shareholder(s) shall not interfere unless they have obtained the consent of the Chairperson and the shareholder(s) who are speaking. If there is any violation, the Chairperson shall stop.
- (5) When a legal person shareholder appoints more than two representatives to attend the Shareholders' meeting, the same motion may only be delivered by one person.
- (6) After questions are raised by the attending shareholders, the Chairperson must personally or designate the relevant person to answer.

Article 13 Calculation and avoidance system of voting shares

- (1) The resolution of Shareholders' meeting shall be calculated on the basis of shares.

- (2) Resolutions of Shareholders' meeting on the number of non-voting shareholder's shares are not counted as the total number of issued shares.
- (3) When a shareholder has a stake in the matter of the meeting which is detrimental to the interests of the Company, he shall not join the voting and shall not exercise his voting rights on behalf of other shareholders.
- (4) The number of shares not entitled to vote in the preceding paragraph shall not be counted as voting rights for shareholders who have attended.
- (5) Except for the trust enterprise or the stock agency approved by the securities-related authorities, if one person is entrusted by two or more shareholders at the same time, the voting rights of its agent shall not exceed three percent of the total voting rights of the issued shares. When there are more than 3% of the parts, their excess voting rights will not be calculated.

Article 14 Resolution, scrutiny and counting of motions

- (1) Shareholders have one voting right per share; however, this is not restricted if they are subject to restrictions or are not entitled to vote under Article 179-2 of the Company Act.
- (2) When the company holds a Shareholders' meeting, shareholders can exercise their voting rights in writing or electronically. When it exercises voting rights in writing or electronically, its method of exercise shall be stated in the Shareholders' meeting call. Shareholders who vote in writing or electronically are deemed to have attended the Shareholders' meeting in person. However, the Temporary motion and amendments to the original motion of the Shareholders' meeting are deemed as abstentions.
- (3) If the voting rights are exercised in writing or electronically in the preceding paragraph, it means that they should be delivered to the company two days before the Shareholders' meeting. When there is a repetition of the meaning, the first served shall prevail. However, the statement of the meaning before revocation is not limited to this.
- (4) If shareholders wish to attend the Shareholders' meeting in person after exercising their voting rights in writing or electronically, they must use the same means as the exercise of voting rights at the latest two days before the Shareholders' meeting. Late revocations shall be subject to the voting rights exercised in writing or electronically. If the voting rights are exercised in writing or electronically, and the proxy is entrusted to attend the Shareholders' meeting, the principal's right to vote in the exercise shall prevail.
- (5) At the time of the voting of the motion, except as otherwise provided in the Company Act and the articles of association of the Company, the motion for a majority of the voting rights for shareholders to attend was deemed to have been agreed and passed.
- (6) At the time of voting, the total number of voting rights of the participating shareholders should be announced on a case-by-case basis by the Chairperson or his designee, and the shareholders vote on a case-by-case basis. On the day after the shareholders' meeting was held, the shareholder's consent, objection, and waiver results were entered into the public information observing station.
- (7) When there is an amendment or alternative to the same motion, the Chairperson shall set the voting order with the original case. If one of these cases has already been passed, other motions will be considered vetoed and no further vote will be required.

- (8) The scrutineers and the counting officers who are responsible for voting on the bill are appointed by the Chairperson, but the scrutineers should have the status of shareholder.
- (9) The counting of voting or election resolutions of Shareholders' meeting shall be handled in the public office of the Shareholders' meeting venue. After the completion of the counting of the votes, the voting results shall be announced on the spot. The announced contents shall include the weights of statistics and shall be recorded.

Article 15 Election matters

- (1) When there are election directors and supervisors in the Shareholders' meeting, they shall apply for the Procedures selected by the Company and shall announce the result of the election, including the elected directors, the list of supervisors and the number of elected persons.
- (2) Ballots in the elections referred to in the preceding paragraph shall be sealed and signed by the scrutineer for safekeeping and kept for at least one year. However, a person who initiates litigation against shareholder's pursuant to Article 189 of the Company Act shall retain it until the completion of the litigation phase.

Article 16 Minute of Meeting and Signing Events

- (1) Resolutions of the Shareholders' meeting shall be made as Minutes of Meeting, signed and sealed by the Chairperson and distributed to the Minutes of Meeting for each shareholder within 20 days after the meeting. The production and distribution of Minutes of Meeting can be done electronically.
- (2) The distribution of Minutes of Meeting in the preceding paragraph can be achieved by using the public announcement method of entering the public information observing station.
- (3) Minutes of Meeting shall be recorded in accordance with the year, month, day, place, name of the Chairperson, resolution method, method of procedure, and results of the meeting. They shall be kept forever during the duration of the Company.

Article 17 External announcement

- (1) The number of shares sought by the solicitor and the number of shares represented by the agent, the Company shall make a clear statement on the day of the Shareholders' meeting in accordance with the prescribed format, and be clearly disclosed on the venue of the Shareholders' meeting.
- (2) If any of the resolutions of the Shareholders' meeting is a material message stipulated by statutes and required by the regulations of the Taiwan Stock Exchange (TPEX), the company shall transmit the content to the public information observing station within the specified time.

Article 18 Maintenance of the venue order

- (1) Meeting attendees who handle the Shareholders' meeting should wear an identification card or an armband
- (2) The Chairperson can direct pickers or security personnel to help maintain the order of the venue. When pickers or security personnel are present to help maintain order, they should wear armbands or ID badges marked with "pickers".
- (3) When the conference venue is equipped with a sound amplification device, the Chairperson may stop the person if the shareholder does not use the equipment configured by the Company to speak.

- (4) If the shareholders violate the Procedures but do not obey the Chairperson's corrections, which prevents the meeting from proceeding, the Chairperson shall direct the picket or security personnel to advise the person to leave the venue.

Article 19 Break, continued meeting

- (1) When the meeting is in progress, the Chairperson has to declare a break at a discretionary time. In the event of an irresistible incident, the Chairperson may decide to suspend the meeting temporarily and announce the time for the continuation of the meeting as the case may be.
- (2) If the scheduled agenda of the Shareholders' meeting is not terminated before the Temporary motion, if the venue cannot be used at that time, the resolution of the Shareholders' meeting may be used to find another venue and continue the meeting.
- (3) The Shareholders' meeting may, subject to the provisions of Article 182 of the Company Act, resolve to postpone or renew the meeting within five days.

Article 20 Implementation

This Procedure was implemented after the Shareholders' meeting was adopted, and the amendments were handled in the same manner.

Appendix III Procedures for Election of Directors

Procedures for Election of Directors

Article 1 Purpose and the basis

To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies. Except as otherwise provided by law and regulation or by this Corporation's Articles of Incorporation, elections of directors shall be conducted in accordance with these Procedures.

Article 2 The abilities that must be present in the board

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

1. Basic requirements and values: Gender, age, nationality, and culture.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

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

1. The ability to make judgments about operations.
2. Accounting and financial analysis ability.
3. Business management ability.
4. Crisis management ability.
5. Knowledge of the industry.
6. An international market perspective.
7. Leadership ability.
8. Decision-making ability.

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

Article 3 Qualifications for the independent directors

The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 4 Electoral machinery of directors

The cumulative voting method will be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

Matters related to the acceptance and public announcement for the nomination of candidates of directors shall be in accordance with the relevant laws and regulations such as the Company Act and Securities and Exchange Act. Arbitrary addition of supporting documents for other eligibility requirements is disallowed while reviewing the eligibility, education and experience of prospective directors, and presence of individual conditions

under Article 30 of the Company Act or not and review results shall be provided to shareholders for their reference in order to select competent directors. The shareholders shall elect directors from among the nominees listed in the roster of director candidates. Matters related to the acceptance and public announcement for the nomination of candidates of directors shall be in accordance with the relevant laws and regulations such as the Company Act and Securities and Exchange Act.

Article 5 By-election mode for the shortfall of directors

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

When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, or the related provisions of the Taiwan Stock Exchange Corporation rules governing the review of listings, or subparagraph 8 of the Standards for Determining Unsuitability for GTSM Listing under Article 10, Paragraph 1 of the GreTai Securities Market Rules Governing the Review of Securities for Trading on the GTSM, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 6 Preparation for the ballots

The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 7 Number of directors and elected mode

The number of directors and supervisors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 8 Vote monitoring and counting

Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 9 Filling in the ballot

If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the

governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.

Article 10 Invalid circumstances of the ballot

A ballot is invalid under any of the following circumstances :

1. The ballot was not prepared by the board of directors.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable or has been altered.
4. The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.
5. Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identity card number) and the number of voting rights allotted.
6. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.

Article 11 Count of votes

The ballot boxes shall be opened right after the voting session is completed. The Chair shall announce the voting result, including the list of elected directors and the number of votes in their favor.

Ballot examiners shall seal and sign the ballot papers indicated under election information in the preceding paragraph and keep them properly for at least one year. If a shareholder makes a litigious claim against the Company according to Article 189 of the Company Act, however, the abovementioned documents must be retained until the end of the litigation.

Article 12 Elected notice

The board of directors of this Corporation shall issue notifications to the persons elected as directors.

Article 13 Implementation

These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

Appendix IV Rules of Procedure for Board of Directors Meeting < Before the revision>

Rules of Procedure for Board of Directors Meeting

- Article 1 : The basis of this Procedures
In order to establish the Company's Board of Directors governance system, improve the supervision function and strengthen management functions, the Procedures for Board of Directors Meetings of Public Companies has been established in order to comply with regulations.
- Article 2 : The scope of this Procedures
The proceedings of the Company Board of Directors' Procedures, its main proceedings, operation procedures, Minutes of Meeting matters, announcements and other matters to be observed shall be handled in accordance with the requirements of this Procedures.
- Article 3 : Calling and Meeting Notice for Board of Directors
The Company Board of Directors is called at least once every quarter.
The Board of Directors' convening shall set out the reasons and notify the directors seven days in advance. However, in times of emergency, they must be called at any time.
The notification of the preceding item of convocation shall be made electronically by the consent of the counterpart.
The matters in Article 12-1 of this Procedures shall be listed in the matter of convening, except for unexpected emergencies or justifications, and shall not be submitted by Temporary motion.
- Article 4 : Conference notices and information
The Board of Directors designated by the Company is the general manager's office. The unit should prepare the Board of Directors' content and provide enough meeting materials to send it together with the notice.
If the directors think that the meeting materials are not sufficient, they may request the meeting units to make up. If directors consider that the information on the bill is not sufficient, they may delay the deliberation of the Board of Directors' resolution.
- Article 5 : Preparation of documents such as scrapbooks and delegation of directors
When the Company Board of Directors is convened, a scrapbook should be set up for directors and attendants to sign for examination.
Director should attend the Board of Directors personally. If he cannot attend in person, he may appoint other directors to attend according to the Articles of Association of the Company. If video conferencing participants are considered to be present in person, they should sign the card by fax to sign on behalf of the group.
If the directors commission other directors to attend the Board of Directors, they should issue a power of attorney each time and list the scope of the authorization for the cause.
The agent of preceding two paragraphs shall be limited to the commission of one person.

- Article 6 : Principle of Board of Directors Meeting Venues and Time
The company's Board of Directors' venue and time should be based on the company's location and office hours, or be convenient for directors to attend and suit the Board of Directors's venues and time.
- Article 7 : Board of Directors' Chairperson and Agent
The Company Board of Directors should be called by the directors to serve as Chairperson. However, for the first time each Board of Directors, Ballots from Shareholders' meeting shall call on behalf of directors with the highest voting power. The Chairperson of the meeting shall be held by the convener. When there are more than two callers, one person should be elected.

When the chairman takes leave or fails to exercise his power for any reason, he or she shall be represented by the deputy directors, and if the deputy chairman or deputy chairman of the board of directors does not take leave or may not exercise his power for any reason, the chairman shall appoint one of the standing directors. If there is no general director, the designated director is the one who has no agent designated by the director, and the general director or director invokes one agent.
- Article 8 : Board of Directors reference materials, attendees and convening
When the Company Board of Directors is convened, the General Manager's Office shall prepare relevant materials for inspection by the directors at any time.
When Board of Directors is held, it may be necessary to notify the relevant department or a member of a subsidiary company of the contents of the proposal. When necessary, they may also invite accountants, lawyers or other professionals to attend the meeting.

Board Chairman of the Board of Directors shall immediately announce the meeting when he has already had a half of the directors present. At the time of the meeting, if there are half of all the directors, the Chairperson has to postpone the meeting. The number of postponements is limited to the second time. If the second time is not enough, the Chairperson can reconvene according to Article 3-2.

All directors of the preceding paragraph and in paragraph 2 Article 16-2 shall be calculated by the actual incumbent.
- Article 9 : Board of Directors recording or video of meetings
After the public offering, the Company Board of Directors shall have a recording or video recording of the entire meeting and shall keep it for at least five years. The preservation of the company Board of Directors shall be made electronically. Before the expiration of the retention period of the preceding paragraph, when a lawsuit concerning the Board of Directors related resolutions occurs, the related audio or video recording data shall be retained until the conclusion of the lawsuit. For the video conference convener, its video and audio data are part of the conference record and should be properly maintained during the company's existence.
- Article 10 : Content of the proceedings
The company's periodic Board of Directors content includes at least the following items:

1. Report items:
(i) Record and implementation of the last meeting.
(ii) Important financial business reports.
(iii) Internal Audit Business Report.

- (iv) Other important reporting matters.
- 2. Discussion items:
 - (i) Discussions reserved at the previous meeting.
 - (ii) Scheduled discussion items for this meeting.
- 3. Temporary motion.

Article 11 : Motion discussion

The Board of Directors of the Company shall proceed according to the content of the proceedings scheduled in the notice of the meeting, but may be changed by the majority of the directors who have agreed to attend the meeting.

In the absence of more than half of the directors agreed, Chairperson shall not announce the meeting.

Board of Directors In the course of the proceedings, if the directors do not reach the majority of the directors, the Chairperson shall announce the suspension of the meeting, and use Article 8-3.

Article 12 : The following matters should be discussed in the Company Board of Directors:

1. The company's operating plan.
2. Annual financial report and semi-annual financial report. However, this is not the limit for those who are required by law to order a semi-annual financial report without the auditor's examination of the visa.
3. To establish or revise internal control system and the effectiveness of the internal control system. In accordance with Article 14 of the Securities Exchange Act (hereinafter referred to as the Securities Exchange Act).
4. Procedures for determining or amending the conduct of major financial business activities that acquire or dispose of assets, engage in derivative commodity transactions, make loans to others, endorse or warrant for others, in accordance with Article 36-1 of the Securities Exchange Act.
5. To raise, issue or privately offer securities of equity nature.
6. Appointment or removal of financial, accounting or internal audit supervisors.
7. Donations to related parties or major donations to non-related persons. However, due to public welfare donations for major natural disasters that are difficult to rescue, the Board of Directors will be required to identify them.
8. According to Article 14-3 of the Securities and Exchange Act, other laws or Articles of Association stipulations shall be resolved by Shareholders' meeting or submitted by Board of Directors, or the major matters stipulated by the competent authority.

The related person referred to in the preceding paragraph 7 refers to the person involved in Procedures for the preparation of the financial report of the issuer of the securities; the alleged major donation to non-relationship refers to the amount of each donation or the cumulative amount of donations to the same person within one year. NT\$100 million or more, or up to 1% of the net operating income of financial reports by accountants' visas in the most recent year or more than 5% of the paid-in capital. (If the foreign company's stock is non-detailed or if the denomination per share is not NT\$10, the amount of 5% of the paid-in capital in this item shall be calculated as 2.5% of shareholder equity.)

Within the one-year period mentioned in the preceding paragraph, the date of the

Board of Directors' meeting was used as a benchmark, and the Board of Directors was retroactively extrapolated for one year.

There should be at least one independent director who personally attends the board of directors; for the first item of that should be submitted to the resolution of the board of directors, all independent directors should attend the board of directors, if independent directors cannot attend the board, they should be represented by other independent directors. If an independent director has objections or reservations, he or she shall specify in the proceedings of the board of directors; if an independent director cannot personally attend the board of directors to express objections or reservations, he shall, unless there is a valid reason, issue a written opinion in advance and specify in the minutes of the board of directors.

Article 13 : Resolution 1

When Chairperson discusses the motion and thinks that the degree of voting can be reached, he may announce that he will stop the discussion and put it to the vote.

When the Company Board of Directors motion was voted on, the person who had no objection to the directors through consultation with the Chairmanperson was deemed to have passed. If there is disagreement in the consultation with the Chairmanperson, it shall be put to the vote.

The voting method is selected by Chairperson in accordance with the provisions of the following paragraphs, but if the attendees have objections, they should seek the opinion of the majority:

1. A show of hands or a voter vote.
2. Roll call vote.
3. Vote for resolution.
4. The company's own choice of vote.

The first two paragraphs alleged that the attendants of the directors do not include the directors who are not allowed to exercise their voting rights under the first item of Article 15.

Article 14 : Resolution 2 and scrutineering and counting methods

In addition to the resolutions of the Company Board of Directors and the Company Act, there shall be more than half of the Directors present, and a majority of the directors shall attend the resolution.

When the same motion has an amendment or alternative, the Chairperson shall set the voting order with the original case. However, if one of the cases has been passed, other motions will be considered negative and no further voting will be required.

Voting by the Chairperson is not mandatory if voting on the bill is necessary for the setting up of scrutineers and counting personnel, but the scrutineers shall have the status of directors.

The result of the vote shall be reported on site and a record shall be made.

Article 15 : Director's interest avoidance system

Directors who have a stake in a conference event are legally interested in their own or their legal representative. They should be aware of the important content of their interest in the Board of Directors. If they are harmful to the interests of the company,

they must not join the discussion and vote and discuss and vote should To evade and not to act on behalf of other directors exercising their voting rights.

The CompanyBoard of Directors resolution applies Article 180-2 regulations for the directors who are not allowed to exercise the voting rights under the preceding paragraph according to the Company Act Article 206-3.

Article 16 : Meeting minutes and signed matters

The CompanyBoard of Directors shall make a Minutes of Meeting. The Minutes of Meeting shall record the following items:

1. The session (or year) and time and place of the meeting.
2. The name of the Chairperson.
3. The status of director's attendance includes the attendance, leave of absence and the names and number of absent persons.
4. Names and titles of the participants.
- 5, the name of the record.
6. Report items.
7. Matters discussed: resolution methods and results of resolutions, directors, supervisors, experts, and other personnel's speeches. The name of the directors involved in the interest of the first item of the preceding article, the description of the important contents of the stakes, and their avoidance requirements. Do not circumvent the reasons, avoid situations, objections or reservations, and have written or written statements and independent directors issued written opinions in accordance with Article 12, paragraph 4.
8. Temporary motion: the sponsor's name, the resolution method and result of the proposal, directors, supervisors, experts, and other personnel's speech summary, and the name of the directors involved in the first item of the preceding article, the description of the important contents of the stakeholder Avoid or do not evade reasons, avoid situations and objections or reservations and have records or written statements.
9. Other items to be recorded.

Board of Directors resolve matters that, if any of the following circumstances, are stated in the Minutes of Meeting, and shall be announced within two days of the Board of Directors at the public information observing station designated by the Financial Supervisory Commission of the Executive Yuan. declare:

1. Independent director has objections or reservations and there are records or written statements.
2. If the company has an Audit Committee, it has not been approved by the Company Audit Committee but has been approved by more than two-thirds of all directors.

The Board of Directors check-in booklet is part of the Minutes of Meeting and should be kept during the company's existence.

The Minutes of Meeting shall be signed or sealed by the Chairperson and the record officer of the meeting and shall be distributed to all directors and supervisors within 20 days after the meeting. It should be included in the Company's important archives and kept in good condition during the company's existence.

The production and distribution of the Minutes of Meeting of the first paragraph can

be done electronically.

Article 17 : Board of Directors' Authorization Principle

In addition to the discussion of the Board of Directors of the Company in the first item of Article 12, the Board of Directors or the Articles of Association of the Board of Directors may authorize directors to exercise the authority of the Board of Directors. Its authorization content is as follows:

1. Authorized by the Board of Directors as required by law.
2. According to the company's "nuclear decision list" provision.
- 3, according to company regulations, systems and methods.
4. Transfer of investment company directors and supervisors.
5. Appraisal of base date of capital increase or decrease and base date of cash dividend distribution.
6. Other company-related matters that are not subject to statutes, Articles of Association, Shareholders' meeting, and Board of Directors resolutions. However, matters involving major interests of the company should still be resolved through the Board of Directors.

Article 18 : Supplementary Articles

The Procedures shall be agreed upon by the Company Board of Directors and a Shareholders' meeting report shall be submitted. If there is any amendment in the future, it will be authorized by the Board of Directors.

Appendix V Procedure for Acquisition or Disposal of Assets < Before the revision >

Procedure for Acquisition or Disposal of Assets

- 1 Purpose and source of Act
The Company has established this operating procedure in accordance with Article 36 of the Securities and Exchange Act and "Criteria for Handling Acquisition and Disposal of Assets by Public Companies" for the purpose of strengthening asset management, safeguarding investment, and implementing information disclosure. Acquiring or disposing of assets is performed in accordance with the provisions of this procedure.
- 2 Asset scope
The scope of the assets referred to in this procedure is as follows:
 - 2.1 Stocks, public debts, corporate bonds, financial bonds, recognition of the fund's securities, depository receipts, subscriptions (sales) warrants, beneficiary securities, and asset-based securities.
 - 2.2 Real estate (including land, housing and construction, investment property, land use rights, and construction industry inventory) and equipment.
 - 2.3 Membership Card.
 - 2.4 Intangible assets such as patents, copyrights, trademark rights, franchise rights, etc.
 - 2.5 Claims of financial institutions (including accounts receivable, purchase discounts, lending, and collection payments).
 - 2.6 Derived goods.
 - 2.7 Assets acquired or dispositioned by merger, division, acquisition or transfer of shares pursuant to law.
 - 2.8 Other important assets.
- 3 Glossary
 - 3.1 Derivative Products:
It refers to the forward contracts whose value is derived from commodities such as assets, interest rates, exchange rates, indices or other interests, futures contracts, futures contracts, leveraged margin contracts, exchange contracts, and the combination of these commodities. The so-called forward contracts do not include insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts, and long-term import (sales) contracts.
 - 3.2 Assets acquired or dispositioned in accordance with law mergers, divisions, acquisitions or share transfers:

Refers to assets acquired or discontinued pursuant to the Mergers and Acquisitions Act, the Company Act, the Merger Act of the Financial Institutions, or other laws, mergers, divisions, or acquisitions, or the issuance of new shares pursuant to Article 156, Article 8 of the Company Act Received shares of other companies (hereinafter referred to as shares).
 - 3.3 Relationships, Subsidiaries:
It shall be determined in accordance with Regulations Governing the Preparation of Financial Reports.
 - 3.4 Professional Valuer:

Refers to real estate appraisers or other persons who may engage in the evaluation of real estate and equipment according to law.

3.5 The date of the facts:

Refers to the date of the transaction contract date, payment date, commission transaction date, transfer date, Board of Directors resolution day or other sufficient amount to determine the date of transaction and the transaction amount, and other dates. However, investors who are required to be approved by the competent authority shall be subject to the above date or the date of approval of the competent authority.

3.6 Investment in the Mainland:

Refers to investments in mainland China engaged in regulations concerning investment or technical cooperation licensing in the mainland by the Investment Review Commission of the Ministry of Economic Affairs.

3.7 The so-called “The latest financial statement” means that the company publicly audits the financial statements audited or certified by the accountant before obtaining or disposing of the assets.

4 The company obtains a valuation report or a statement of accountants, lawyers, or securities underwriters. The professional valuer and its appraiser, accountant, lawyer, or securities underwriter cannot be related to the company.

5 Limits for acquisition of real estate or securities not for business use

5.1 The company and its subsidiaries individually obtain the following limits for real estate or securities not used for business use:

5.1.1 The total amount of real estate not purchased for business use must not exceed 50% of the company's latest net financial statement.

5.1.2 The total amount of portfolio investment may not exceed 50% of the company's latest financial statement's net value; the amount of individual portfolio investment may not exceed 30% of the company's latest financial statement's net value. The calculation of the value of securities investment does not include guaranteed securities.

5.2 The Company's re-investment is subject to the Board of Directors resolution authorizing the company's Articles of Association to do so. It is not subject to the thirteenth article of the Company Act and must not exceed the limit of forty percent of paid-in capital.

6 Obtain or Dispose of Evaluation and Operating Procedures for Securities

6.1 Price Determination Method and Reference

In order to obtain or dispose of securities, the latest company's financial statements audited by an accountant or verified by a certified public accountant should be used as a reference for evaluating the transaction price before the factual occurrence date.

6.2 Ask the experts to issue opinions

6.2.1 To obtain or dispose of securities, and if the transaction amount reaches 20 percent of the company's paid-in capital or more than NT\$300 million, they should contact the accountant to express their opinion on the reasonableness of the transaction price before the factual occurrence date. If an accountant needs to use an expert reporter, he shall apply for the stipulation of the Auditing Standards Bulletin No. 20 issued by the Foundation of the Republic of China on Accounting Research and Development (hereinafter referred to as the Accounting Research and Development Foundation). However, unless the Financial Supervisory Commission has

otherwise provided a stipulation in the open market price quoted by the active trading market, it shall not be so limited.

6.2.2 Calculation of the transaction amount shall be handled in accordance with the provisions of 13.2, and within one year of the alleged period, based on the date of the occurrence of the transaction, and retrospectively calculated for one year, which has been issued by professional appraisers according to the provisions of this procedure. The valuation report or accountant's comments are not counted back.

6.3 Authorized Credits and Tiers

6.3.1 For the purpose of the operation, the transfer of equity shall be subject to equity disposal. If the amount of each transaction is NT\$300 million or more, it shall be submitted to the Board of Directors, if not more than NT\$300 million, authorized by the chairman to approve. If the transaction amount exceeds NT\$100 million, it is reported to the nearest Board of Directors for review.

6.3.2 Obtain or dispose of public debts, corporate bonds, financial bonds, domestic and foreign bond funds, and domestic and foreign currency funds for the purpose of financial dispatch. If the amount of each transaction exceeds NT\$100 million, it shall be submitted via the Board of Directors. Passed by Directors, who had not reached NT\$100 million, authorized the directors to approve the transaction. The transaction amounted to more than 70 million yuan, and was subsequently reported to the nearest Board of Directors for review.

6.3.3 For other securities that are acquired or dispositioned for the purpose of financial dispatch, each transaction amounting to more than NT\$70 million should be submitted by the Board of Directors, which is less than NT\$70 million. Authorize the directors to approve the transaction, and the transaction amount exceeds 50 million yuan. Afterwards, report to the nearest Board of Directors for verification.

6.3.4 Other securities not obtained or disbursed for business or financial purposes, with a transaction value of NT\$30 million or more, should be submitted by the Board of Directors, which is less than NT\$30 million. , authorized directors long approval.

6.3.5 The negotiable certificates of deposit, short-term commercial and bank acceptance bills, and the purchase and sale of bonds with the conditions for repurchasing and selling shall not be limited to this, but shall be approved by the directors.

6.4 Implementation Unit

The company's acquisition and disposal of long-term and short-term securities investment should be performed by the financial unit after the nuclear authority has been submitted for verification.

6.5 Trading Process

The Company obtains or disposes of the transaction process of securities, which is handled in accordance with the provisions of the company's internal control system investment cycle related operations.

7 Obtaining or Disposing of Evaluation and Operating Procedures of Real Estate or Equipment

7.1 Price Determination Method and Reference

To obtain or dispose of real estate or equipment and other fixed assets, reference shall be made to the present value of the announcement, the assessed value, and the actual transaction price of the nearby real estate. The transaction conditions, transaction price, and analysis report shall be prepared through procedures such as inquiry, price comparison, bargaining, or public tendering. Reporters are long.

7.2 Asked experts to issue a valuation report

Acquiring or disposing of real estate or equipment, except for transactions with government agencies, establishment of committees, construction of leased land, or acquisition and disposal of equipment for business use, the transaction amount is up to 20 percent of the company's paid-in capital or new For NT\$300 million or more, an appraisal report issued by a professional appraiser shall be obtained before the factual occurrence date, and meet the following requirements:

- 7.2.1 When a limited price, a specific price or a special price is used as a reference for the transaction price for special reasons, the transaction shall be submitted to the Board of Directors for resolution. Changes in future trading conditions shall also be handled *mutatis mutandis*.
- 7.2.2 When the transaction amount exceeds NT\$1 billion, more than two professional appraisers should be valued.
- 7.2.3 The professional appraiser's valuation result has one of the following circumstances, except that the valuation result of the acquired asset is higher than the transaction amount, or the valuation result of the disposition asset is lower than the additional transaction amount, and the accountant should be consulted according to the accounting research and development fund. The stipulations of the Auditing Standards Bulletin No. 20 issued by the Club shall be handled, and specific opinions shall be expressed on the reasons for the discrepancy and the conductability of the transaction price:
 - (1) The difference between the valuation result and the transaction amount is more than 20% of the transaction amount.
 - (2) The gap between the valuation results of two or more professional appraisers is more than 10% of the transaction amount.
- 7.2.4 The date of the contractor's pre-declaration date, the date of issue of the report and the date of the contract shall not exceed three months. However, if it applies to the present value of the same period of announcement and does not exceed six months, the original professional valuer may issue a written opinion.
- 7.2.5 A person who obtains or disposes of assets through a court auction procedure may replace the valuation report with a certificate issued by the court.
- 7.2.6 The calculation of the transaction amount shall be handled in accordance with the provisions of 13.2.

7.3 Authorized Credits and Tiers

The acquisition or disposal of real estate or equipment with a transaction amount of NT\$3 million (inclusive) shall be submitted to the chairman for approval; if the transaction amount exceeds NT\$3 million, it must be approved by the Board of Directors. .

7.4 Implementation Unit

When the company acquires or disposes of immovable property or equipment, it shall be subject to the approval of the nuclear authority of the foregoing paragraph, and the use department and related power and responsibility units shall be responsible for the execution.

7.5 Trading Process

The Company obtains or disposes of transaction procedures for real estate or equipment, and is required to comply with the Company's internal control system for real estate, plant and equipment cycle-related operations.

8 Obtaining or Disposing of Assets from Related Persons and Procedures

- 8.1 The Company obtains or divests assets from a related party. If the transaction amounted to more than 10% of the company's total assets, it shall also obtain the valuation report or opinion of the accountant issued by the professional valuer according to the provisions of the preceding article. The calculation of the transaction amount shall be handled in accordance with the provisions of 13.2. When judging whether the transaction partner is a related person, he should consider the substantive relationship in addition to his legal form.
- 8.2 The Company acquires or disposes of immovable property from the purchase or exchange with a related party, or obtains or disposes of other assets other than immovable assets with a related party and the transaction amount is 20% of the company's paid-up capital, 10% of total assets or new For NT\$300 million or more, in addition to buying and selling government bonds, bonds with buy-back, repurchase terms, and buying or repurchasing money market funds issued by domestic securities investment trusts, the following information shall be divided by two points by all members of the Audit Committee. One or more of them agreed and submitted the Board of Directors to the following to sign the transaction contract and pay the money:
 - 8.2.1 The purpose, necessity and expected benefits of acquiring or arranging assets.
 - 8.2.2 The reasons why the selected person is the subject of the transaction.
 - 8.2.3 Obtain relevant information on the reasonableness of the pre-determined trading conditions as determined in accordance with 8.3 and 8.4 in obtaining real estate from related parties.
 - 8.2.4 The date and price of the original acquisition of the related party, the transaction object and its relationship with the company and its related parties.
 - 8.2.5 It is expected that the monthly cash income and expenditure forecast table for the coming one month of the future of the contract month will be reviewed and the necessity of the transaction and the rationality of the use of funds will be assessed.
 - 8.2.6 The valuation report issued by a professional valuer obtained pursuant to 8.1, or the opinion of an accountant.
 - 8.2.7 Restrictions and other important commitments of this transaction.
 - 8.2.8 Calculation of the transaction amount shall be handled in accordance with the provisions of 13.2, and within one year of the alleged period, based on the date of the occurrence of the transaction, and retroactively calculated for one year in advance. All members of the Audit Committee shall have been regulated in accordance with the provisions of this procedure. More than half agree and submit to the Board of Directors to waive the recognition again.
 - 8.2.9 The company obtains or disposes of equipment for business use between the company and the parent company or subsidiary company. The Board of Directors may follow the 7.3 authorized directors to make a decisive deduction before a certain amount, and subsequently report the most recent issue of the Board of Directors.
 - 8.2.10 The Company shall fully consider the opinions of independent directors when obtaining or disposing of assets to Board members of the Board of Directors. If an independent director has any objections or reservations, he shall state in the Minutes of Meeting of Board of Directors. .
- 8.3 Evaluation of the Rationale of Transaction Costs
 - 8.3.1 To obtain real estate from a related party, the following methods should be used to assess the reasonableness of transaction costs:
 - (1) Add the necessary funds interest and the buyer's legal cost to the transaction price of the related party. The so-called necessary capital interest cost is calculated based on the weighted average interest rate of the borrowed items of the company's purchased assets, but it must not be higher than the highest

non-financial industry borrowing rate announced by the Ministry of Finance.

- (2) If the related party once set the mortgage borrower to the financial institution with the subject matter, the financial institution assesses the total value of the loan against the subject matter, but the cumulative value of the actual lending of the subject matter by the financial institution should reach the loan and loan assessment More than 70% of the total value and more than one year during the loan period. However, it is not applicable if the financial institution and one of the parties to the transaction are related to each other.
- 8.3.2 For mergers and acquisitions of land and housing of the same subject, transaction costs may be assessed for land and housing in accordance with any of the methods listed in 8.3.1.
- 8.3.3 To acquire real estate from a connected person, the cost of the real property should be assessed in accordance with 8.3.1 and 8.3.2, and an accountant should review and express specific opinions.
- 8.3.4 The acquisition of immovable property from a connected person is subject to the provisions of 8.2 related assessments and operating procedures, and does not apply the assessment requirements for the reasonableness of transaction costs specified in 8.3.1 to 8.3.3.
 - (1) A person in a relationship acquires immovable property because of inheritance or gift.
 - (2) The time for the contractor to obtain immovable property was more than five years before the contract date of the transaction.
 - (3) Signing a co-construction contract with a affiliated person, or requesting the affiliated person to build an immovable property and obtaining real estate from the committee of the Party committee or the building committee of the prefecture.
- 8.4 When the evaluation results are lower than the transaction price according to 8.3.1 and 8.3.2, they shall be handled in accordance with 8.5. However, if due to the following circumstances, the objective evidence and the specific rationality opinions of the real estate professional valuer and the accountant shall be provided, this shall not apply:
 - 8.4.1 If the affiliate obtains the redevelopment of the original land or rented land, he or she must produce evidence that meets one of the following conditions:
 - (1) As assessed by the method prescribed in 8.3, prime real estate is calculated based on the construction cost of the related party plus a reasonable construction profit, which is the aggregate of the actual transaction price. The so-called reasonable construction profits shall be based on the average operating gross margin of the related party's construction department in the recent three years or the lowest gross profit margin of the construction industry announced by the Ministry of Finance.
 - (2) Other non-relationship transactions within one year in other floors of the same subject premises or in adjacent areas are similar in area, and the conditions are comparable if the transaction conditions are assessed on the basis of reasonable floor or regional spreads in accordance with the conventions governing the sale of real estate.
 - (3) Other non-relationship leasing cases within one year of other floors of the same subject premises are estimated to be equivalent to the reasonable floor price difference according to the normal floor price difference for real estate leasing

practice.

- 8.4.2 The real estate purchased from the evidence to the connected person shall have the same trading conditions and similar area and closeness to other non-relationship transactions in the neighboring area within one year.

The transaction cases in the neighboring areas are said to be based on the same or adjacent street profile and not more than 500 meters away from the subject matter of the transaction target or the current value of the announcement is similar; the similar area is said to be the case of other non-relationship transactions. The area of not less than 50% of the subject matter of the transaction is the principle; within one year, it is based on the date of the acquisition of real estate facts, and is calculated retrospectively for one year.

- 8.5 To acquire real estate from a related party, if the evaluation results are lower than the transaction price as stipulated in 8.3 and 8.4, the following matters shall be handled:

8.5.1 Special surplus reserves shall be provided in accordance with the Articles of Incorporation and the relevant laws and regulations for the difference between the price of the real property transaction and the evaluation cost, and shall not be distributed or transferred for capital allocation. Investors who evaluate the equity of the company's investment in the equity method, if they are publicly-issued companies, shall also set aside a special surplus reserve in accordance with relevant laws and regulations in proportion to the amount of such an offer.

8.5.2 Independent director members of the Audit Committee shall comply with Article 218 of the Company Act.

8.5.3 The former 8.5.1 and 8.5.2 cases should be submitted to Shareholders' meeting and the details of the transaction should be disclosed in the annual report and the public statement.

The company and the public offering company that evaluates the equity of the company adopts the equity method to assess the special surplus reserves. The assets that should be purchased at high prices have recognized the loss or disposition of the loss or have been properly compensated or restored. Other evidence confirms that there is no unreasonable person, and after obtaining the approval of the Financial Supervisory Commission, the special surplus reserve fund may be used.

8.6 The Company obtains real estate from related parties. If there is any other evidence showing that the transaction is inconsistent with business practices, it shall comply with the provisions of 8.5.

8.7 The provisions of this Article relating to 10% of the total assets shall be calculated on the basis of the total amount of assets in the most recent individual financial report as stipulated in the standard for the preparation of the financial report of the securities issuer.

- 9 Obtain or dispose of evaluation and operating procedures of membership cards and intangible assets

9.1 Price Determination Method and Reference

To obtain or dispose of membership cards or intangible assets, it is necessary to consider the potential benefits and market-determined value of the assets in the future, and if necessary, refer to expert opinions and negotiate with the transaction counterparts.

9.2 Ask experts to issue opinions

Obtain or dispose of membership cards or intangible assets. If the transaction amount reaches 20 percent of the company's paid-in capital or more than NT\$300 million, the transaction should be made before the actual occurrence date in addition to dealings with

government agencies. The reasonableness of the opinions expressed shall be handled by the accountants in accordance with the stipulations of the Auditing Standards Bulletin No. 20 issued by the Accounting Research and Development Foundation; the calculation of the aforementioned transaction amounts shall be handled in accordance with the provisions of 13.2.

9.3 Authorized Credits and Tiers

9.3.1 Obtaining or disposing of a membership card, if the transaction amount is less than NT\$1 million (inclusive), it shall be submitted through the company's own internal signing and submitted to the director for approval; if the transaction amount exceeds NT\$1 million, the amount must exceed the NT\$1 million. After Directors passed, they started.

9.3.2 Obtaining or disposing of intangible assets, if the transaction amount is less than NT\$1 million (inclusive), must be signed by the company and submitted to the directors for approval, and the latest Board of Directors should be submitted. If the transaction amount exceeds NT\$1 million, it must be approved by the Board of Directors.

9.4 Implementation Unit

The company's obtaining and disposing of membership cards and intangible assets shall be performed by the user unit and the relevant power and responsibility unit after the nuclear authority has been submitted for verification.

9.5 Trading Process

The Company obtains or disposes of membership cards or intangible assets, which is handled in accordance with the Company's approval list and internal control system procurement and payment cycle procedures.

10 Evaluation and Operation Procedures for Obtaining or Disposing Derivative Products

In order to effectively manage the company's income and expenditure, assets and liabilities due to changes in foreign exchange, interest rates, etc., and the company's exposure to derivative commodity transactions.

11 Acquire or dispose of derivative products for assessment

In order to effectively manage the company's income and expenditure, assets and liabilities due to changes in foreign exchange, interest rates, etc., engaged in derivative commodity trading risks.

11.1 Business or hedging strategy

The Company engages in derivative commodity transactions to circumvent risks arising from fluctuations in exchange rates, interest rates or asset prices, and to hedge against foreign currency positions in the receivables/payables or financial asset liability arising from the company's business within the next six months. Before the transaction is conducted, it must be determined as a safe-haven operation.

11.2 Division of powers and responsibilities

The person to whom the financial unit may conduct derivative commodity transactions and the confirmation must be assigned by the treasurer.

Set up transaction confirmation and Settlement Officer. The confirmation staff is responsible for confirming the transaction with the counterparty. The Settlement Officer is responsible for arranging due settlements, and the transaction confirmation must not be the same as the Settlement Officer.

11.3 Determination of the total amount of the transaction deed and the maximum loss limit

11.3.1 The total amount of the transaction contract

(1) Hedging Operations

The total amount of the company's total safe-haven contract shall not exceed the foreign currency position of receivables/payables arising from the company's business within the next six months.

(2) Trading Operations

The types of transactions are limited to currency exchange contracts and swap exchanges.

11.3.2 Maximum Loss Limit

(1) Hedging Operations

If the company's individual (all) contract loss is more than 5% of the market price, the company will need to report whether the director's approval will be settled.

The maximum individual (all) contract loss limit shall not exceed the limit of 10% of the individual (all) transaction contract amount. If the maximum loss limit is exceeded, the announcement shall be made in accordance with the "13 Announcement Declaration Procedure".

(2) Trading Operations

If the individual (all) contract losses of the company are at a loss of more than 5% of the market price, they shall report to the chairman for approval whether or not the position will be settled.

The maximum individual (all) contract loss limit shall not exceed the limit of 10% of the individual (all) transaction contract amount. If the maximum loss limit is exceeded, the announcement shall be made in accordance with the "13 Announcement Declaration Procedure".

11.4 Performance Evaluation

11.4.1 Hedging Operations

The performance of hedging operations is measured and assessed based on hedging strategies.

11.5 Delegation Lines and Levels

The authorization limits and hierarchies of hedging operations are as follows:

The company's authorized trader must be able to enter into the transaction only after the amount of the transaction contract specified in 11.3.1 has been approved by the chief financial officer and approved by the treasurer.

Each transaction must be internally signed in accordance with the amount of credit, and its authorization limit, transaction approval and hierarchy are as follows:

Amount (NT)	Department heads	General manager	Chairman	Board of Directors
100 million or less	Review	Review	Approved	Recognize
100 million or more	Review	Review	Approved	Resolution

In order to enable the transaction partner to cooperate with the supervision and management of the Company, the transaction authorization amount and level specified in this section should be notified in writing to the transaction target. However, the written confirmation with the transaction object, regardless of the amount of money, is signed by the treasurer.

- 11.6 Major Derivative Commodity Trading
Major derivatives transactions should be dealt with in accordance with relevant regulations and provide Board of Directors for resolutions.
- 11.7 Implementation Unit and Process
- 11.7.1 Confirming the Transaction Section.
- 11.7.2 Related trend analysis and judgment.
- 11.7.3 Determining hedging practices:
- (1) The subject of the transaction
 - (2) Trading position
 - (3) Target price and range
 - (4) Trading Strategies and Patterns
 - (5) The price reference is based on the open quotation system.
- 11.7.4 Obtaining Approval of a Transaction.
- 11.7.5 Executing a Transaction
- (1) Transaction object:
When selecting trading partners, they must first consider the consideration of credit risk.
 - (2) Traders:
The company's personnel who perform derivative commodity transactions should first sign the agreement with the top decision-making director, general manager, and directors of the finance department to inform the company's current financial institutions that the non-mentioned personnel should not engage in transactions.
- 11.8 Risk Management
- 11.8.1 Credit Risk:
The company is limited to the principle that the company trades with the company's banks or well-known financial institutions, and can provide professional information, otherwise it should sign the highest decision-making director of the finance department to agree.
- 11.8.2 Market risk:
The Company focuses on hedging transactions in derivative financial products due to changes in interest rates, changes in exchange rates, or other factors, and should be controlled at all times.
- 11.8.3 Liquidity Risk:
In order to ensure liquidity, it is necessary to confirm with the capital personnel before the transaction that the transaction amount will not result in insufficient liquidity.
- 11.8.4 Cash Flow:
The Company should maintain sufficient liquid assets and financing facilities to meet the demand for delivery funds.
- 11.8.5 Operational Risk:
The Company determines the authorization limit and operation process to avoid operational risks.
- 11.8.6 Legal Risk:
Documents signed by the company and counterparties must be reviewed by internal legal personnel or legal advisors before they can be formally signed to avoid legal

risks.

11.9 Internal Control

11.9.1 The Company's trading staff and confirmation and delivery personnel shall not hold concurrent positions.

11.9.2 When a transaction occurs, the trader should fill out the transaction transaction slip and submit it to the confirmation person for confirmation. Confirmation personnel should confirm and count the statistics in the part master table according to the transaction slip and the transaction object.

11.9.3 Personnel for measurement, supervision and control of risks shall be assigned to different departments with the personnel of the preceding paragraph and shall report to the Board of Directors or directors.

11.10 Regular Evaluation Methods and Handling of Abnormal Situations

The risk management transactions that the finance department needs to handle must be evaluated at least twice a month. The evaluation report should be submitted to the high-level executives authorized by the Board of Directors. Report to the Board of Directors if there is an abnormal situation, and take the necessary measures for response.

The assessment items should include the following items:

11.10.1 Regularly assess whether the performance of engaging in derivative commodity transactions meets established business strategies.

11.10.2 Whether the risk assumed is within the scope of the company's tolerance.

11.10.3 Assessment of risk management measures on a monthly basis: Regularly assess whether the risk management measures currently in use are appropriate and do in accordance with the Company's procedures for dealing with derivative commodity transactions.

11.10.4 The Ministry of Finance shall deal with the provisions of the Business Accounting Law, the Financial Accounting Standards Communique and the relevant competent authority's letter of order. If there are no relevant regulations, the details shall be logged in and the monthly realized and unrealized profit and loss statements shall be calculated.

11.11 The Company is engaged in derivative commodity transactions. The Board of Directors does supervise and manage according to the following principles:

11.11.1 Designated senior executives should always be aware of the supervision and control of the risk of derivative commodity transactions.

11.11.2 Regularly assess whether the performance of the derivative commodity transaction is in line with the established business strategy and whether the risk assumed is within the scope of the company's tolerance.

11.12 High-level executives authorized by the Board of Directors shall manage the transactions of derivative commodities in accordance with the following principles:

11.12.1 Regularly evaluate the appropriateness of the risk management measures currently in use, and do so in accordance with this Act and the company's procedures for dealing with derivative commodity transactions.

11.12.2 When supervising transactions and gains and losses and discovering unusual circumstances, they shall take necessary measures and report to the Board of Directors immediately. Board of Directors shall have independent director to attend and express opinions.

11.13 Internal auditors should regularly understand the permissibility of the internal control of

derivative commodity transactions, and check monthly the compliance of relevant trading departments with the relevant provisions of this process, analyze the trading cycle, and prepare audit reports. If major violations are found, Written notice to the audit committee member.

- 11.14 The Company engages in derivative commodity transactions and should prepare a reference book. The details of the types, amounts, dates of the Board of Directors adoption, and those that should be carefully assessed in accordance with 11.10 for engaging in derivative commodity transactions are detailed in the Reference Book for future reference.
 - 11.15 The company managers and sponsors who engage in derivative commodity transactions shall follow the provisions of this process to protect the company from unfair losses. If any violation of the relevant laws or regulations of this procedure is involved, its punishment shall be handled in accordance with the provisions of the company's relevant personnel regulations.
 - 11.16 The Company's subsidiary is intended to engage in derivative commodity trading. The company should urge it to establish procedures for the processing of derivative commodity transactions and implement it in accordance with relevant regulations before implementing the Board of Directors resolution. If the subsidiary of the Company engages in derivative commodity transactions, it should periodically provide relevant information to the company for verification.
- 12 Process of merger, split, acquisition or share transfer evaluation and operating procedures
- 12.1 The Company acquires or disposes of assets in accordance with legal mergers, divisions, acquisitions or transfer of shares. It is governed by the relevant provisions of the "Crete for Handling Acquisition and Disposal of Assets by Public Companies" and "Business Mergers And Acquisitions Act".
 - 12.2 The Company is required to obtain an agreement, merger, division, acquisition or share transfer to the accountants, lawyers or securities underwriters before the Board of Directors resolution is convened to justify the conversion ratio, the purchase price, or the allotment of cash or other assets of shareholders. Express opinions and submit to the Board of Directors for discussion and adoption. However, if the company merges directly or indirectly subsidiaries that hold 100% of the issued shares or total capital, or if they directly or indirectly hold 100% of the issued shares or the total amount of capital in the merger of subsidiaries, they may avoid obtaining reasonable opinions from the former experts.
- 13 Announcement procedure
- 13.1 When the company acquires or disposes of assets, it shall, in accordance with the nature, submit the relevant information to the designated website of the Financial Supervisory Commission within 2 days from the date of occurrence of the facts and provide the relevant information to the parent company of the group in the prescribed format according to the nature. :
 - 13.1.1 Obtaining or disposing of immovable property from a related party, or obtaining or disposing of other assets outside the real estate with a related party, and the transaction amount is 20% of the company's paid-up capital, 10% of total assets or NT\$300 million Yuan above. However, the purchase and sale of government bonds, bonds with repurchased terms and conditions for repurchase, and purchases or repurchase of money market funds issued by domestic securities investment trusts shall not be included.
 - 13.1.2 Merge, split, acquisition or transfer of shares.
 - 13.1.3 Losses incurred in the trading of derivative commodities amount to the total or individual contract loss limit specified in the prescribed treatment procedures.

- 13.1.4 The types of assets acquired or disposed of are equipment for business use, and the parties to the transaction are not related parties, and the transaction amount has reached NT\$500 million or more.
- 13.1.5 The Company has acquired or disposed of the real estate for construction use by the company in construction business and the transaction partner is not a related party, and the transaction amount has reached more than NT\$500 million.
- 13.1.6 The real estate is obtained from the methods of the construction of the local committee, the lease of the land, the construction of the sub-houses, the construction of the sub-units, and the construction of the sub-sales. The company expects to invest more than NT\$500 million in the transaction.
- 13.1.7 Excluding the previous six-point asset transactions, financial institutions disposing of claims, or engaging in investment in the mainland, the transaction amount of the company's paid-in capital amounted to 20 percent or more than NT\$300 million. However, the following circumstances are not limited:
- (1) Buying and selling public debt.
 - (2) Specializing in investment, trading in securities for stocks in stock exchanges or stock exchanges at home and abroad, or subscription of general corporate bonds issued in general and unquoted general financial bonds, or securities companies in the domestic primary market As a result of underwriting business needs, it serves as a securities company to negotiate and recommend the securities to be subscribed by TPEX.
 - (3) Buy and sell bonds with Repo, Reverse Repo, apply for purchase, or buy back money market funds issued by domestic securities investment trusts.
- 13.2 The transaction amount in the preceding paragraph is calculated as follows:
- 13.2.1 The amount of each transaction.
 - 13.2.2 Accumulate within one year the amount of the transaction with the same nature as the person obtaining or disposing of the same nature.
 - 13.2.3 Accumulated acquisitions or dispositions (acquisition, disposition, respectively) of the amount of real estate of the same development plan within one year.
 - 13.2.4 Accumulation or disposition (acquisition, disposal separately) of the same amount of securities within one year.
 - 13.2.5 Within one year within the said period, based on the date of occurrence of the transaction, the retrospective calculation will be made one year in advance, and the part announced in accordance with the provisions shall not be counted.
- 13.3 The Company shall, on a monthly basis, enter the company and non-domestic companies that are not publicly-owned as of the end of the month to engage in derivative commodity transactions in accordance with the prescribed format, enter the financial reporting website specified by the Financial Supervisory Commission and provide relevant information on a monthly basis. Information to the parent company of the group.
- 13.4 The Company shall announce that the project should be re-announced within two days from the date of the knowledge, if there is any error or omission in the announcement and it should be corrected.
- 13.5 The Company obtains or disposes of assets, and the relevant contracts, Minutes of Meeting, reference books, valuation reports, accountants, lawyers, or securities underwriters' opinions shall be kept in the Company. This information is kept for at least five years unless otherwise provided by other Acts.

- 13.6 After the Company declares a transaction in accordance with the provisions of the preceding paragraph of this Article, any one of the following circumstances shall report the relevant information on the designated website of the Financial Supervisory Commission within two days from the date of the factual occurrence:
 - 13.6.1 The relevant contract signed in the original transaction has been changed, terminated or cancelled.
 - 13.6.2 Mergers, splits, acquisitions or transfer of shares are not completed on a contractual schedule.
 - 13.6.3 The contents of the original announcement declaration have been changed.
- 13.7 If the subsidiary of the Company is not a public issuer and acquires or disposes of assets that meet the declared standards for the publication of Articles 30 and 31 of the "Criteria for Handling Acquisition and Disposal of Assets by Public Companies", the Company shall also The subsidiary handled the notification of the announcement. The applicable reporting standards of the subsidiary company shall be related to the declared amount of 20 percent of the paid-in capital or 10 percent of the total assets, which is based on the paid-in capital of the company or the total assets.
- 14 The company's subsidiary shall comply with the following provisions:
 - 14.1 The Company shall urge its subsidiaries to stipulate and execute procedures for obtaining or disposing of assets in accordance with the provisions of Criteria for Handling Acquisition and Disposal of Assets by Public Companies.
 - 14.2 The acquisition or disposal of assets by each subsidiary shall be reported to the Company prior to the fact that the "Criteria for Handling Acquisition and Disposal of Assets by Public Companies" or other legal provisions should be approved by the Board of Directors. The Company's responsibilities and units should assess the feasibility, necessity and rationality of the acquisition or disposition of assets, and follow up the execution status afterwards to conduct an analysis review.
 - 14.3 The Company's internal auditors should regularly audit the compliance status of each subsidiary's "acquisition or disposition of asset disposal procedures" and prepare an audit report. After the findings and recommendations of the audit report are submitted, they should notify the affected subsidiaries to improve. It also regularly produces follow-up reports to ascertain that it has taken appropriate improvement measures in a timely manner.
- 15 This company has directly or indirectly waived the capital increase of Winmax Technology Corp. (hereinafter referred to as Winmax Company) and Suzhou Winmax Technology Corp. (hereinafter referred to as Suzhou Winmax Company) in each year, either directly or indirectly. If Winmax Company and Suzhou Winmax Company hold shares, the company will lose its substantive control over Winmax Company and Suzhou Winmax Company, and it must first pass a special resolution of the board of directors of the company, and independent directors should attend and express their opinions. The contents of the resolution and the amendments to this article should be opened and public information should be entered into the major observing station information to be disclosed and a letter to the counter buying center for future reference.
- 16 Penalties
The Company employees undertake to obtain and dispose of assets in violation of the provisions of this process, according to the company employee handbook regularly submit assessment, according to the severity of the punishment.
- 17 Supplements to the Ordinance
The matter of this procedure is not exhausted and it is handled in accordance with the relevant laws and regulations. °

18 Implementation and Correction

- 18.1 This operating procedure is approved by more than half of all members of the Audit Committee and is subject to resolution by the Board of Directors. The resolution is then submitted to the Shareholders' meeting with consent. If there are any directors who have objections and have written or written statements, the company shall disagreeing with the Audit Committee and submitting a shareholder's meeting for discussion will also be the same.
- 18.2 If more than one-half of the total number of members of the Audit Committee agree, the foregoing paragraph may be agreed by more than two-thirds of all directors, and the Board of Directors shall state the resolution of the Audit Committee in the Board of Directors Minutes of Meeting.
- 18.3 All the members of the Audit Committee referred to 18.1 in the preceding paragraph and all directors referred to in the preceding paragraph shall be calculated based on the actual incumbent.
- 18.4 When submitting the procedures for obtaining or disposing of assets to the Board of Directors for discussion in accordance with the provisions of the preceding paragraph, the opinions of the independent directors shall be fully considered and the opinions and reasons for their consent or objection shall be included in the Minute of Meeting.

Appendix VI Procedures for Endorsements and Guarantees < Before the revision >

Procedures for Endorsements and Guarantees

Article 1 Purpose and Legal Basis

This procedure is established in accordance with the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” for the purpose of ensuring shareholder interest, sound financial management and reduction of operational risk. Any endorsement or guarantee by the company shall be done in accordance with this procedure.

Article 2 Scope of Application

The term endorsements and guarantees as used in these Regulations refers to the following:

- 2.1 Financing endorsements and guarantees including:
 - 2.1.1 Bill discount financing.
 - 2.1.2 According to Article 3 to endorsement or guarantee for the purpose of obtaining financing for another company.
- 2.2 Contract endorsement and guarantee mean endorsement and guarantee performed for the company within the scope of contractual responsibility of the company refer to Article 3.
- 2.3 Customs endorsement and guarantee mean endorsement and guarantee performed for customs-related matters of the company refer to Article 3.
- 2.4 Any chattel or real estate provided by the company with pledge or mortgage created as guarantee for borrowing by another company refer to Article 3 shall be done in accordance with this procedure.
- 2.5 Other endorsements and guarantees meaning endorsements or guarantees beyond the scope of the above subparagraphs.

Article 3 Applicable Entities

The company may make endorsements and guarantees for the following companies:

- 3.1 Companies with business dealings with the company.
- 3.2 Companies in which the public company directly and indirectly holds more than 50% of the voting shares.
- 3.3 Companies that directly and indirectly holds more than 50% of the voting shares in the public company.
- 3.4 Companies based on reciprocal guarantee in accordance with contract among companies of the same industry or co-constructors due to project contracting requirements or endorsement and guarantee undertaken by all investing shareholders to their invested company in accordance with their shareholding ratios.
- 3.5 Companies of which 90% or more voting shares are directly or indirectly held by the company may provide endorsement and guarantee for each other. The amount of an endorsement and guarantee shall not exceed 10% of the net value of the company but Companies of which 100% voting shares are directly or indirectly held by the company may be made free of the restriction of the above paragraphs.

Article 4 Amount Limit and Evaluation Standard of Endorsement and Guarantee

- 4.1 The total amount of liability, standard of amount limit and amount for the company’s external endorsement and guarantee are as follows:

- 4.1.1 The total amount of a reciprocal guarantee among companies of the same industry in accordance with contract for project contracting requirement shall not exceed 3 times the net value of the company. The amount of endorsement and guarantee to any single enterprise shall not exceed 2 times the company's net value.
- 4.1.2 Other than a guarantee for project contracting, the accumulated amount of liability under external endorsement and guarantee for other companies that not directly or indirectly be owned by the company shall not exceed 3 times of the net value of the company. The amount of endorsement and guarantee for any single enterprise shall not exceed 2 times of the company's net value.
- 4.1.3 The amount of an endorsement and guarantee provided for business dealings except above subparagraphs shall not exceed the amount of such business dealings. Amount of business dealing means the amount of product purchase or product sale between the companies during one year, whichever is higher.
- 4.2 The total amount of liability, amount limit standard and amount for external endorsement and guarantee by the company and its subsidiaries are as follows:
 - 4.2.1 For a reciprocal guarantee in accordance with a contract by the company the total amount shall not exceed 5 times the net value of the company. The amount of an endorsement and guarantee to any single enterprise shall not exceed 3 times the company's net value. The total amount of an endorsement and guarantee for companies and subsidiary exceed 50% of the company's net value should reported to the shareholder's meeting about necessity and rationality.
 - 4.2.2 Other than the endorsement and guarantee under the previous subsection, the accumulated total amount of liability under external endorsement and guarantee shall not exceed 5 times of the net value of the company. The amount of endorsement and guarantee to any single enterprise shall not exceed 2 times of the company's net value.
- 4.3 The above company net value in these Procedures means the balance sheet equity attributable to the owners of the company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Article 5 Definition

- 5.1 Definition of Subsidiary:
Subsidiary and parent company as referred to in these Procedures shall be as determined under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
- 5.2 Definition of Group company
Group company as referred to in these Procedures shall be as determined under the "Specific company, Related person and Group company transaction operating procedures" (Article 12.1).

Article 6 Procedure for Endorsement and Guarantee

- 6.1 In processing an endorsement and guarantee, the relevant department shall submit an endorsement and guarantee application form(13.1), specifying the beneficiary of the endorsement and guarantee, type, reason and amount. The application shall be filed with the finance department of the company. The finance department shall review the application under the endorsement and guarantee application form item by item and make report to Superior approve.
- 6.2 The finance department shall follow procedure to review the application under the endorsement and guarantee application form item by item and make records. The following shall be included:
 - 6.2.1 Necessity and reasonableness of the endorsement and guarantee.
 - 6.2.2 Credit and risk evaluation of the beneficiary of endorsement and guarantee.

- 6.2.3 Impact on the company's operational risk financial status and shareholder interest.
- 6.2.4 Whether collateral should be required and the evaluation value of the collateral.
- 6.3 The finance department shall submit the endorsement and guarantee application stating the relevant scope of endorsement and guarantee, reason and risk evaluation to the chairman for approval. Then a board resolution shall be required. If the proposal is within the authorized amount, the chairman may decide based on the credit level and financial status of the beneficiary of the endorsement and guarantee.
- 6.4 If the beneficiary of the company's endorsement and guarantee is consistent with this procedure but subsequently becomes inconsistent, or if the amount of endorsement and guarantee exceeds the regulated amount due to change of amount limit calculation basis, an improvement plan shall be established for the amount of the endorsement and guarantee for such beneficiary or the portion exceeding the limit to eliminate the inconsistencies. The relevant improvement plan shall be sent to audit committee.

Article 7 Establishment of Reference Book

The finance department shall establish a reference book for endorsement and guarantee matters. After the endorsement and guarantee are approved by the board of directors or decided by the chairman, in addition to filing a request for use of seal, the beneficiary and amount of the endorsement and guarantee, the date of board approval or chairman's decision and the date of the endorsement and guarantee shall be recorded in detail for future reference.

Article 8 Custody of Sample Seal and Procedure for Use

- 8.1 The company shall use the company seal registered with the Ministry of Economic Affairs to be the dedicated seal for endorsements and guarantees. Such seal and relevant instruments shall be kept by dedicated staff designated by the chairman under the authorization of the board of directors. Any change of seal safe-keeper shall be reported to and approved by the board of directors and the seal under the custody shall be handed over.
- 8.2 After the endorsement and guarantee approved by board of director or chairman, finance department shall fill Stamp application form(13.3) with approved record and endorsement and guarantee application form or guarantee notes to financial manager to seal document.
- 8.3 When the Seal safe-keeper uses the seal, it should check whether there is an approval record and whether the application for stamp application is approved by the financial manager and the documents are in conformity.
- 8.4 If the subsidiary of the company intends to endorse the guarantor for others due to business needs, if the subsidiary is established abroad, the seal of the endorsement certificate shall be changed to the local registered company seal as the endorsement guarantee special seal.
- 8.5 If the company provides any guarantee for any overseas company, the guarantee letter issued shall be signed by the chairman or president under the authorization of the board of directors.

Article 9 Decision and Authorization Level

- 9.1 When the company provides an endorsement and guarantee, approval procedures shall be carried out in accordance with Article 6 of this procedure and the endorsement and guarantee shall only be provided after board resolution. However, to meet timing requirements, any single endorsement and guarantee between parent companies and subsidiaries below NT\$200 million (inclusive)(guarantee in accordance with contract for project contracting requirement is below NT\$200 million (inclusive))may be executed by the chairman first with the authorization from the board of directors and then submitted to next the board of directors for ratification.
- 9.2 Any single endorsement and guarantee between the companies and subsidiaries below NT\$1 Billion (inclusive) may be executed by the chairman first with the authorization from the board

of directors and then submitted to next the board of directors for ratification.

- 9.3 If the company provides any endorsement and guarantee exceeding the amount limit provided under the previous article due to business requirements and if the conditions under the endorsement and guarantee procedure of the company are complied with, approval from the board of directors shall be required and the majority of directors shall provide a joint guarantee for the loss that may arise out of the company's exceeding the limit. This procedure shall also be amended and submitted to the shareholder meeting for ratification. If the shareholder meeting does not approve, a plan shall be established with a certain deadline to remove the exceeding portion.
- 9.4 Any subsidiary of which 90% or more voting shares are directly or indirectly held by the company can only provide endorsement and guarantee in accordance with Article 3.5 after submission to and resolution by the board of directors of the company, except endorsement and guarantee among companies whose 100% voting shares are directly or indirectly held by the company.

Article 10 Procedure for Public Announcement

- 10.1 The company shall make a public announcement about the balance amount of endorsement and guarantee by the company and its subsidiaries for the previous month within the 10th day of every month. And provide relevant information on a monthly basis information to the parent company of the group.
- 10.2 When the balance amount of endorsement and guarantee reaches to "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" Article 25 paragraph 1 by the company and its subsidiaries, a public announcement shall be made within 2 days commencing immediately from the date of occurrence. And provide relevant information on a monthly basis information to the parent company of the group.
- 10.3 "Date of occurrence" in these Regulations means the date of contract signing, date of payment, dates of boards of directors resolutions, or other date that can confirm the counterparty and monetary amount of the transaction, whichever date is earlier.

Article 11 Other Matters

- 11.1 Control Procedure for Endorsement and Guarantee by Subsidiary
 - 11.1.1 If any subsidiary of the company contemplates to provide an endorsement or guarantee for any other person, the company shall ensure that such subsidiary proceed in accordance with the endorsement and guarantee procedure established in accordance with the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" by the Securities and Futures Bureau.
 - 11.1.2 If any subsidiary of the company contemplates to provide an endorsement or guarantee for any other person, the subsidiary should submit relevant information to the company and parent company of the group. The subsidiaries that contemplate to provide any endorsement or guarantee for any other person shall only do so following report to and approval from the subsidiaries board of director.
 - 11.1.3 The internal audit staff of the company shall perform regular audit on its subsidiaries about the compliance with their "Endorsement and Guarantee Procedure". After the discoveries and suggestions of the audit report are submitted for approval, the audited subsidiary shall be informed for improvement. Regular follow-up reports shall also be prepared in order to ensure that appropriate and timely improvement measures have been undertaken.
- 11.2 The internal audit staff of the company shall perform audit on the procedure of endorsements and guarantees and the execution regularly. Written records shall be made. If any significant

violation is discovered, audit committee shall be informed in writing immediately.

- 11.3 If any manager or responsible staff of the company carrying out any endorsement or guarantee violates the Procedure sanctions shall be imposed based on the gravity of the matter in accordance with the company's management rules and regular audit reports shall be filed.
- 11.4 The finance department shall prepare a detailed table about the guarantee matters that occurred or cancelled during each month to facilitate control, follow-up and public announcements. In addition, according to "Regulations Governing the Preparation of Financial Reports by Securities Issuers" the probable loss from the endorsement and guarantee shall be evaluated or recognized, and the endorsement and guarantee information shall be properly disclosed in the financial reports relevant information shall be provided to the certifying accountant to execute necessary audit procedure.
- 11.5 Prior to the expiry date of the endorsement and guarantee, the finance department shall take the initiative to inform the beneficiary enterprise of the guarantee to take back guarantee notes left with the bank or the creditor institution and cancel instruments related to the endorsement and guarantee.
- 11.6 If the beneficiary of the endorsement and guarantee is a subsidiary with net value that is less than 1/2 of the paid-in capital, the subsequent relevant control measures shall be specified and the control measures shall be reported to the next board of directors. In the case of a subsidiary with shares having no par value or a par value other than NT\$10, for the paid-in capital in the calculation under subparagraph 11 of the preceding paragraph, the sum of the share capital plus paid-in capital in excess of par shall be substituted.

Article 12 Implementation and Amendment

- 12.1 This procedure shall be implemented following approval by more than half of all audit committee members, submission to the board of directors for further approval and submission to the shareholder meeting for approval. If any director voices any objection by recording or written statement, the company shall also submit the objection to audit committee and shareholder meeting for discussion. The procedure shall be applicable to any amendment hereof.
- 12.2 If approval of more than half of all audit committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.
- 12.3 12.1 All members of the Audit Committee and all board of directors referred to the above paragraph are calculated by the actual incumbent.
- 12.4 When the endorsement and gua 12.2If approval of more than half of all audit committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.rantee procedure is submitted to the board of directors for discussion in accordance with the previous section, opinions from each independent director shall be fully taken into consideration and the specific opinions of approval or objection and the reasons for objection shall be included in the minutes of the board meeting.

Appendix VII Procedures for Loaning of Company Funds < Before the revision >

Procedures for Loaning of Company Funds

Article 1 Purpose and Legal Basis

The company established this procedure in accordance with the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies”. The Company shall follow the Procedures set forth below for lending funds to other parties. Any other matters not set forth in the Procedures shall be dealt with in accordance with the applicable laws, rules, and regulations.

Article 2 Scope

2.1 Funds Borrower

2.1.1 Company or enterprise that has business transactions with the company.

2.1.2 Company requiring short term financing as recognized by the board of directors:

- (1) Company with parent and subsidiary relationship with the company that requires short term financing due to business needs.
- (2) Company or enterprise invested by the company under the equity method that requires short term financing due to procurement of materials or operations.
- (3) Capital lending among overseas companies whose 100% voting shares are directly or indirectly held by the company.

2.1.3 Subsidiary and parent company referred to shall be determined in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers.

2.2 Total Funds Lending Limit

2.2.1 The total amount of funds lending by the company shall not exceed 40% of the company's net value.

2.2.2 The total amount for lending to a company having business relationship with the Company shall not exceed 10% of the company's net value. The individual lending amount shall not exceed the amount of the total transaction amount between the parties during the period of the year prior to the time of lending and shall not exceed 10% of the company's net value. (For the purpose of this Procedure, the "transaction amount" shall mean the sales or purchasing amount between the parties, whichever is higher).

2.2.3 For lending of short term financing, the total lending amount shall not exceed 40% of the company's net value and the individual lending amount shall not exceed 40% of the company's net value. The amount of short term financing means the accumulated balance of short term lending amount by the company.

2.2.4 According to 2.2.2(3) Capital lending among overseas companies whose 100% voting shares are directly or indirectly held by the company is not subject to the restrictions under 2.2.1~2.2.3. The aggregate amount of loans and the maximum amount permitted to a single borrower shall each be prescribed separately for business transactions and for short-term financing respectively.

2.2.5 "net worth" in these Regulations means the balance sheet equity attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

2.3 Term of Capital Financing

2.3.1 Short term financing requirement with the company means a term that is one year or one business cycle (whichever is longer).

2.3.2 In case of any special situation and subject to the approval of the board of directors, lending may be extended upon expiry based on the actual situation. (To once only, and

shall not exceed one year). The term of short term financing each loan extended by the Company shall not exceed one year and no extension by the board of directors.

2.4 Interest Calculation of Capital Financing

The company may waive interest for funds lending to any company whose 100% voting shares are held directly or indirectly by the company. For other lending to companies or enterprises approved by the company, interest shall accrue at the basic lending rate of the Bank of Taiwan for the current month plus 2%. If the borrower fails to perform the financing contract, monthly interest shall accrue at the original interest rate times 1.1 starting from the date of violation of the financing contract.

Article 3 Decision Level

- 3.1 When the company contemplates to lend funds, a resolution by the board of directors shall be required. No other person shall be authorized to make the decision.
- 3.2 For funds lending between the company and its subsidiary or among the company's subsidiaries, the board of directors may authorize the chairman to approve several drawdowns or revolving drawdowns by the same borrower within a period of one year within a certain amount resolved by the board of directors. Other than overseas companies whose 100% voting shares are directly or indirectly held by the company, the authorized amount of funds lending from the company or the subsidiary to any single enterprise shall not exceed 10% of the net value on the company's latest financial statements.

Article 4 Operating procedures

4.1 Loan Application

Any borrower, when applying for a loan from the Company, shall submit an application (10.1) describing in detail the loan amount requested, term, purpose and collateral to the Company. After the application approved by Business Unit submit to finance department to facilitate the evaluation and credit checking by the Company.

- 4.2 For funds lending to subsidiary and parent company, may be waived to facilitate the evaluation and credit checking by the company.

4.3 Loan Approval

4.3.1 Evaluation Criteria

- (1) Due to the business loan relationship, it is necessary to clearly determine whether the loan amount and the amount of business transactions are equivalent.
- (2) For lending of short term financing, the reasons and circumstances of the loan and funds should be listed.

4.3.2 Review Procedure

- (1) Necessity and reasonableness of funds lending.
- (2) Credit and risk evaluation of the borrower.
- (3) Impact on the company's operational risk, financial status and shareholder interest.
- (4) Whether collateral should be obtained and evaluation of the collateral's value.

- 4.3.3 Following credit verification or verification, if the lending will not be released because the borrower has bad credit or if the purpose for the loan is inappropriate, the processing staff shall seek approval for the reason for decline and inform the borrower timely.

- 4.3.4 Following review and evaluation, for cases with good credit, appropriate lending purpose, the finance department shall fill in the credit report and opinions, and propose to lend the conditions of the loan, review it by the chairman and report it to the board of directors.
- 4.3.5 After a lending case is approved, the processing staff shall inform the borrower by letter or telephone as soon as possible, detailing the company's lending conditions, including the amount, duration, interest rate, collateral, insurance and guarantor and require the borrower to sign a contract and carry out a collateral pledge and guarantor procedure within a deadline.
- 4.4 Contract Signing and Guarantor
- 4.4.1 For any lending case, the processing staff shall draft the contract provisions.(9.2) The procedure for contract signing shall then be carried out.
- 4.4.2 After signatures by the borrower and the joint liability guarantor on the contract, the processing staff shall carry out the guarantee procedure.
- 4.5 Collateral rights setting
IF any other borrower provide a collateral as requested by the Company in an amount equivalent to that of the loan, the processing department shall appraisal of collateral, legal procedures for mortgage and/or lien must be fulfilled to protect the Company's interest
- 4.6 Insurance
- 4.6.1 All collateral, except land and securities, shall be covered by property damage insurance. For vehicles, comprehensive insurance shall be procured. The insured amount shall, in principle, be not less than the replacement cost of the collateral. The insured object, quantity, location and coverage conditions must be consistent with the requirements of the Company. If a building does not have a street number at the time of creation of collateral, the address shall be indicated by the land section and land number where it is located. The Company shall be named as the beneficiary of the insurance.
- 4.6.2 The insurance period shall cover the funds lending period. If approval is obtained to extend the lending period, the processing staff shall duly inform the borrower to continue the insurance prior to the expiry of the insurance period.
- 4.7 Advance
The processing department shall only release the amount after the borrower has signed the contract, submitted promissory note and loan contract, then completed registration of mortgage creation on the collateral.
- 4.8 Entry account
The company to complete each funds and loan procedures, should be prepared by the processing department guarantees or credit guarantee of journal voucher, filed with the accounting unit posted to necessary account books
- 4.9 Repayment
When the borrower repays the loan on or before the due date, interest payable shall first be calculated and paid together with the principal. Then the promissory note shall be returned to the borrower.
- 4.10 Lien Cancellations
The borrower to apply for cancellation of mortgage right, it should first find out whether the principal and interest of the loan have been fully settled, and the liquidity can be agreed to apply for the mortgage of the mortgage.
- 4.11 Overdue Debt
- 4.11.1 The borrower shall repay the principal and interest when the lending is due. If the borrower cannot repay and needs an extension, it shall file a request in advance for

approval by the board of directors. Each extension of repayment shall in accordance with Article 2.3.2. In case of any violation, the company shall carry out disposal and claim in accordance with law on the collateral provided or against the guarantor.

4.11.2 The company shall accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers to evaluate the funds lending situation and make appropriate bad debt provision. Relevant information shall also be disclosed in the financial reports. Relevant information shall be provided to the certifying accountant to perform the necessary audit procedure.

4.12 Subsequent Control Measures for Amount Advanced

4.12.1 Extension

Before the due date, the company shall inform the borrower repays the loan on the due date or extend the borrowing. If the borrower wishes to extend the borrowing before the due date, a new application shall be filed in accordance with this procedure.

4.12.2 Case registration and custody

- (1) The company shall establish a reference book for carrying out funds lending matters, recording in detail for future reference the funds borrower, amount, date of board approval, date of funds lending and matters requiring careful evaluation in accordance with Article 4.3.2.
- (2) After lending is advanced, the financial, business and credit situation of the borrower and the guarantor shall be monitored. Verifications shall be made as to whether the value of collateral (pledge) has been changed. Any significant change shall be immediately reported to the chairman and handled in accordance with the chairman's instructions.
- (3) The internal audit shall perform regularly inspection and evaluation of the performance of the above provisions and written records shall be prepared. In case of any significant violation, all audit committee shall be notified in writing.
- (4) Should a borrower no longer satisfy the criteria set forth in the relevant regulations and/or these Procedures or there be any excess over the lending limit due to unexpected changes of the Company, a corrective plan has to be provided to the Audit Committee and the proposed correction actions should be implemented within the period specified in such plan.
- (5) Every month, the processing staff shall prepare a funds lending details table for the previous month and submit it to the persons with due authority for review and approval.

Article 5 Public Announcement

- 5.1 A public announcement shall be made by the 10th day of each month about the balance of funds lending by the company and its subsidiaries for the previous month. And provide relevant information on a monthly basis information to the parent company of the group.
- 5.2 If the balance of funds lending of the company and subsidiary, reaches Article 22 first paragraph of "Regulations Governing Loaning of Funds and Making of Endorsements /Guarantees by Public Companies" by the Securities and Futures Bureau, a public announcement shall be made within 2 days commencing immediately from the date of occurrence. And provide relevant information on a monthly basis information to the parent company of the group.
- 5.3 "Date of occurrence" in these Regulations means the date of contract signing, date of payment, dates of boards of directors resolutions, or other date that can confirm the counterparty and monetary amount of the transaction, whichever date is earlier.

Article 6 Control Procedure for Funds Lending by Subsidiary

- 6.1 When the subsidiary of the company contemplates to lend funds, the company shall ensure that the subsidiary performs in accordance with the funds lending procedure established in accordance with the “Regulations Governing Loaning of Funds and Making of Endorsements/ Guarantees by Public Companies” by the Securities and Futures Bureau.
- 6.2 When fund-lending to other parties is contemplated by the subsidiary of the Company, relevant information should be submitted to the company and approved by the Board of Directors of the subsidiary.
- 6.3 The company’s internal audit staff shall perform regular audit on the compliance by each subsidiary to its “Funds Lending Procedure” and make audit reports. The discoveries and suggestions of the audit report shall be explained and notified to each audited subsidiary for improvement. Regular follow-up reports shall be made to ensure that appropriate improvement measures have been undertaken in time.

Article 7 Penalty

If any manager and responsible staff of the company violates the Procedure of the company, a sanction shall be imposed based on the gravity of the matter in accordance with the company’s work rules, with regular report and audit.

Article 8 Implementation and Amendment

- 8.1 This procedure shall be implemented after it is approved by more than half of all audit committee members, submitted to the board of directors for further approval and submitted to the shareholder meeting for approval. If any director voices any objection by recording or written statement, the company shall submit the objection to the audit committee and shareholder meeting for discussion. The same procedure shall be applicable to any amendment hereof.
- 8.2 If approval of more than half of all audit committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.
- 8.3 8.1 All members of the Audit Committee and all board of directors referred to the above paragraph are calculated by the actual incumbent.
- 8.4 When the funds lending procedure is submitted to the board of directors for discussion in accordance with the previous section, opinions from each independent director shall be fully taken into consideration and the specific opinions of approval or objection and the reasons for objection shall be included in the minutes of the board meeting.

Appendix VIII Regulations Governing Remuneration Paid to Directors < Before the revision >

Regulations Governing Remuneration Paid to Directors

Article 1 In order to follow the company's director's rewards, special measures have been established.

Article 2 The directors' rewards mentioned in these Measures refer to the following:

1. Remuneration of directors based on the Articles of Incorporation (refers to salary, position bonuses, various bonuses, severance payments, bonuses, etc.) Excluding business execution expenses, including fees paid for seats and special expenses during the meeting, various allowances, dormitories, cars, etc. provided in kind.
2. According to the Articles of Incorporation, directors' rewards are paid annually.

Article 3 The amount of remuneration and distribution method

1. Independent director, whose fixed remuneration does not exceed NT\$50,000 per month authorizing the Board of Directors to decide not to participate in the annual directors' remuneration.
2. Directors' fees: Each time the Board of Directors pays NT\$6,000, according to the actual attendance calculation, the payment is paid after each meeting.
3. Directors attendance fee: Each time the Board of Directors pays the new Taiwanese dollar Lu Yuyuan, according to the actual attendance calculation (including the video conferencing method), payment is made after each meeting.
4. When the Company directors act as managers or employees, they are treated as employees of the Company to receive salary, bonuses and bonuses.
5. For directors other than the above listed independent directors, their remuneration is distributed in accordance with the total amount of directors awarded through the annual allocation of the Board of Directors in the following ways:
 - (1). The directors are each 1 basis point. For those who are less than one year old, the number of points is calculated based on the ratio of the total number of elected months to the whole year. If the resignation period is not included in the calculation of the year of remuneration, the resignation shall not be included in the calculation.
 - (2). Increase the number of director positions by 0.5 basis points.
 - (3). If the director has an increase of 0.5 basis point for the company's endorsement guarantor in the year of assigning compensation.
 - (4). Remuneration for individual directors: The total base points for directors divided by the total base points for all directors participating in the distribution, and then multiplied by the total amount of directors paid through the Board of Directors for that year.
6. If legal directors need to actually participate in the company's business operations, they will be paid NT\$50,000 per month fee after being confirmed by the board of directors.

Article 4 The present Measures shall come into effect after being resolved by the shareholders' meeting, and shall also be the same when amended.

Appendix IX Shareholding of Directors

1. The company's registered capital was NT\$500,000,000, paid-in capital was NT\$339,280,000, and the number of issued capital was 33,928,000 shares.
2. According to the public issuer's directors, the number of shares of the supervisor, and the inspection and implementation of Procedures Article 2(1) to (2) and the proviso of the proviso, the total number of shares held by the company's directors shall be calculated in accordance with paragraph 2, but if it is lower than the first maximum total number of shares, it shall be calculated in accordance with the maximum total number of shares in the first paragraph, that is not less than 15 percent of 30,000,000 shares. Based on this, the total number of shares held by the Company's total directors Should be 4,500,000 shares; also the Company has elected independent director of four persons. According to the second item of the same law, the total number of directors of independent directors will be reduced to 80% according to the above-mentioned ratio of shareholdings. The number of statutory shares to be held is 3,600,000 shares, and the company has an audit committee. Therefore, there is no applicability of the statutory shares that should be held by the supervisor.
3. Ye, Shu, Independent director of the company due to personal reason resigned on October 4, 2018.
4. The record of the shareholder's meeting transfer cancellation date (March 26, 2019) is cut off. The status of individual and all directors held by the shareholder list is as follows:

Title	Name	Number of shares held	Shareholding ratio
Chairman	Representative of ACTER CO., LTD: Liang, Chin-Li	21,098,179	62.19%
Director	Representative of ACTER CO., LTD: Hsu, Chung-Cheng		
Director	Representative of ACTER CO., LTD: Wu, Bi-Hui		
Independent Director	Chi, Chih-Yi	0	0%
Independent Director	Yang ,Sheng-Yung	0	0%
Independent Director	Li, Cheng	0	0
Total shareholding by all directors		21,098,179	62.19%

Appendix X The other explanation

1. The company's response about shareholder's proposal in this Annual Shareholder's Meeting :
 - (1) According to the Article 172-1 of the Company Act, Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal and the number of words of a proposal to be submitted by a shareholder shall be limited to not more than three hundred (300) words.
 - (2) The company has announced that the shareholders can submit proposals to be discussed at the meeting on the Market Observation Post System. The period is March 11, 2019 to March 20, 2019.
 - (3) The company had not received any proposals from shareholders.
2. The company's response about the list of nominated in this Annual Shareholder's Meeting :
 - (1) According to the article 192-1 of the Company Act, both shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company and the Board meeting may propose to the company the nomination for election at a regular shareholders' meeting.
 - (2) The company has announced that the shareholders can submit nominations to be elected at the meeting on the Market Observation Post System. The period is March 11, 2019 to March 20, 2019.
 - (3) The company has announced matters about nomination in accordance with the legal procedures. The list of nominated has been reviewed by the Board meeting on April 1, 2019 and is proposed to release the restriction on competitive activities for the nominated, who participate in the operations of other company that engages in the same or similar business as the Company.
3. Influence of Proposed Stock Dividend Distribution upon 2018 Operating Performance and Earnings Per Share :

The company proposed to distribute cash dividend, so it is not applicable.