

Stock Code
6414



Ennoconn Corporation

Handbook for 2022 Annual Shareholders' Meeting

June 23, 2022

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Ennoconn Corporation
Procedures for 2022 Annual Shareholders' Meeting

Meeting Time: 9:00 am on June 23, 2022

Meeting Place: 4/F, No. 10, Jiankang Rd., Zhonghe Dist., New
Taipei City

- I. Report on the Number of Shares Represented
by Shareholders Present at the Meeting
- II. Announcement of Commencement of the
Meeting
- III. Chairperson's Speech
- IV. Matters to be Reported
- V. Matters to be Recognized
- VI. Matters to be Discussed
- VII. Election
- VIII. Other Proposals to be Discussed
- IX. Extempore Motion
- X. Adjournment

Ennoconn Corporation

Agenda of 2022 Annual Shareholders' Meeting

I. Chairperson's Speech

II. Matters to be Reported

- (I) The Company's 2021 Business Report.
- (II) The Company's 2021 Audit Report issued by Audit Committee.
- (III) Report on distribution of directors' compensation and employee compensation by the Company in 2021.
- (IV) Report on issuance of the Company's first domestic privately-placed unsecured convertible bonds in 2021.
- (V) Report on issuance of the Company's privately-placed common shares in 2022.
- (VI) Report on issuance of the Company's fourth domestic unsecured convertible bonds in 2021.

III. Matters to be Recognized

- (I) Recognition of the Company's 2021 Financial Statements and Business Report.
- (II) Recognition of the Company's 2021 Earnings Distribution Plan.

IV. Matters to be Discussed

- (I) Discussion on proposal for on issuance of cash from capital reserve.
- (II) Proposal for amendment to the Company's "Articles of Incorporation".
- (III) Proposal for amendment to the Company's "Procedures for Acquisition or Disposal of Assets".

(IV) Proposal for amendment to the Company's "Rules of Procedures of the Shareholders' Meeting".

V. Election

Election of the directors (including independent directors) for the Company's 10th Board of Directors

VI. Other Proposals to be Discussed

The proposal for releasing the Company's new directors (including independent directors) from non-competition restriction

VII. Extempore Motion

VIII. Adjournment

Matters to be Reported

Proposal 1: The Company's 2021 Business Report is submitted for review.

Explanation:

- I. Please refer to Annex 1 (on page 23) for the Business Report.
- II. Please refer to Annex 3 (on page 26 to 44) for Financial Statements.

Proposal 2: The Company's 2021 Audit Report issued by Audit Committee is submitted for review.

Explanation: Please refer to Annex 2 (on page 25) for 2021 Audit Report issued by Audit Committee.

Proposal 3: Distribution of directors' compensation and employee compensation by the Company in 2021 is reported for review.

Explanation:

- I. The Company distributed NT\$36,000,000 of cash employee compensation, and NT\$3,060,000 of directors' compensation, in total in 2021, respectively accounting for 2.70% and 0.23% of the profits specified in the final account of 2021.
- II. The above-mentioned distributed employee compensation and directors' compensation are the same with the estimated amounts presented in 2021 account, and no adjustment is required.

Proposal 4: Issuance of the Company's first domestic privately-placed unsecured convertible bonds in 2021 is reported for review.

Explanation:

- I. The Company, through the resolution made at the annual Shareholders’ Meeting on August 3, 2021, authorized its Board of Directors to issue domestic unsecured convertible bonds, with a total amount of NT\$1.5 billion as a upper limit (each with a denomination of NT\$100,000 only), at one time within one year after the date of resolution made by extraordinary Shareholders’ Meeting.
- II. The amount raised by the Company through the first domestic privately-placed unsecured convertible bonds is NT\$1.5 billion, and the raised funds have been received in full on August 23, 2021. The issuance period is from September 2, 2021 to September 2, 2026.
- III. Subject to the “Directions for Public Companies Conducting Private Placements of Securities”, please refer to the following table for the issuance status of the Company's first domestic privately-placed unsecured convertible bonds.

Item	The first domestic privately-placed unsecured convertible bonds in 2021 Issuance date: September 2, 2021
Type of privately-placed bonds	Domestic unsecured convertible bonds
Date of approval, and amount approved, by Shareholder’ Meeting	August 3, 2021, within the limit of NT\$1.5 billion
Basis for determination, and reasonableness, of price	<ol style="list-style-type: none"> 1. The basis for determining such price of the privately-placed bonds as resolved at the Company’s 2021 annual Shareholders’ Meeting is as follows: The issuance price of these convertible bonds shall not be lower than 80% of their theoretical value. 2. These convertible bonds shall be issued based on their par value in full (each with a denomination of NT\$100,000), and 15,000 bonds will be issued this time, with a total amount of NT\$1.5 billion. The issuance price of this convertible corporate bond shall not be lower than 80% of its theoretical value, and its theoretical value is NT\$112 according to the Pricing Theory for and Valuation Report on the First Domestic Privately-placed Unsecured Convertible bonds of Ennoconn Corporation issued by Doctorone Financial Technology Co., Ltd. on August 10, 2021.

	<p>3. August 11, 2021 is used as the base date for determining the conversion price (hereinafter referred to as “price determination date”), and the conversion price of these privately-placed convertible bonds is determined by multiplying 98% by the benchmark calculation price calculated as follows, whichever is the higher: (I) the simple arithmetic average of the closing prices of the Company’s common shares in the one, three or five business days before the price determination date, minus share XR price and dividends, plus capital decrease-based subscription price, or (II) the simple arithmetic average of the closing prices of the Company’s common shares in the 30 business days before the price determination date, minus share XR price and dividends, plus capital decrease-based subscription price (the conversion price shall be calculated to one figure after decimal point, and two or more figures after decimal point shall be rounded up). If there is any XR or XD before the price determination date, the closing price to be used for calculation of conversion price shall be calculated into post-XR or -XD price.</p> <p>4. According to the aforementioned price determination basis, August 11, 2021 is adopted as conversion price determination date, and NT\$225.2, i.e. the higher of the average closing prices of common shares in the one, three, five or 30 business days before the determination date (exclusive) (NT\$215.0, NT\$218.8, NT\$221.6 and NT\$225.2 respectively), is chosen as the benchmark calculation price for these privately-placed convertible bonds.</p> <p>5. The Board of Directors resolved that the conversion price of these privately-placed convertible bonds is NT\$220.7 per share, and the conversion price is calculated by multiplying benchmark calculation price by 98%.</p>				
Selection of specific persons	<p>The objects of these domestic privately-placed convertible bonds are limited to the specific persons who comply with Article 43-6 of the Securities and Exchange Act and (91) Tai Cai Zheng Yi Zi No. 0910003455 rule issued by the Financial Supervisory Commission under The Executive Yuan on June 13, 2002.</p> <p>The subscribers of these domestic privately-placed convertible bonds determined at the Board of Directors’ meeting on August 11, 2021 are:</p> <ol style="list-style-type: none"> 1. Hsiang Fa Co. 2. VIA Technologies, Inc. 3. VIA Labs, Inc. 4. Zhuo Yi Er Investment Limited Partnership 				
Necessary reasons for issuance of private placement	<ol style="list-style-type: none"> 1. It is necessary for introducing strategic investment partners to meet the needs for the Company's future operating and development strategies, and privately-placed unsecured convertible bonds are subject to the regulation that they cannot be transferred freely within three years, which will further ensure a long-term cooperative relation between the Company and the subscribers. 2. It is also conducive to achievement of the purpose of introducing strategic investors in consideration of the quick and easy characteristics of private placement, and issuance at an appropriate time will also effectively improve the flexibility of the Company's fund-raising. 				
Price payment completion date	August 23, 2021				
Subscriber's information	Objects of Private Placement	Qualifications	Subscribed Amount (NT\$)	Relation with the Company	Participation in the Company's Operating
	Hsiang Fa Co.	Subparagraph 2, Paragraph 1, Article 43-	1,000,000,000	Strategic investor	None

		6 of the Securities and Exchange Act			
	VIA Technologies, Inc.	Subparagraph 2, Paragraph 1, Article 43-6 of the Securities and Exchange Act	200,000,000	Strategic investor	None
	VIA Labs, Inc.	Subparagraph 2, Paragraph 1, Article 43-6 of the Securities and Exchange Act	100,000,000	Strategic investor	None
	Zhuo Yi Er Investment Limited Partnership	Subparagraph 2, Paragraph 1, Article 43-6 of the Securities and Exchange Act	200,000,000	Strategic investor	None
Actual subscription (or conversion) price (Note 7)	NT\$220.7				
Difference between actual subscription (or conversion) price and reference price (Note 7)	98%				
Impact of private placement on shareholder's equity (such as increase in accumulated losses...)	None				
Use of the funds obtained through private placement and implementation progress of plan	Fund-raising through the Company's first domestic privately-placed unsecured convertible bonds has been completed in September 2021, and the raised funds are NT\$1,500,000 thousand, which have been used for increasing working capital in full as planned in the fourth quarter of 2021 to enhance the Company's financial structure and improve its solvency.				
Benefits of private placement	The raised funds have been used for increasing working capital to enhance the Company's financial structure and improve its solvency.				

Proposal 5: Issuance of the Company's privately-placed common shares in 2022 is reported for review.

Explanation:

- I. The Company, through the resolution made at the extraordinary Shareholders’ Meeting on January 4, 2022, authorized its Board of Directors to issue domestic privately-placed common shares to introduce strategic investors, with the number no more than 5,000,000 shares as a upper limit (each with a denomination of NT\$10 only), at one time within one year after the date of resolution made by the extraordinary Shareholders’ Meeting.
- II. The Company has issued NT\$1,107,369,600 of privately-placed common shares in 2022, and the payment for such shares have been received in full on January 11, 2022, and issuance and delivery of the shares have been completed on January 26, 2022.
- III. Subject to the “Directions for Public Companies Conducting Private Placements of Securities”, please refer to the following table for the issuance status of the Company's privately-placed common shares in 2022.

Item	The 1st privately-placed common shares for capital increase in cash in 2022 Issuance date: January 26, 2022
Type of privately-placed bonds	Common shares
Date of approval, and amount approved, by Shareholder’ Meeting	January 4, 2022, issuance of no more than 5,000,000 common shares
Basis for determination, and reasonableness, of price	<p>The issuance price of these privately-placed common shares shall be determined on the basis that it shall be no less than 80% of the reference price. Reference price for these privately-placed common shares shall be the higher of the amounts calculated as follows:</p> <p>A. The simple arithmetic average of the closing prices of the common shares in the one, three or five business days before the price determination date, minus share XR price and dividends, plus capital decrease-based subscription price.</p> <p>B. The simple arithmetic average of the closing prices of the common shares in the 30 business days before the price determination date, minus share XR price and dividends, plus capital decrease-based subscription price.</p> <p>The price determination date for this private placement is January 4, 2022, and NT\$232.1, i.e. the price calculated according to the afore-mentioned price determination principle that “the simple arithmetic average of the</p>

	<p>closing prices of the common shares in the five business days before the price determination date, minus share XR price and dividends, plus capital decrease-based subscription price”, shall be the reference price. NT\$226.92 is determined as the price for this private placement, which is 97.77% of the reference price and is no lower than the minimum amount resolved at the Shareholder’ Meeting. The price for this private placement is determined, in accordance with the resolution made by the Shareholders' Meeting and laws and regulations, by referring to market conditions and the Company's future prospects, and thus is reasonable.</p>				
Selection of specific persons	<p>The objects of these privately-placed common shares are limited to the specific persons who comply with Article 43-6 of the Securities and Exchange Act and the related regulations issued by competent authorities and who are not the Company's internal or related persons. The subscribers determined at the Company's Board of Directors’ meeting on January 4, 2022 is Google International LLC, which does not have any relation with the Company.</p>				
Necessary reasons for issuance of private placement	<p>In terms of operating results, the Company is profitable and suffers no accumulated loss in recent years, but the Company needs to introduce strategic investment partners to satisfy the needs for the Company's future operating and development strategies, and privately-placed bonds are subject to the regulation that they cannot be transferred freely within three years, which will further ensure a long-term cooperative relation between the Company and the subscribers. In addition, authorization to the Board of Directors to conduct private placement at an appropriate time depending on the Company's demands for operating and development will also effectively improve the flexibility of the Company's fund-raising, therefore, the Company issues bonds on a private placement basis instead of public offering. It is expected to develop customers at different levels, accelerate the growth of the Company's performance, improve the Company's competitiveness in operating, and benefit shareholders in term of their equity, through implementation of this plan.</p>				
Price payment completion date	January 11, 2022				
Subscriber's information	Objects of Private Placement	Qualifications	Number Shares Subscribed Subscribed Amount	Relation with the Company	Participation in the Company's Operating
	Google International LLC	Subparagraph 2, Paragraph 1, Article 43-6 of the Securities and Exchange Act	4,880,000 shares NT\$1,107,369,600	Strategic investor	None
Actual subscription (or conversion) price	Issuance price for this private placement is determined at NT\$226.92 per share.				
Difference between actual subscription (or conversion) price and reference price	97.77%				
Impact of private placement on shareholder's	None				

equity (such as increase in accumulated losses...)	
Use of the funds obtained through private placement and implementation progress of plan	Fund-raising through issuance of the Company's 2022 privately-placed common shares for capital increase in cash has been completed in January 2022, and the raised funds are NT\$1,107,369,600, which have been used in full for repayment for the Company overseas first unsecured convertible bonds as planned in the first quarter of 2022 to enhance the Company's financial structure and improve its solvency.
Benefits of private placement	The raised funds have been used in full for repayment for the Company overseas first unsecured convertible bonds to enhance the Company's financial structure and improve its solvency.

Proposal 6: Fund-raising through issuance of the Company's fourth domestic unsecured convertible bonds in 2021 is reported for review.

Explanation:

- I. In order to repay loans to bank and increase working capital and due to other demands, the Company issued the fourth domestic unsecured convertible bonds (code 64144) as follows:

Date/Type	The fourth domestic unsecured convertible bonds in 2021
Approval date	July 12, 2021
Issuance date	November 16, 2021
Maturity date	November 16, 2026
Total issuance amount	NT\$1,005,000,000
Issuance denomination	Each with a denomination of NT\$100,000.
Issuance price	Issuance based on 100% of par value.
Listing or issuance place	OTC
Conversion price upon issuance	NT\$219.1
Conversion period	February 17, 2022 to November 16, 2026
Coupon rate	0%
Method of repayment	The Company will make repayment by lump sum in cash for the bonds held by the bonds holders based on the

	denomination upon maturity of such bonds, unless the convertible bonds are converted into the Company's common shares by their holders according to Article 10 of the Rules Governing Conversion of Convertible bonds, or redeemed by the Company ahead of schedule according to Article 17 of these rules, or bought back from the business place of securities firm and canceled, or their holders exercise their rights to sell them back according to Article 18.
Trustee	Bank SinoPac Co., Ltd.
Payment and conversion agency	Grand Fortune Securities Co., Ltd.
Implementation status of funds use plan	The funds have been used in full for repayment of loan to bank as planned in the fourth quarter of 2021.
Remarks	The bonds holders have applied for converting their bonds into NT\$0, and the bonds have been converted into 0 common shares accumulatively, as of April 25, 2022, i.e. the conversion stopping date of the convertible bonds.

Matters to be Recognized

(Proposed at Board of Directors' Meeting)

Proposal 1: The Company's 2021 Financial Statements and Business Report are submitted for recognition.

Explanation:

- I. The Company's 2021 Financial Statements have been prepared, approved by the resolution of the Company's Board of Directors, and audited by the CPAs Hui-Chih Kou and Hsin-I Kuo from KPMG in Taiwan, and submitted to and audited by Audit Committee together with Business Report, and Audit Report has been issued.
- II. Please refer to Annex 1 (on page 23) for the Business Report, and refer to Annex 3 (on page 26 to 44) for relevant Financial Statements.

Resolutions:

(Proposed at Board of Directors' Meeting)

Proposal 2: The Company's 2021 Earnings Distribution Plan is submitted for recognition.

Explanation:

- I. Subject to Company Act and Articles of Incorporation, the Company intends to distribute NT\$318,111,057 of dividends to shareholders, i.e. NT\$3 per share of cash dividends and NT\$318,111,057 of cash dividends in total. The Company's 2021 Earnings Distribution Table is specified in the following page.
- II. These dividends are calculated to the figure immediately before decimal point and are rounded up, and the total amount of the dividends less than NT\$1 upon distribution is recorded into the Company's other income.
- III. After this proposal is approved at this annual Shareholders'

Meeting, chairman will be authorized to establish base date and issuance date and deal with other matters related to distribution of cash dividends.

- IV. Chairman will be granted with full authorization to make adjustment, in case of any change to shareholder's payout ratio due to impact of any changes in the Company's share capital on the number of outstanding shares after distribution of earnings this time.

Ennocom Corporation
Earnings Distribution Table



2025

Unit: NT\$

Item	Amount
Opening undistributed earnings	577,576,045
Current net profits	1,334,943,764
Retained earnings from re-measurement of defined benefit plan	4,647,848
Retained earnings from adjustment to the investment using equity method	(698,556,318)
Adjustment to previous profits or losses	(61,440,623)
Amount of current net profits after tax plus the items other than current net profits after tax recorded	
current undistributed earnings	579,594,671
Less: statutory surplus reserve withdrawn	(57,959,467)
Less: special surplus reserve withdrawn	(757,566,039)
Current distributable earnings	341,645,210
Item	
Shareholders' dividends (cash dividends distributed from surplus) -NT\$3 per share	(318,111,057)
Total shareholder's dividends	(318,111,057)
Ending undistributed earnings	23,534,153

Chairman: Fu-Chuan Chu
You-Mei Wu



Managerial Officer: Neng-Chi Tsai



Accounting Supervisor:



Resolutions:

Matters to be discussed

(Proposed at Board of Directors' Meeting)

Proposal 1: Proposal for issuance of cash from capital reserve is submitted for discussion and review.

Explanation:

- I.I. The Company intends to distribute cash from NT\$424,148,076 of the capital reserve obtained from issuance of common shares at premium exceeding denomination in accordance with Article 241 of the Company Act, and it is expected to distribute and issue NT\$4 per share based on shareholders' shareholding recorded in the Register of Shareholders on the base date of issuance of cash from capital reserve. The cash to be issued is calculated to the figure immediately before decimal point, and the total amount of the cash less than NT\$1 upon distribution is recorded into the Company's other income.
- II. After this proposal is approved at the annual Shareholders' Meeting, chairman will be authorized to establish issuance base date and deal with other related matters.
- III. The Shareholders' Meeting is proposed to grant chairman with full authorization to make adjustment, in case of any change to shareholder's payout ratio due to impact of any changes in the Company's share capital on the number of outstanding shares after this issuance of cash from capital reserve.

Resolutions:

(Proposed at Board of Directors' Meeting)

Proposal 2: Proposal for amendment to the Company's Articles of Incorporation is submitted for discussion and review.

Explanation: Subject to the provision of Company Act that cash dividends may be issued by public companies through special resolution made at its Shareholders' Meeting and Board of Directors' meeting held by

video, the Company amends partial terms and provisions of its “Articles of Incorporation”. Please refer to Comparison Table.

Resolutions:

(Proposed at Board of Directors’ Meeting)

Proposal 3: Proposal for amendment to the Company's “Procedures for Acquisition or Disposal of Assets” is submitted for discussion and review.

Explanation: Subject to Jin Guan Zheng Fa Zi No. 1110380465 order issued by Financial Supervisory Commission on January 28, 2022, the Company amends partial terms and provisions of its “Procedures for Acquisition or Disposal of Assets”, in order to strengthen the management on the transactions with related persons, improve the quality of opinions issued by external professional persons, and relax disclosure of information about some transactions. Please refer to Comparison Table.

Resolutions:

(Proposed at Board of Directors’ Meeting)

Proposal 4: Proposal for amendment to the Company's “Rules of Procedures of the Shareholders' Meeting” is submitted for discussion and review.

Explanation: Relevant provisions about Shareholders’ Meeting by video are added and partial terms and provisions of the Company’s “Rules of Procedures of the Shareholders' Meeting” are amended, in response to amendment to Article 172-2 of the Company Act, Tai Zheng Zhi Li Zi No. 1100001446 Announcement of Taiwan Stock Exchange Corporation issued by Taiwan Stock Exchange on January 28, 2021, and the regulation that public companies may hold Shareholders’ Meeting by video. Please refer to Comparison Table.

Resolutions:

Election

(Proposed at Board of Directors' Meeting)

Proposal 1: The proposal for election of seven directors (including four independent directors) for the Company's 10th Board of Directors is submitted for election.

Explanation:

- I. The tenure of the members of the Company's 9th Board of Directors will expire on June 27, 2022, and the Company plans to elect seven directors (including four independent directors) for its Board of Directors according to its Articles of Incorporation. Candidate nomination system shall be adopted for election of directors (including independent directors) for the Company, and directors (including independent directors) shall be elected by shareholders from the list of candidate directors.
- II. The tenure of new directors (including independent directors) starts from June 23, 2022 to June 22, 2025.
- III. The list of candidate directors (including independent directors) has been approved at the 20th session of the Company's 9th Board of Directors' meeting. Please refer to their educational background, experience and other relevant information.

Title	Name	Main experience and educational background	Currently holding positions in the company and other companies
Director	Fu-Chuan Chu	Department of Electronic Engineering, Xinqu Institute of Technology Senior Associate of HON HAI PRECISION IND. CO., LTD.	Chairman and CEO of the Company
Director	Bon Shin International Investment Co., Ltd.	-	-

Title	Name	Main experience and educational background	Currently holding positions in the company and other companies
Director	Legal Representative of Bon Shin International Investment Co., Ltd.: Mei-Hui Hong	Master of Business Administration, National Chengchi University	Chief Financial Officer of HON HAI PRECISION IND. CO., LTD.
Director	Legal Representative of Bon Shin International Investment Co., Ltd.: Chuan-Wang Chang	Master of Advanced Business Administration, Feng Chia University	Operations Management Associate of HON HAI PRECISION IND. CO., LTD.
Independent Director	Miao-Xin Wen	Rutgers University, New Jersey, USA. MBA	Former Vice President of Citibank Financial Markets and Securities Services Group
Independent Director	Feng-Gan Chang	Double Master of Accounting and Tax Law, State University of New York Department of Accounting, National Cheng Kung University	The responsible person of Mazars CPA Limited
Independent Director	Yu-Hui Su	PhD in Business Administration, National Taiwan University Chairperson of the Department of Accounting, Soochow University Adjunct Professor of the Department of Accounting, National Taiwan University Director of the Taiwan Accounting Association	Professor of the Department of Accounting, Soochow University Independent Director of In Win Development Inc. Independent Director of Makalot Industrial Co., Ltd Independent Director of Formosa Pharmaceuticals, Inc. Supervisor of China Steel Security
Independent Director	Xin-Yi Zhan	EMBA of National Taiwan University Master of Finance, Boston University Bachelor of Accounting, National Taiwan University	Independent Director of Aimler Automobile Electric Co., Ltd. Chairman of Huanghui Biotechnology Co., Ltd. Chairman of Junchang Co., Ltd. Chairman of Jianlian Investment Co., Ltd. Chairman of Shuoren Lixin Co., Ltd. Chairman of Weihai

Title	Name	Main experience and educational background	Currently holding positions in the company and other companies
			Material Technology Co., Ltd. Director of Lianxing Information (Stock) Co., Ltd. Director of Taiwan Benli Social Business Co., Ltd. Supervisor of Tomorrow Studio Co., Ltd. Supervisor of Shunlai Enterprise Management Huiwen Co., Ltd. Supervisor of Qianxiang Wancai Co., Ltd.

Election results:

Other Proposals to be discussed

(Proposed at Board of Directors' Meeting)

Proposal 1: The proposal for releasing the Company's new directors (including independent directors) from non-competition restriction is submitted for discussion and review.

Explanation: In order to assist the Company to expand its business smoothly, it is proposed to release directors from non-competition restriction according to Article 209 of the Company Act. It is proposed to agree to release the following candidate directors from non-competition restriction.

Title	Name	Concurrently Held Position
Director	Fu-Chuan Chu	Chairman of Caswell Inc. Chairman of Goldtek Technology Co., Ltd. Chairman of Dexatek Technology Ltd. Director of Ennoconn (Suzhou) Technology Co., Ltd. Chairman of Poslab Chairman of AIS Cayman Technology Group Director of Ennoconn International Investment Co., Ltd. Director of Marketech International Corporation Director of EnnoMech Precision Co., Ltd. Director of Vecow Co., Ltd. Director of S&T AG Director of ENGA Technology Co., Ltd.
Director	Chuan-Wang Chang	Director of Taiwan JUSDA International Logistics Co., Ltd. Director of Liancheng Kang International Logistics Co., Ltd. Director of Hongfujin Precision Industry (Shenzhen) Co., Ltd.
Director	Bon Shin International Investment Co., Ltd.	Director of Guochuang Semiconductor Co., Ltd. Director of Hongyang Venture Capital Co., Ltd. Director of Fulian Network Co., Ltd. Director of Aurora Telecom Co., Ltd. Chairman and Director of Cloud Hi-Tech Co., Ltd.

Title	Name	Concurrently Held Position
		Chairman of Hon Hai International Investment Co., Ltd. Director of Rongchuang Energy Technology Co., Ltd. Director of Yangxin Technology Co., Ltd. Director of Cifu Technology Co., Ltd. Chairman of Hon Hai Investment Management Consultants Co., Ltd. Chairman and Director of Asia Pacific Telecom Co., Ltd.
Independent director	Xin-Yi Zhan	Chairman of Huanghui Biotechnology Co., Ltd. Chairman of Junchang Co., Ltd. Chairman of Jianlian Investment Co., Ltd. Chairman of Shuoren Lixin Co., Ltd. Chairman of Weihai Material Technology Co., Ltd. Director of Lianxing Information (Stock) Co., Ltd. Director of Taiwan Benli Social Business Co., Ltd.

Extempore Motion

Adjournment

Ennoconn Corporation Business Report

With the joint efforts made by all employees of Ennoconn Corporation, the net consolidated operating income was NT\$96.6 billion, the net income after tax attributable to parent company was NT\$1.33 billion and earnings per share were NT\$13.91 in 2021. Compared to 2020, its consolidated operating income increased by 14.8%, and its net income after tax increased by 20.1%.

Looking back at the year with changes in the industry, Ennoconn cautiously faced the uncontrollable risks brought by the spread of the epidemic, and the Company improved development of key technologies, integration and value-addition of niche products, as well as integration and connection of all channels by virtue of the core competitive advantages of its various business units in R&D, technologies, products, etc., and built complete “AIoT Hardware, Software and Cloud Platform” solutions by making good use of its experience in design and manufacturing services (DMS), information technology (IT), system integration (SI) and cloud (Cloud) services accumulated in the years to continue to improve the Company's overall operating performance to face any new challenges.




With the maturity and rapid development of 5G transmission, cloud computing, artificial intelligence (AI) and other technologies, digital transformation and intelligent upgrading have become the goals of various industries for development in the next stage. Ennoconn enabled its “3 + 3 Cloud Integration Service” to create huge business benefits by virtue of its various advantages in technologies and business fields by cooperating with the international alliance in the industry in 2021, including Google, Intel, MTK, VIA, Chunghwa Telecom, Systex and other high-quality partners. Its products are used in Cloud-Edge Anthos Server, Connectivity Gateway, video conference system and other new technology solutions. The Company operated on open combined multi-cloud platforms, strengthened the value chain of complete digital service platform, realized the connectivity between ground and cloud services, and created a new business operating mode for Ennoconn’s new generation of AIoT digital products and services. The Company, aiming at the huge smart manufacturing, smart cities and other huge opportunities in the market, paid attention to the huge market opportunities related to “Industrial Metaverse”, in addition to development of hard and soft products in major ten application fields, to create a win-win situation and move towards a new era of IPC3.0.

Ennoconn's strategic cooperation with NCR, a global index customer in financial industry, has been incorporated into NCR's factory in Budapest, Hungary. By combing Ennoconn's advanced design, manufacturing and global supply chain systems and other

all-round services, this strategic arrangement of Ennoconn also facilitates expansion and development of its businesses in Europe, and will provide smart financial and smart retail customers with complete hardware, software and cloud integration platform solutions to assist customers to create their leading positions in the global unique digital banking and retail market and will increase Ennoconn's market share.

Ennoconn management team and its staff uphold their original aspiration, continue to undertake heavy burdens, and will face challenges carefully, and create a new situation. Thanks to all our shareholders for their enduring support and encouragement to the Company. The management team and the staff will continue to uphold our mission and are mindful of their responsibilities and will pursue profit maximization for the Company and its shareholders.

Yours respectfully,
Good health and good luck.

Chairman: Fu-Chuan Chu  Managerial Officer: Neng-Chi Tsai  Accounting Supervisor: You-Mei Wu 

Ennoconn Corporation
Audit Report issued by Audit Committee

The Board of Directors has sent the Company's 2021 Financial Statements, Business Report and earnings distribution proposal, among which 2021 Financial Statements have been audited and Audit Report has been issued by KPMG in Taiwan. The said 2021 Financial Statements, Business Report and Earnings Distribution Table have been audited by us, i.e. Audit Committee, and we believe that there's no discrepancy, and we have issued Audit Report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, please check it.

Sincerely

2022 Annual Shareholders' Meeting of Ennoconn Corporation

Ennoconn Corporation

Convener of Audit Committee: Yu-Hui Su



March 30, 2022

Statement on Affiliates' Consolidated Statements

The companies which shall be included by the Company in the preparation of the Consolidated Financial Statements of affiliates in 2021 (from January 1, to December 31, 2021) in accordance with the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as the companies which shall be included in the preparation of the Consolidated Financial Statements of parent company and subsidiaries in accordance with International Financial Reporting Standards No. 10, and the relevant information which shall be disclosed in the Consolidated Financial Statements of affiliates have been disclosed in the said Consolidated Financial Statements of parent company and subsidiaries, therefore Consolidated Financial Statements of affiliates are not prepared separately.

It is hereby stated.

Name of Company: Ennoconn Corporation

Person in charge: Fu-Chuan Chu



March 31, 2022

Independent Auditors' Report

To Ennoconn Corporation For general public information:

Audit Opinion

We have audited the accompanying consolidated balance sheets of Ennoconn Corporation and its subsidiaries ("the Group") as of December 31, 2021 and 2020, and the consolidated statements of comprehensive income, changes in equity and cash flows, and notes to the consolidated financial statements (including summary on significant accounting policies) for the years then ended.

In our opinion which based on our audit results and the other certified public accountants' audit reports (please refer to the paragraph of Other Matter), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021, 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 the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibility under those standards will be further described in the section titled "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements." We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled out other ethical responsibilities in accordance with these requirements. Based on our audits and the audit reports of other independent accountants, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

The Group's consolidated financial statements for the year ended December 31, 2020 were audited by other auditors, who then issued a review report containing the unqualified opinion and the Other Matters section on March 29, 2021.

However, as stated in Note 6 (1) to the financial statements, Ennoconn Corporation announced a major message on March 23, 2022, stating that Ennoconn Corporation Group found an employee suspected of forging documents and misappropriating the Company's assets, resulting in a shortage of cash and equivalent cash as of December 31, 2020. However, Ennoconn Corporation did not revise and restate the consolidated financial statements for the year of 2020, and the former CPA did not re-audit and certify the consolidated financial statements. If the Group correctly recognized related accounting subjects in 2020, the cash and cash equivalent as of December 31, 2020 was reduced by NT\$1,441 thousand and undistributed surplus decreased by NT\$61,441 thousand. The Group has adjusted relevant asset accounts and undistributed earnings at the beginning of 2021.

Among the subsidiaries listed in the Group's consolidated financial statements, the financial statements of some subsidiaries were reviewed by other certified accountants. Therefore, our opinion on the parts in relation to the amounts specified in the 2021 consolidated financial statements of such company was solely based on the audit reports of other auditors. The total assets of these subsidiaries as of December 31, 2021 was NT\$42,046,974 thousand, accounting for 41.79% of the total consolidated assets; the net operating revenue of these subsidiaries as of Jan 1 to Dec 31, 2021 was NT\$43,810,897 thousand, accounting for 45.37% of the net consolidated operating revenue.

We have also audited the parent company only financial statements of Ennoconn Corporation as of and for the year ended Dec. 31, 2021 and 2020 on which we have issued an unqualified opinion with other matters paragraphs for reference.

Key Audit Matters

In our professional judgment, key audit matters are ones that were of most significance in our audit of the consolidated financial statements of Ennoconn Corporation for the year ended December 31, 2021. These matters were addressed in our audit of the consolidated financial statements as a whole, and in forming our audit opinion. We do not express a separate opinion on these matters. In our judgement, key audit matters that shall be communicated on the audit report are as follows:

I. Impairment review of goodwill

For the accounting policies related to goodwill impairment, please refer to note 4 (14) impairment of non-financial assets in the consolidated financial statements; for the uncertainty of accounting estimates and assumptions of goodwill, please refer to note 5 (3) impairment assessment of goodwill in the consolidated financial statements; please refer to note 6 (9) intangible assets of the consolidated financial statements for information disclosure related to goodwill.

Description of major audit items:

Through re-investment, Ennoconn Corporation expanded its marketing bases and increased its product lines, resulting in related consolidated goodwill. The impairment evaluation tests are conducted by the management in according to IAS 36 "Impairment of Assets." Also, the goodwill was mainly sourced from the merger and acquisition of domestic and foreign listed companies with recoverable amount of using fair value less sales costs. Due to the significant impacts of the impairment review on the financial statements and the accuracy of calculation and measurement of the management, therefore, we have listed the impairment of goodwill as a key audit matter.

Corresponding audit procedures:

The CPA's main audit procedures for the above key audit matters include understanding the design and implementation of relevant internal control of the management, reviewing and checking the correctness of the calculation of recoverable amount and book value, performing sensitivity analysis, and comprehensively evaluating the rationality of the impairment goodwill.

Responsibilities of Management and Governing Bodies for the Consolidated Financial Statements

The responsibilities of management are to prepare consolidated financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC interpretations and SIC interpretations endorsed to take effect by the Financial Supervisory Commission, and maintain necessary internal controls associated with the preparation in order to ensure the consolidated financial statements are free from material misstatement arising from fraud or error.

When preparing the consolidated financial statements, the responsibility of the management also includes evaluating the ability of Ennoconn Corporation to continue as a going concern, the disclosure of relevant matters, and the adoption of the accounting basis for continuing its business, unless the management intends to liquidate Ennoconn Corporation or suspend its business, or there is no viable scheme outside of liquidation or suspension of business.

Those in charge with Ennoconn Corporation's governance (including the Audit Committee) are responsible for overseeing its financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

The purpose of our audit is to provide reasonable assurance that the consolidated financial statements as a whole do not contain material misstatements arising from fraud or errors, and to issue an independent auditors' report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Generally Accepted Auditing Standards in the Republic of China will always detect a material misstatement in the consolidated financial statements when it exists. Misstatements can arise from fraud or error, and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial reports.

We have utilized our professional judgment and maintained professional skepticism when exercising auditing work according to GAAS. We perform the following tasks:

1. Identify and assess the risks of material misstatement arising from fraud or error within the consolidated financial statements; design and execute counter-measures in response to those risks, and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Therefore, the risk of failing to detect a material misstatement resulting from fraud is higher than for one resulting from error.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If the CPA concludes that a material uncertainty exists in such events or circumstances, the CPA is required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements, or if such disclosures are inadequate, the CPA will modify the auditor's opinion. The CPA's conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future vents or conditions may cause Ennoconn Corporation to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements (including relevant notes), and whether the parent company only financial statements fairly represent the underlying transactions and events.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our opinion to Ennoconn Corporation.

Matters communicated between us and the governing bodies include the planned scope and timing of the audit and significant audit findings (including any significant deficiencies in internal control identified during the audit).

We also provide governing bodies with a declaration that we have complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence, and to communicate with them all relationships and other matters that may possibly be deemed to impair our independence (including relevant preventive measures).

From the matters communicated with those charged with governance, we determine the key audit matters within the audit of the Company's consolidated financial statements for the year ended December 31, 2021. We have clearly indicated such matters in the independent auditors' report. Unless legal regulations prohibit the public disclosure of specific items, or in extremely rare cases, where we decided not to communicate over specific items in the auditors' report for it could be reasonably anticipated that the negative effects of such disclosure would be greater than the public interest it brings forth.

KPMG

CPAs:

Securities and Futures Commission Approval No. March 31, 2022	:	Taiwan-Finance-Securities-VI- 0930106739 Financial Supervisory Commission No.1040003949
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Ennoconn Technology Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended December 31, 2021 and 2020

Unit: NT\$ 1,000

	2021		2020	
	Amount	%	Amount	%
4100 Net sales revenue (Notes 6(19) and 7))	\$ 96,556,646	100	84,091,485	100
5000 Operating costs (notes 6(3)(8)(9)(14)(20) and 7)	76,073,693	79	64,498,302	77
5900 Gross profit	<u>20,482,953</u>	21	<u>19,593,183</u>	23
Operating expenses (notes 6(2)(8)(9)(14)(20))				
6100 Selling Expenses	3,324,099	4	3,628,929	4
6200 General and administrative expenses	4,836,128	5	4,136,866	5
6300 Research and development expense	9,084,329	9	7,886,545	10
6450 Expected credit gains (losses)	45,097	-	266,818	-
Total operational expenses	<u>17,289,653</u>	18	<u>15,919,158</u>	19
6900 Net operating profit	<u>3,193,300</u>	3	<u>3,674,025</u>	4
Non-operating income and expenses (Notes 6(4)(21)):				
7100 Interest income	54,176	-	75,914	-
7190 Other income	33,343	-	36,409	-
7020 Other gains and losses	1,520,997	2	715,575	1
7050 Financial costs	(546,034)	(1)	(536,706)	(1)
7060 Share of profit or loss of associates accounted for using the equity method	(6,529)	-	11,350	-
Total non-operating revenue and expenses	<u>1,055,953</u>	1	<u>302,542</u>	-
Net profit before tax	4,249,253	4	3,976,567	4
7950 Less: Income tax expense (Note 6 (15))	897,129	1	821,184	1
Net income for the year	<u>3,352,124</u>	3	<u>3,155,383</u>	3
8300 Other comprehensive income:				
8310 Items that will not be reclassified subsequently to profit or loss				
8311 Remeasurement of defined benefit plan	15,552	-	(28,710)	-
8316 Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	(21,044)	-	(2,060)	-
8349 Less: Income tax relating to items that will not be reclassified to profit or loss	3,894	-	(4,037)	-
Total of components of other comprehensive income that will not be reclassified subsequently to profit or loss	<u>(9,386)</u>	-	<u>(26,733)</u>	-
8360 Components of other comprehensive income that will be reclassified subsequently to profit or loss				
8361 Exchange differences on translation of foreign financial statements	(2,274,474)	(2)	45,065	-
8370 Share of other comprehensive income of associates accounted for using the equity method	(9,751)	-	(504)	-
8399 Less: Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Total of components of other comprehensive income that will be reclassified subsequently to profit or loss	<u>(2,284,225)</u>	(2)	<u>44,561</u>	-
8300 Other comprehensive income of the period	<u>(2,293,611)</u>	(2)	<u>17,828</u>	-
Total comprehensive income for the period	<u>\$ 1,058,513</u>	<u>1</u>	<u>\$ 3,173,211</u>	<u>3</u>
Net income attributable to:				
owners of parent company	\$ 1,334,944	1	1,111,524	1
non-controlling interests	2,017,180	2	2,043,859	2
	<u>\$ 3,352,124</u>	<u>3</u>	<u>\$ 3,155,383</u>	<u>3</u>
TOTAL COMPREHENSIVE INCOM ATTRIBUTABLE TO:				
owners of parent company	\$ 582,025	1	946,261	-
non-controlling interests	476,488	-	2,226,950	3
	<u>\$ 1,058,513</u>	<u>1</u>	<u>\$ 3,173,211</u>	<u>3</u>
9750 Basic earnings per share (Unit: NT\$) (Notes 6(18))	<u>\$ 13.91</u>		<u>\$ 12.13</u>	
9850 Diluted earnings per share (Unit: NT\$) (Notes 6(18))	<u>\$ 11.05</u>		<u>\$ 9.64</u>	

Ennoconn Technology Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
For the Years Ended December 31, 2021 and 2020

Unit: NT\$ 1,000

	Equity attributable to shareholders of AU Optronics Corp.												
	Retained earnings					Other Equity Interest				Equity		Non-controlling Interests	Total equity
	Share Capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange Difference	Unrealized valuation gain or loss	Total	Treasury stock	Attributable to Owners of parent		
Balance as of January 1, 2020	\$ 835,745	6,339,752	535,830	384,452	1,211,091	2,131,373	(777,744)	(72,370)	(850,114)	(236,232)	8,220,524	19,706,093	27,926,617
Net income for the year	-	-	-	-	1,111,524	1,111,524	-	-	-	-	1,111,524	2,043,859	3,155,383
Other comprehensive income of the period	-	-	-	-	(8,247)	(8,247)	(156,514)	(502)	(157,016)	-	(165,263)	183,091	17,828
Total comprehensive income for the period	-	-	-	-	1,103,277	1,103,277	(156,514)	(502)	(157,016)	-	946,261	2,226,950	3,173,211
Earnings appropriation and distribution:													
Provision for Legal reserve	-	-	108,024	-	(108,024)	-	-	-	-	-	-	-	-
Provision for Special reserve	-	-	-	465,662	(465,662)	-	-	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(331,678)	(331,678)	-	-	-	-	(331,678)	-	(331,678)
Stock dividends of common stock	82,919	-	-	-	(82,919)	(82,919)	-	-	-	-	-	-	-
Conversion of convertible corporate bonds	14,056	335,001	-	-	-	-	-	-	-	-	349,057	-	349,057
Treasury stock buyback	-	-	-	-	-	-	-	-	-	2,624	2,624	-	2,624
Changes in ownership interests in subsidiaries	-	63,337	-	-	-	-	-	-	-	-	63,337	(99,018)	(35,681)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(697,730)	(697,730)
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	114,930	114,930
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	3,794	3,794	-	(3,794)	(3,794)	-	-	-	-
Balance as of December 31, 2020	932,720	6,738,090	643,854	850,114	1,329,879	2,823,847	(934,258)	(76,666)	(1,010,924)	(233,608)	9,250,125	21,251,225	30,501,350
Effect of retrospective application and retrospective restatement	-	-	-	-	(61,441)	(61,441)	-	-	-	-	(61,441)	-	(61,441)
Beginning Amount After Restatement	932,720	6,738,090	643,854	850,114	1,268,438	2,762,406	(934,258)	(76,666)	(1,010,924)	(233,608)	9,188,684	21,251,225	30,439,909
Net income for the year	-	-	-	-	1,334,944	1,334,944	-	-	-	-	1,334,944	2,017,180	3,352,124
Other comprehensive income of the period	-	-	-	-	4,647	4,647	(739,065)	(18,501)	(757,566)	-	(752,919)	(1,540,692)	(2,293,611)
Total comprehensive income for the period	-	-	-	-	1,339,591	1,339,591	(739,065)	(18,501)	(757,566)	-	582,025	476,488	1,058,513
Earnings appropriation and distribution:													
Provision for Legal reserve	-	-	110,707	-	(110,707)	-	-	-	-	-	-	-	-
Provision for Special reserve	-	-	-	160,810	(160,810)	-	-	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(480,785)	(480,785)	-	-	-	-	(480,785)	-	(480,785)
Convertible corporate bonds converted to ordinary shares	-	84,825	-	-	-	-	-	-	-	-	84,825	-	84,825
Compensation costs of employee stock options	-	15,345	-	-	-	-	-	-	-	-	15,345	-	15,345
Capital increase by cash	50,000	925,000	-	-	-	-	-	-	-	-	975,000	-	975,000
Changes in ownership interests in subsidiaries	-	215,750	-	-	-	-	-	-	-	-	215,750	(215,750)	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(1,064,739)	(1,064,739)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	342,119	342,119
Issuance of new shares by the transferred companies	35,400	886,770	-	-	(698,556)	(698,556)	-	-	-	-	223,614	(223,614)	-
Balance as of December 31, 2021	\$ 1,018,120	8,865,780	754,561	1,010,924	1,157,171	2,922,656	(1,673,323)	(95,167)	(1,768,490)	(233,608)	10,804,458	20,565,729	31,370,187

Ennoconn Technology Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2021 and 2020

Unit: NT\$ 1,000

	2021	2020
Cash flows from (used in) operating activities:		
Profit before income tax	\$ 4,249,253	3,976,567
Adjustments:		
Adjustments for:		
Depreciation expenses	1,774,142	1,601,184
Amortization expense	1,402,723	1,354,199
Expected credit gains (losses)	81,984	266,818
Net loss (profit) from financial assets and liabilities at fair value through loss (profit)	(446,577)	(232,619)
Interest costs	546,034	536,706
Interest income	(54,176)	(75,914)
Dividend income	(10,038)	(16,798)
Share-based payment compensation	23,813	1,431
Share of profit or loss of associates accounted for using the equity method	6,529	(11,350)
Benefits from disposal of property, plant and equipment	(77,323)	(4,524)
Benefits from disposal of investments	(104,364)	-
Gain on revised lease	(1,680)	-
Gains on price recovery of inventory	6,341	72,323
Impairment of Non-Financial Assets	47,309	-
Unrealized loss (profit) on foreign exchange	9,931	(60,437)
Bond recovery loss	2,189	-
Bargain purchase gain	-	(64,727)
Loss on Inventory scrap	51,150	180,930
Error correction	(61,441)	-
Total adjustments to reconcile profit (loss)	3,196,546	3,547,222
Changes in operating assets and liabilities:		
Financial assets at FVTPL	(934,076)	(6,940)
Contract Assets	(3,407,483)	(1,111,874)
Accounts receivable	(2,424,943)	3,026,121
Inventory	(3,192,577)	(765,491)
Other current assets	(531,925)	(713,656)
Contract Liabilities	1,200,471	133,290
Notes payable	578,930	203,098
Increase in notes receivable	4,227,903	(983,897)
Other Payables	(77,962)	141,596
Provisions for liabilities	(540,157)	(666,561)
Other current liabilities	415,399	41,627
Other liabilities	304,195	(261,066)
Total adjustments	(1,185,679)	2,583,469
Cash flows from operating activities:	3,063,574	6,560,036
Interest received	54,176	78,845
Dividends received	10,038	16,798
Interest paid	(517,065)	(435,367)
Income taxes paid	(1,017,191)	(903,727)
Net cash generated from operating activities	1,593,532	5,316,585

Cash flows from investing activities:

Financial assets measured at fair value through other comprehensive income	\$	(313,467)	(267,344)
Financial assets measured at fair value through other comprehensive income		-	50,321
(Increase) decrease in financial assets at amortized cost		1,438,255	(2,252,883)
Decrease (increase) in investment by using the equity method		362,898	(80,275)
Increase in prepayments for investments		-	(79,019)
Acquisition of subsidiaries (Cash obtained after deduction)		(128,032)	(1,290,400)
Disposal of Subsidiaries		(65,402)	-
Acquiring property, plant and equipment		(1,785,970)	(1,155,704)
Disposal of property, plant and equipment		216,898	73,739
Decrease (increase) in refundable deposits		52,628	(108,952)
Acquired intangible assets		(977,634)	(943,634)
Disposal of intangible assets		17,204	-
Decrease in other assets		68,661	106,743
Increase in prepayments for equipment		-	(4,585)
Net cash used in investing activities		<u>(1,113,961)</u>	<u>(5,951,993)</u>

Cash flows from financing activities:

Increase (decrease) in short-term borrowing		628,302	(1,460,736)
Proceeds from issuance of convertible corporate bonds		2,501,356	2,194,700
Repayment of corporate bonds payables		(205,283)	-
Increase in long-term borrowings		-	2,474,001
Repayments of long-term loans		(241,979)	(2,825,955)
Repayment of lease principal		(657,387)	(938,116)
Issuance of ordinary shares for cash		(480,785)	(331,678)
Capital increase by cash		975,000	-
Cash dividends paid on non-controlling interests		(1,064,739)	(697,730)
Change in non-controlling interests		566,383	(541,611)
Net cash inflow (outflow) from financing activities		<u>2,020,868</u>	<u>(2,127,125)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH and cash equivalents HELD IN FOREIGN CURRENCIES		(998,759)	443,300
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		1,501,680	(2,319,233)
Cash and cash equivalents, beginning of period		<u>16,020,641</u>	<u>18,339,874</u>
Ending balance of cash and cash equivalents	\$	<u>17,522,321</u>	<u>16,020,641</u>

To Ennoconn Corporation For general public information:

Audit Opinion

We have audited the accompanying parent company only balance sheets of Ennoconn Corporation ("the Company") as of December 31, 2021 and the parent company only statements of comprehensive income, changes in equity and cash flows, and notes to parent company only financial statements (including summary on significant accounting policies) for the years then ended.

In our opinions, based on our audit results and the audit reports of other auditors (please refer to the Other Matters section of our report), the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with the Regulations Governing Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibility under those standards will be further described in the section titled "Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements." We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled out other ethical responsibilities in accordance with these requirements. Based on our audits and the audit reports of other independent accountants, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER MATTERS

The Corporation's parent company only financial statements for the year ended December 31, 2020 were audited by other auditors, who then issued a review report containing the unqualified opinion and the Other Matters section on March 29, 2021.

However, as stated in Note 6 (1) to the financial statements, Ennoconn Corporation announced a major message on March 23, 2022, stating that Ennoconn Corporation found an employee suspected of forging documents and misappropriating the Company's assets, resulting in a shortage of cash and equivalent cash as of December 31, 2020. However, Ennoconn Corporation did not revise and restate the parent only company financial statements for the year of 2020, and the former CPA did not re-audit and certify the parent company only financial statements. If Ennoconn Corporation correctly recognized related accounting subjects in 2020, the cash and cash equivalent as of December 31, 2020 was reduced by NT\$64,209 thousand, other current assets increased by NT\$2,768 thousand and undistributed surplus decreased by NT\$61,441 thousand. Ennoconn Corporation has adjusted relevant asset accounts and undistributed earnings at the beginning of 2021.

In the 2021 parent company only financial statements, some of the financial statements evaluated by the equity method of the invested companies are reviewed by other certified accountants. Therefore, our opinion on the parts in relation to the amounts specified in the 2021 parent company only financial statements of such company was solely based on the audit reports of other auditors. The investment balance of these investees under the equity method on December 31, 2021 were NT\$7,505,534 thousand, accounting for 32.33% of the total consolidated assets; the comprehensive income recognized under the equity method from Jan 1, 2021 to Dec 31, 2021 were NT \$366,507 thousand, accounting for 26.47% of net profit before tax.

Key Audit Matters

In our professional judgment, key audit matters are ones that were of most significance in our audit of the parent company only financial statements of Ennoconn Corporation for the year ended December 31, 2021. These matters were addressed in our audit of the parent company only financial statements as a whole, and in forming our audit opinion. We do not express a separate opinion on these matters. In our

judgement, key audit matters that shall be communicated on the audit report are as follows:

Investment impairment by the equity method

Please refer to note 4 (12) impairment of non-financial assets in the parent company only financial statements for the accounting policy of impairment of investment by the equity method; for the uncertainty of accounting estimates and assumptions of investments by the equity method, please refer to note 5 (3) impairment assessment of investments by the equity method in the parent company only financial statements; please refer to note 6 (6) of the parent company only financial statements for information disclosure related to investments by the equity method.

Description of major audit items:

Ennoconn Corporation reinvests in related companies using the equity method to expand marketing places and increase product lines. In accordance with IAS 36 "Impairment of Assets", the management has impairment evaluation tests, and adopts the fair value less the cost of sale as the recoverable amount. As the impairment assessment has a significant impact on the financial statements and involves a high degree of uncertainty in the measurement and calculation by the management, the impairment assessment of investments by the equity method is a focus for our CPA in the audit of financial statements.

Corresponding audit procedures:

The CPA's main audit procedures for the above key audit matters include understanding the design and implementation of relevant internal control of the management, reviewing and checking the correctness of the calculation of recoverable amount and book value, performing sensitivity analysis, and comprehensively evaluating the rationality of the impairment evaluation of investment based on the equity method.

Responsibilities of management and governance body for the parent company only financial statements

The responsibility of the management is to prepare a properly expressed parent company only financial statements in accordance with the standards for the preparation of financial reports of securities issuers, and to maintain the necessary internal control related to the preparation of the parent company only financial statements, so as to ensure that there are no material misstatements in the parent company only financial statements due to fraud or error.

When preparing the parent company only financial statements, the responsibility of the management also includes evaluating the ability of Ennoconn Corporation to continue as a going concern, the disclosure of relevant matters, and the adoption of the accounting basis for continuing its business, unless the management intends to liquidate Ennoconn Corporation or suspend its business, or there is no viable scheme outside of liquidation or suspension of business.

Those in charge with Ennoconn Corporation's governance (including the Audit Committee) are responsible for overseeing its financial reporting process.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

The purpose of our audit is to provide reasonable assurance that the parent company only financial statements as a whole do not contain material misstatements arising from fraud or errors, and to issue an independent auditors' report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Generally Accepted Auditing Standards in the Republic of China will always detect a material misstatement in parent company only financial statements when it exists. Misstatements can arise from fraud or error, and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial reports.

We have utilized our professional judgment and maintained professional skepticism when exercising auditing work according to GAAS. We perform the following tasks:

1. Identify and assess the risks of material misstatement arising from fraud or error within the parent company only financial statements; design and execute counter-measures in response to those risks, and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Therefore, the risk of failing to detect a material misstatement resulting from fraud is higher than for one resulting from error.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If the CPA concludes that a material uncertainty exists in such events or circumstances, the CPA is required to draw attention in the auditor's report to the related disclosures in the parent company only financial statements, or if such disclosures are inadequate, the CPA will modify the auditor's opinion. The CPA's conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future vents or conditions may cause Ennoconn Corporation to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements (including relevant notes), and whether the parent company only financial statements fairly represent the underlying transactions and events.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our opinion to Ennoconn Corporation.

Matters communicated between us and the governing bodies include the planned scope and timing of the audit and significant audit findings (including any significant deficiencies in internal control identified during the audit).

We also provide governing bodies with a declaration that we have complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence, and to communicate with them all relationships and other matters that may possibly be deemed to impair our independence (including relevant preventive measures).

From the matters communicated with governing bodies, we determine the key audit matters within the audit of the Company's parent company only financial statements for the year ended December 31, 2021. We have clearly indicated such matters in the independent auditors' report. Unless legal regulations prohibit the public disclosure of specific items, or in extremely rare cases, where we decided not to communicate over specific items in the auditors' report for it could be reasonably anticipated that the negative effects of such disclosure would be greater than the public interest it brings forth.

KPMG

CPAs:

Securities and Futures Commission Approval No. March 31, 2022	:	Taiwan-Finance-Securities-VI- 0930106739 Financial Supervisory Commission No.1040003949
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Ennoconn Technology Co., Ltd.

Balance Sheets

December 31, 2021 and 2020

Unit: NT\$ 1,000

Assets	December 31, 2021		December 31, 2020			Liabilities and equity	December 31, 2021		December 31, 2020	
	Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities				
1100 Cash and cash equivalents (Notes 6(1) and (21))	\$ 1,355,059	6	531,134	3	2100	Short-term loans (Notes 6(11))	\$ 2,300,000	10	4,666,000	22
1110 Financial assets measured at fair value through profit and loss - current (see Note 6(2)(21))	4,343	-	-	-	2120	Financial liabilities measured at fair value through profit and loss - current (see Note 6(2)(21))	598	-	118	-
1136 Financial assets measured at amortized cost - current (see Note 6(3)(21))	4,225	-	289,873	1	2170	Accounts payables (Notes 6 (21))	246,510	1	128,917	1
1170 Accounts receivable, net (Notes 6(4)(18)(21))	540,586	2	209,649	1	2180	Accounts payables - related parties (Notes 6 (21) and 7)	161,688	1	384,273	2
1180 Accounts receivable - related parties (Notes 6(4)(18)(21) and 7)	246,805	1	460,062	2	2200	Other payables (Notes 6 (21) and 7)	403,871	1	203,748	1
130X Inventories (Note 6(5))	457,845	2	222,104	1	2230	The current tax liabilities (Note 6(15))	32,920	-	1,347	-
1470 Other current assets (Note 6(10))	380,434	2	143,980	1	2280	Lease liabilities - current (Notes 6(13)(21))	-	-	6,853	-
Total Current Assets	2,989,297	13	1,856,802	9	2321	Long-term liabilities matured within one year or one operating cycle (Notes 6(12)(21))	1,137,035	5	1,391,307	6
Non-Current Assets:					2399	Other current liabilities	162,390	1	49,832	-
1510 Financial assets measured at fair value through profit and loss - non-current (see Note 6(2)(21))	300	-	9,016	-		Total Current Liabilities	4,445,012	19	6,832,395	32
1550 Investments accounted for using equity method (Notes 6(6))	19,623,935	85	19,065,111	89		Non-current liabilities:				
1600 Property, plant and equipment (Notes 6 (7))	504,566	2	517,081	2	2530	Corporate bonds payable (Notes 6(12)(21))	7,916,900	34	5,434,586	25
1755 Right-of-use assets (Notes 6(8))	-	-	11,440	-	2570	Deferred income tax liabilities (Note 6(15))	616	-	611	-
1821 Intangible assets (Notes 6(9))	44,485	-	1,052	-	2580	Lease liabilities - non-current (Notes 6(13)(21))	-	-	4,603	-
1840 Deferred tax assets (Note 6(15))	52,222	-	59,844	-	2670	Other non-current liabilities	48,861	-	212	-
1990 Other non-current assets (Notes 6(10)(14))	1,042	-	2,186	-		Total Non-Current Liabilities	7,966,377	34	5,440,012	25
Total non-current assets	20,226,550	87	19,665,730	91		TOTAL Liabilities	12,411,389	53	12,272,407	57
						Equity (Notes 6(16)(23)):				
					3110	Share capital	1,018,120	5	932,720	5
					3200	Capital surplus	8,865,780	38	6,738,090	31
						Retained earnings:				
					3310	Legal reserve	754,561	3	643,854	3
					3320	Special reserve	1,010,924	4	850,114	4
					3350	Unappropriated earnings	1,157,171	6	1,329,879	6
						Total Retained Earnings	2,922,656	13	2,823,847	13
					3400	Other equity	(1,768,490)	(8)	(1,010,924)	(5)
					3500	Treasury stock	(233,608)	(1)	(233,608)	(1)
						Total Equity	10,804,458	47	9,250,125	43
Total Assets	\$ 23,215,847	100	21,522,532	100		Total Liabilities and Equity	\$ 23,215,847	100	21,522,532	100

Ennoconn Technology Co., Ltd.
Statements of comprehensive income
For the Years Ended December 31, 2021 and 2020

Unit: NT\$ 1,000

		<u>2021</u>		<u>2020</u>	
		Amount	%	Amount	%
4100	Net sales revenue (Notes 6(18) and 7))	\$ 3,343,018	100	2,547,970	100
5110	Sales costs (Notes 6(4)(7)(8)(9)(14) and 7)	2,970,816	89	2,238,998	88
5900	Gross profit	372,202	11	308,972	12
5910	Less: Unrealized gain from sales	5,842	-	10,890	-
5920	Add: Realized gains from sales	10,890	-	29,694	1
	Gross profit, net	377,250	11	327,776	13
	Operating Expenses (Notes 6(3)(7)(8)(9)(14) and 7):				
6100	Selling Expenses	81,302	2	74,785	3
6200	General and administrative expenses	138,273	4	77,606	3
6300	Research and development expense	88,537	3	85,725	3
6450	Expected credit gains (losses)	11	-	25,620	1
	Total operational expenses	308,123	9	263,736	10
6900	Net operating profit	69,127	2	64,040	3
	Non-operating income and expenses (Notes 6(6)(20)):				
7100	Interest income	577	-	3,417	-
7010	Other income	3,755	-	3,336	-
7020	Other gains and losses	(38,000)	(1)	30,013	1
7050	Financial costs	(125,599)	(4)	(136,875)	(5)
7070	Profit or loss of subsidiaries under equity method	1,474,726	44	1,191,081	47
	Total non-operating revenue and expenses	1,315,459	39	1,090,972	43
7900	Net profit before tax	1,384,586	41	1,155,012	46
7950	Less: Income tax expense (Note 6 (15))	49,642	1	43,488	2
8200	Net income for the year	1,334,944	40	1,111,524	44
8300	Other comprehensive income:				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurement of defined benefit plan	27	-	(24)	-
8330	Other comprehensive income/(loss) of subsidiaries under equity method	(13,876)	-	(8,730)	(1)
8349	Less: Income tax relating to items that will not be reclassified to profit or loss	5	-	(5)	-
	Total of components of other comprehensive income that will not be reclassified subsequently to profit or loss	(13,854)	-	(8,749)	(1)
8360	Components of other comprehensive income that will be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(738,853)	(22)	(156,815)	(6)
8380	Other comprehensive income/(loss) of subsidiaries under equity method	(212)	-	301	-
8399	Less: Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	Total of components of other comprehensive income that will be reclassified subsequently to profit or loss	(739,065)	(22)	(156,514)	(6)
8300	Other comprehensive income of the period	(752,919)	(22)	(165,263)	(7)
	Total comprehensive income for the period	<u>\$ 582,025</u>	<u>18</u>	<u>946,261</u>	<u>37</u>
9750	Basic earnings per share (Unit: NT\$) (Notes 6(17))	<u>\$ 13.91</u>		<u>12.13</u>	
9850	Diluted earnings per share (Unit: NT\$) (Notes 6(17))	<u>\$ 11.05</u>		<u>9.64</u>	

Ennoconn Technology Co., Ltd.
Statements of changes in equity
For the Years Ended December 31, 2021 and 2020

Unit: NT\$ 1,000

	Share Capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Other Equity Interest		Treasury stock	Total equity	
							Exchange differences on translating the financial statements of foreign operations	Unrealized valuation gain or loss of financial assets measured at fair value through other comprehensive income			
Balance as of January 1, 2020	\$ 835,745	6,339,752	535,830	384,452	1,211,091	2,131,373	(777,744)	(72,370)	(850,114)	(236,232)	8,220,524
Net income for the year	-	-	-	-	1,111,524	1,111,524	-	-	-	-	1,111,524
Other comprehensive income of the period	-	-	-	-	(8,247)	(8,247)	(156,514)	(502)	(157,016)	-	(165,263)
Total comprehensive income for the period	-	-	-	-	1,103,277	1,103,277	(156,514)	(502)	(157,016)	-	946,261
Earnings appropriation and distribution:											
Provision for Legal reserve	-	-	108,024	-	(108,024)	-	-	-	-	-	-
Provision for Special reserve	-	-	-	465,662	(465,662)	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(331,678)	(331,678)	-	-	-	-	(331,678)
Stock dividends of common stock	82,919	-	-	-	(82,919)	(82,919)	-	-	-	-	-
Conversion of convertible corporate bonds	14,056	335,001	-	-	-	-	-	-	-	-	349,057
Treasury stock buyback	-	-	-	-	-	-	-	-	-	2,624	2,624
Changes in ownership interests in subsidiaries	-	63,337	-	-	-	-	-	-	-	-	63,337
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	3,794	3,794	-	(3,794)	(3,794)	-	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Balance as of December 31, 2020	932,720	6,738,090	643,854	850,114	1,329,879	2,823,847	(934,258)	(76,666)	(1,010,924)	(233,608)	9,250,125
Effect of retrospective application and retrospective restatement	-	-	-	-	(61,441)	(61,441)	-	-	-	-	(61,441)
Beginning Amount After Restatement	932,720	6,738,090	643,854	850,114	1,268,438	2,762,406	(934,258)	(76,666)	(1,010,924)	(233,608)	9,188,684
Net income for the year	-	-	-	-	1,334,944	1,334,944	-	-	-	-	1,334,944
Other comprehensive income of the period	-	-	-	-	4,647	4,647	(739,065)	(18,501)	(757,566)	-	(752,919)
Total comprehensive income for the period	-	-	-	-	1,339,591	1,339,591	(739,065)	(18,501)	(757,566)	-	582,025
Earnings appropriation and distribution:											
Provision for Legal reserve	-	-	110,707	-	(110,707)	-	-	-	-	-	-
Provision for Special reserve	-	-	-	160,810	(160,810)	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(480,785)	(480,785)	-	-	-	-	(480,785)
Convertible corporate bonds converted to ordinary shares	-	84,825	-	-	-	-	-	-	-	-	84,825
Compensation costs of employee stock options	-	15,345	-	-	-	-	-	-	-	-	15,345
Capital increase by cash	50,000	925,000	-	-	-	-	-	-	-	-	975,000
Changes in ownership interests in subsidiaries	-	215,750	-	-	-	-	-	-	-	-	215,750
Issuance of new shares by the transferred companies	35,400	886,770	-	-	(698,556)	(698,556)	-	-	-	-	223,614
Balance as of December 31, 2021	\$ 1,018,120	8,865,780	754,561	1,010,924	1,157,171	2,922,656	(1,673,323)	(95,167)	(1,768,490)	(233,608)	10,804,458

Ennoconn Technology Co., Ltd.
Statements of Cash Flows
For the Years Ended December 31, 2021 and 2020

Unit: NT\$ 1,000

	2021	2020
Cash flows from (used in) operating activities:		
Profit before income tax	\$ 1,384,586	1,155,012
Adjustments:		
Adjustments for:		
Depreciation expenses	13,870	20,262
Amortization expense	3,400	1,001
Expected credit gains (losses)	11	25,621
Net loss (profit) from financial assets and liabilities at fair value through loss (profit)	4,405	(34,985)
Interest costs	125,599	136,875
Interest income	(577)	(3,417)
Share-based payment compensation	15,345	-
Profit or loss of subsidiaries and associates under equity method	(1,474,726)	(1,191,081)
Inventory price loss (recovery gain)	39,436	(37,346)
Unrealized sales profits	5,842	10,890
Realized gains from sales	(10,890)	(29,694)
Unrealized loss on foreign exchange	10,984	35,305
Loss on buyback of corporate bonds	2,189	-
Gain on revised lease	(28)	-
Error correction	(61,441)	-
Total adjustments to reconcile profit (loss)	(1,326,581)	(1,066,569)
Changes in operating assets and liabilities:		
Accounts receivable	(120,414)	(69,153)
Inventory	(275,176)	(35,874)
Other current assets	(239,023)	1,735
Notes payable	(102,954)	118,132
Other Payables	197,104	42,412
Other current liabilities	112,559	(29,305)
Others	-	(5)
Total adjustments	(1,754,485)	(1,038,627)
Cash generated from/(used in) operations	(369,899)	116,385
Interest received	577	3,033
Interest paid	(105,931)	(40,610)
Income taxes paid	(8,930)	(263)
Net cash inflow (outflow) from/to operating activities	(484,183)	78,545

Cash flows from investing activities:		
Purchase of financial assets at amortized cost	\$ -	(287,698)
Proceeds from sale of financial assets at amortized cost	285,648	-
Acquiring property, plant and equipment	(1,835)	(7,676)
Disposal of property, plant and equipment	3,593	-
Decrease (increase) in refundable deposits	1,173	(119)
Acquired intangible assets	(46,833)	(520)
Increase (decrease) in equipment prepayment	(2)	3,150
Dividends received	607,373	724,648
Cash flows from investing activities, net	849,117	431,785
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings	(2,366,000)	46,000
Proceeds from issuance of convertible corporate bonds	2,501,355	-
Repayment of corporate bonds payables	(205,283)	-
Increase (decrease) in guarantee deposits	48,647	(21)
Repayment of lease principal	(3,419)	(6,791)
Issuance of ordinary shares for cash	(480,785)	(331,678)
Capital increase by cash	975,000	-
Net cash inflow (outflow) from financing activities	469,515	(292,490)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH and cash equivalents HELD IN FOREIGN CURRENCIES	(10,524)	(28,365)
NET INCREASE IN CASH AND CASH EQUIVALENTS	823,925	189,475
Cash and cash equivalents, beginning of period	531,134	341,659
Ending balance of cash and cash equivalents	\$ 1,355,059	531,134

Ennoconn Coporation

Comparison Table of the Terms and Provisions of the Articles of Incorporation before and after Amendment

Amended Provisions	Current Provisions	Explanation
<p>Article 9</p> <p>Shareholders' Meeting is composed of annual Shareholders' Meeting and extraordinary Shareholders' Meeting. Annual Shareholders' Meeting shall be held once every year within six months after the end of each fiscal year. Extraordinary Shareholders' Meeting shall be held as necessary in accordance with laws.</p> <p><u>The Company's Shareholders' Meeting may be held by video conference or any other methods announced by the central competent authority.</u></p> <p><u>The conditions, operating procedures, other matters and related regulations to be met, followed and complied with by the Shareholder' Meeting to be held by video shall subject to the regulations of the authority in charge of securities, if any.</u></p>	<p>Article 9</p> <p>Shareholders' Meeting is composed of annual Shareholders' Meeting and extraordinary Shareholders' Meeting. Annual Shareholders' Meeting shall be held once every year within six months after the end of each fiscal year. Extraordinary Shareholders' Meeting shall be held as necessary in accordance with laws.</p>	<p>In response to the amendment to the Company Act that public companies may hold shareholders' meeting by video, the Company specifies relevant provisions in its Articles of Incorporation.</p>
<p>Article 20-1</p> <p>If there are "current net profits after tax" specified in the Company's annual final accounts, they shall be distributed in the following order:</p> <p>(I) Recovery of losses.</p> <p>(II) 10% of such profits shall be withdrawn as statutory surplus reserve in accordance with laws, but if accumulated statutory surplus reserve reaches the Company's total capital, this provision shall not apply.</p> <p>(III) Others profits shall be withdrawn or reversed as special surplus reserve in accordance with laws and regulations.</p>	<p>Article 20-1</p> <p>If there are "current net profits after tax" specified in the Company's annual final accounts, they shall be distributed in the following order:</p> <p>(I) Recovery of losses.</p> <p>(II) 10% of such profits shall be withdrawn as statutory surplus reserve in accordance with laws, but if accumulated statutory surplus reserve reaches the Company's total capital, this provision shall not apply.</p> <p>(III) Others profits shall be withdrawn or reversed as special surplus reserve in accordance with laws and regulations.</p>	<p>Subject to Article 240 of the Company Act that public companies may issue dividends in cash through the special resolution of the board of directors, the Company specifies relevant provisions in its Articles of Incorporation in accordance with the regulation.</p>

Amended Provisions	Current Provisions	Explanation
<p>(IV) After the amounts specified in the above-mentioned (I) to (III) are deducted from the “current net profits” set forth in the final accounts, the Board of Directors shall make a specific distribution plan for distributable earnings regarding the accumulated opening undistributed earnings and adjustment to current undistributed earnings, and submit it to the Shareholders’ Meeting for resolution and distribution.</p> <p><u>If the Company distributes, in cash, dividends and bonuses or part or all of the statutory surplus reserve and capital reserve specified in paragraph 1, Article 241 of the Company Act, the Board of Directors shall be authorized to hold a meeting to be attended by over two-thirds of its members in accordance with paragraph 5, Article 240 of the Company Act, and such distribution may be conducted after it is approved by over half of the directors present and shall be reported to Shareholders’ Meeting.</u></p> <p>The Company is in a growth stage at present, and distribution plan shall be made by its Board of Directors for distribution of earnings based on development and expansion of its business in the future by considering the Company’s future demands for capital expenditures, budgets and funds, and such distribution may be conducted after it is resolved by Shareholders’ Meeting. However, in terms of distribution of dividends, no less than 10% of the dividends to be distributed in the then current year shall be distributed in cash.</p>	<p>(IV) After the amounts specified in the above-mentioned (I) to (III) are deducted from the “current net profits” set forth in the final accounts, the Board of Directors shall make a specific distribution plan for distributable earnings regarding the accumulated opening undistributed earnings and adjustment to current undistributed earnings, and submit it to the Shareholders’ Meeting for resolution and distribution.</p> <p>The Company is in a growth stage at present, and distribution plan shall be made by its Board of Directors for distribution of earnings based on development and expansion of its business in the future by considering the Company’s future demands for capital expenditures, budgets and funds, and such distribution may be conducted after it is resolved by Shareholders’ Meeting. However, in terms of distribution of dividends, no less than 10% of the dividends to be distributed in the then current year shall be distributed in cash.</p>	

Amended Provisions	Current Provisions	Explanation
<p>Article 20 These Articles of Incorporation were formulated on June 30, 1999. The 1st amendment was made on December 1, 2000.</p> <p>.</p> <p>.</p> <p>.</p> <p>The 19th amendment was made on June 23, 2020.</p> <p><u>The 20th amendment was made on June 23, 2022.</u></p>	<p>Article 20 These Articles of Incorporation were formulated on June 30, 1999. The 1st amendment was made on December 1, 2000.</p> <p>.</p> <p>.</p> <p>.</p> <p>The 19th amendment was made on June 23, 2020.</p>	<p>The date of this amendment is added.</p>

Ennoconn Corporation
Comparison Table of the Terms and Provisions of the Procedures for
Acquisition or Disposal of Assets before and after Amendment

Amended Provisions	Current Provisions	Explanation
<p>Article 6: Valuation Report or Opinion:</p> <p>I. In terms of the Valuation Reports or CPA’s, Lawyer’s or Securities Underwriter’s Opinions (to be) obtained by the Company, the professional valutors and their valuation persons, CPAs, lawyers or securities underwriters shall comply with the following provisions: .</p> <p>(I) They did not suffered sentence of imprisonment for more than one years as announced due to violation of this Act, Company Act, Banking Act, Insurance Act, Financial Holding Company Act, or Business Entity Accounting Act, or due to committing any fraud, dishonesty, embezzlement, forgery of documents, or business crimes. But this provision shall not apply, if it is more than three years after completion of execution, expiration of suspended sentence or exemption from penalty.</p> <p>(II) They shall not be any related persons of, or any persons having substantial relationship with, trading parties.</p> <p>(III) If the Valuation Reports issued by more than two professional valutors shall be obtained, different professional valutors or valuation persons shall not be any related persons of, or any</p>	<p>Article 6: Valuation Report or Opinion:</p> <p>I. In terms of the Valuation Reports or CPA’s, Lawyer’s or Securities Underwriter’s Opinions (to be) obtained by the Company, the professional valutors and their valuation persons, CPAs, lawyers or securities underwriters shall comply with the following provisions: .</p> <p>(I) They did not suffered sentence of imprisonment for more than one years as announced due to violation of this Act, Company Act, Banking Act, Insurance Act, Financial Holding Company Act, or Business Entity Accounting Act, or due to committing any fraud, dishonesty, embezzlement, forgery of documents, or business crimes. But this provision shall not apply, if it is more than three years after completion of execution, expiration of suspended sentence or exemption from penalty.</p> <p>(II) They shall not be any related persons of, or any persons having substantial relationship with, trading parties.</p> <p>(III) If the Valuation Reports issued by more than two professional valutors shall be obtained, different professional valutors or valuation persons shall not be any related persons of, or any</p>	<p>In response to Jin Guan Zheng Fa Zi No. 1110380465 order issued by Financial Supervisory Commission on January 28, 2022 for amendment to the “Regulations Governing Acquisition and Disposal of Assets by Public Companies”, the Company adds and specifies provisions in these procedures on the evaluation, audit and statement for related professional persons to issue Valuation Reports or Opinions, in order to define the responsibilities of external professional persons.</p>

Amended Provisions	Current Provisions	Explanation
<p>persons having substantial relationship with, each other. <u>The aforementioned persons shall issue Valuation Reports or Opinions in accordance with the regulations of their industries and the following provisions:</u></p> <p><u>(I) They shall carefully evaluate their professional abilities, practical experience and independence before accepting the tasks.</u></p> <p><u>(II) They shall properly plan for and implement appropriate operating process, upon performance of tasks, to make conclusions and issue reports or opinions based thereon, and faithfully specify the implemented process, collected data and conclusions in the working records of the tasks in details.</u></p> <p><u>(III) They shall evaluate the appropriateness and reasonableness of the used data sources, parameters and information one by one as the basis for issuing Valuation Reports or Opinions.</u></p> <p><u>(IV) It shall be stated, including, that related persons are professional and independent, that the appropriateness and reasonableness of the used information and compliance with relevant laws and regulations have been evaluated, etc.</u></p> <p>II. If the Company acquires or disposes any assets specified in Article 7, 8, 9, and 10 in the auction process conducted by court, the certification documents issued by the court shall be used instead of Valuation Report or CAP's Opinion.</p>	<p>persons having substantial relationship with, each other.</p> <p>II. If the Company acquires or disposes any assets specified in Article 7, 8, 9, and 10 in the auction process conducted by court, the certification documents issued by the court shall be used instead of Valuation Report or CAP's Opinion.</p>	

Amended Provisions	Current Provisions	Explanation
<p>Article 7: Procedures for Acquisition and Disposal of Properties, Equipment, or Their Right-of-use Assets</p> <p>Paragraph 1 is omitted.</p> <p>II. Operating procedures:</p> <p>(I) If the Company intends to acquire or dispose properties, equipment or their right-of-use assets, and the transaction amount will reach more than 20% of the Company's paid-in capital or NT\$300 million, the Company shall obtain Valuation Report issued by professional valuator before fact occurrence date, and shall comply with the following provisions, except for transactions with domestic government authorities, entrusted construction on its own land or rent land, or acquisition and disposal of operating equipment or its right-of-use assets:</p> <p>1. If any limited price, specific price or special price must be used as the reference or basis for transaction price due to any special reasons, such transaction shall first be approved by the resolution of the Board of Directors, and the same provision shall apply in case of any change to transaction conditions subsequently.</p> <p>2. If transaction amount will reach more than NT\$1 billion, valuation shall be made by more than two professional valutors.</p> <p>3. In case of any following condition occurred to any valuation results issued by any professional valutors, CPAs shall be invited to express their specific opinions on the cause for difference and the appropriateness of transaction price, unless the valuation result of acquired assets is higher than</p>	<p>Article 7: Procedures for Acquisition and Disposal of Properties, Equipment, or Their Right-of-use Assets</p> <p>Paragraph 1 is omitted.</p> <p>II. Operating procedures:</p> <p>(I) If the Company intends to acquire or dispose properties, equipment or their right-of-use assets, and the transaction amount will reach more than 20% of the Company's paid-in capital or NT\$300 million, the Company shall obtain Valuation Report issued by professional valuator before fact occurrence date, and shall comply with the following provisions, except for transactions with domestic government authorities, entrusted construction on its own land or rent land, or acquisition and disposal of operating equipment or its right-of-use assets:</p> <p>1. If any limited price, specific price or special price must be used as the reference or basis for transaction price due to any special reasons, such transaction shall first be approved by the resolution of the Board of Directors, and the same provision shall apply in case of any change to transaction conditions subsequently.</p> <p>2. If transaction amount will reach more than NT\$1 billion, valuation shall be made by more than two professional valutors.</p> <p>3. In case of any following condition occurred to any valuation results issued by any professional valutors, CPAs shall be invited to <u>deal with it in accordance with Audit Standards Bulletin No. 20 issued by Accounting Research and Development Foundation</u> (hereinafter referred to as</p>	<p>The Company deleted the text related to operating procedures in paragraph 2, by considering that amendment is made to and requirement is added in Article 6 that external professional persons shall issue opinions in accordance with the regulations of their industries, which covers the procedures which shall be implemented by CPAs for issuance of opinions.</p>

Amended Provisions	Current Provisions	Explanation
<p>transaction amount, or the valuation result of disposed assets is lower than transaction amount:</p> <p>(1) The difference between the valuation result and transaction amount reaches more than 20% of the transaction amount.</p> <p>(2) The difference between the valuation results issued by more than two professional valuers reaches more than 10% of the transaction amount.</p> <p>The following paragraphs are omitted</p>	<p>“ARDF”), and express their specific opinions on the cause for difference and the appropriateness of transaction price, unless the valuation result of acquired assets is higher than transaction amount, or the valuation result of disposed assets is lower than transaction amount:</p> <p>(1) The difference between the valuation result and transaction amount reaches more than 20% of the transaction amount.</p> <p>(2) The difference between the valuation results issued by more than two professional valuers reaches more than 10% of the transaction amount.</p> <p>The following paragraphs are omitted</p>	
<p>Article 8: Procedures for Acquisition or Disposal of Securities</p> <p>I. Evaluation procedures: (I) The Company shall obtain object company’s most recent financial statements audited or reviewed by CPAs as the reference for evaluation on transaction price, before fact occurrence date. (II) If the transaction amount will reach more than 20% of the Company's paid-in capital or NT\$300 million, CPAs shall be invited to express their opinions on the reasonableness of the transaction price before fact occurrence date. However, this provision shall not apply, if there’s any public quotation for the securities in the active market or there’s any other regulations issued by the Financial Supervisory Commission.</p>	<p>Article 8: Procedures for Acquisition or Disposal of Securities</p> <p>I. Evaluation procedures: (I) The Company shall obtain object company’s most recent financial statements audited or reviewed by CPAs as the reference for evaluation on transaction price, before fact occurrence date. (II) If the transaction amount will reach more than 20% of the Company's paid-in capital or NT\$300 million, CPAs shall be invited to express their opinions on the reasonableness of the transaction price before fact occurrence date. <u>If CPAs need to issue professional report, they shall deal with it in accordance with Audit Standards Bulletin No. 20 issued by ARDF.</u> However, this provision shall not apply, if there’s any public quotation for the securities in the active market or</p>	<p>The reason for the amendment is the same as that specified in the explanation for Article 7.</p>

Amended Provisions	Current Provisions	Explanation
<p>The following paragraphs are omitted</p>	<p>there's any other regulations issued by the Financial Supervisory Commission.</p> <p>The following paragraphs are omitted</p>	
<p>Article 10: Procedures for Dealing with Transactions with Related Persons</p> <p>Paragraph 1 is omitted.</p> <p>II. Procedures for determining authorized amount:</p> <p>(I) Transaction contract may be signed and payment may be made after the following information has been approved by one-second of all the members of Audit Committee and submitted to and resolved by the Board of Directors, and paragraph 2 and 3, Article 16 shall apply, if the Company intends to acquire or dispose any properties or any right-of-use assets from or to its any related persons, or acquire or dispose any assets other than properties or right-of-use assets from or to its any related persons and the transaction amount will reach more than 20% of the Company's paid-in capital, 10% of the Company's total assets or NT\$300 million except for transaction of domestic government bonds and bonds with buy-back and sell-back conditions, and subscription or buy-back of the funds in money market issued by domestic securities investment trust enterprises. However, in case of acquisition or disposal of business equipment between the Company and its subsidiaries with a transaction amount not reaching 10% of the Company's paid-in capital, it shall be decided by chairman first, and proposed at the</p>	<p>Article 10: Procedures for Dealing with Transactions with Related Persons</p> <p>Paragraph 1 is omitted.</p> <p>II. Procedures for determining authorized amount:</p> <p>(I) Transaction contract may be signed and payment may be made after the following information has been approved by one-second of all the members of Audit Committee and submitted to and resolved by the Board of Directors, and paragraph 2 and 3, Article 16 shall apply, if the Company intends to acquire or dispose any properties or any right-of-use assets from or to its any related persons, or acquire or dispose any assets other than properties or right-of-use assets from or to its any related persons and the transaction amount will reach more than 20% of the Company's paid-in capital, 10% of the Company's total assets or NT\$300 million except for transaction of domestic government bonds and bonds with buy-back and sell-back conditions, and subscription or buy-back of the funds in money market issued by domestic securities investment trust enterprises. However, in case of acquisition or disposal of business equipment between the Company and its subsidiaries with a transaction amount not reaching 10% of the Company's paid-in capital, it shall be decided by chairman first, and proposed at the</p>	<p>I. It is handled in response to Jin Guan Zheng Fa Zi No. 1110380465 order issued by Financial Supervisory Commission on January 28, 2022 for amendment to the "Regulations Governing Acquisition and Disposal of Assets by Public Companies".</p> <p>II. In order to strengthen the management on the transactions with related persons and safeguard the rights of minority shareholders to express their opinions on the transactions between the Company and related persons, the Company specifies and adds the provision in this Article that, if the Company or its any subsidiary which is not a domestic public company intends to acquire or dispose any assets from or to any related persons</p>

Amended Provisions	Current Provisions	Explanation
<p>following Board of Directors' meeting for review.</p> <ol style="list-style-type: none"> 1. Purpose of, necessity for and expected benefits from acquisition or disposal of assets. 2. Reasons for selecting the related person as transaction object. 3. Information related to the evaluation made on the reasonableness of pre-determined transaction conditions, according to subparagraph (I), (II), (III), (IV) and (VI), paragraph 3 of this Article, for acquisition of any properties or right-of-use assets from any related persons. 4. The related persons' original acquisition date and price, transaction objects and their relations with the Company and related persons, etc. 5. Estimation table for expected cash income and expenditures in each month of future one year from the contracting month, and evaluation on the necessity for the transaction and the reasonableness of use of funds. 6. The Valuation Report(s) issued by professional valuator(s) or CPA's Opinion(s) obtained according to paragraph 1 of this Article. 7. Restrictions on the transaction and other important agreements. <p><u>If the Company or its any subsidiary which is not a domestic public company intends to make any above-mentioned transactions, and the transaction amount will reach more than 10% of the total assets of the public company, the Company shall submit the information specified in paragraph 1 to, and such information shall be approved by, the Shareholders' Meeting, before signing transaction contract and making payment.</u></p>	<p>following Board of Directors' meeting for review.</p> <ol style="list-style-type: none"> 1. Purpose of, necessity for and expected benefits from acquisition or disposal of assets. 2. Reasons for selecting the related person as transaction object. 3. Information related to the evaluation made on the reasonableness of pre-determined transaction conditions, according to subparagraph (I), (II), (III), (IV) and (VI), paragraph 3 of this Article, for acquisition of any properties or right-of-use assets from any related persons. 4. The related persons' original acquisition date and price, transaction objects and their relations with the Company and related persons, etc. 5. Estimation table for expected cash income and expenditures in each month of future one year from the contracting month, and evaluation on the necessity for the transaction and the reasonableness of use of funds. 6. The Valuation Report(s) issued by professional valuator(s) or CPA's Opinion(s) obtained according to paragraph 1 of this Article. 7. Restrictions on the transaction and other important agreements. <p>(II) The transaction amount specified in the preceding paragraph shall be calculated according to subparagraph 8,</p>	<p>as specified in paragraph 2, and the transaction amount will reach more than 10% of the total assets of the public company, the Company shall submit relevant information to, and such information shall be approved by, the Shareholders' Meeting, before making such transaction and, if any matter shall be submitted by any subsidiary which is not a domestic public company to Shareholders' Meeting for approval, such matter shall be submitted by the Company.</p> <p>III. Considering the needs for overall planning for business between/among the Company and its parent company or subsidiaries, or between/among its subsidiaries, the transactions between/among them are exempted from being submitted to Shareholders' Meeting for resolution.</p>

Amended Provisions	Current Provisions	Explanation
<p><u>However, this provision shall not apply to any transactions between the Company and its parent company or subsidiaries or between its subsidiaries.</u></p> <p>(II) The transaction amount specified in the preceding paragraph shall be calculated according to subparagraph 8, paragraph 2 of Article 13, and “within one year” refers to one year immediately before the occurrence date of this transaction, and the part already submitted to and approved by <u>Shareholders’ Meeting</u> and Board of Directors according to these procedures shall not be included.</p> <p>The following paragraphs are omitted</p>	<p>paragraph 2 of Article 13, and “within one year” refers to one year immediately before the fact occurrence date of this transaction, and the parts already submitted to and approved by Board of Directors according to these Procedures shall not be included.</p> <p>The following paragraphs are omitted</p>	<p>IV. In response to the aforementioned amendment and addition, the parts of transaction amount already approved by Shareholders’ Meeting are exempted from being included.</p>
<p>Article 13: Procedures for Disclosure of Information</p> <p>Paragraph 1 is omitted.</p> <p>II. Items to be published and declared, and publishing and declaration standards</p> <p>Article 1 to 6 are omitted.</p> <p>(VII) Assets transactions other than that specified in the preceding six sub-paragraphs, disposal of debts by financial institutions or investment in mainland China with a transaction amount reaching more than the 20% of the company's paid-in capital or NT\$300 million, except for:</p> <p>1. transaction of domestic government bonds <u>or abroad government bonds with a credit rating not lower than our State ‘s rating.</u></p>	<p>Article 13: Procedures for Disclosure of Information</p> <p>Paragraph 1 is omitted.</p> <p>II. Items to be published and declared, and publishing and declaration standards</p> <p>Article 1 to 6 are omitted.</p> <p>(VII) Assets transactions other than that specified in the preceding six sub-paragraphs, disposal of debts by financial institutions or investment in mainland China with a transaction amount reaching more than the 20% of the company's paid-in capital or NT\$300 million, except for:</p> <p>1. transaction of domestic government bonds.</p> <p>2. trading of securities in stock</p>	<p>The items exempted from being published and announced are added, in response to Jin Guan Zheng Fa Zi No. 1110380465 order issued by Financial Supervisory Commission on January 28, 2022 for amendment to the “Regulations Governing Acquisition and Disposal of Assets by Public Companies”.</p>

Amended Provisions	Current Provisions	Explanation
<p>2. trading of securities in stock exchange or the business place of securities firm, or subscription of <u>broad government bonds</u> or issued ordinary corporate bonds in primary market and ordinary financial bonds (excluding subordinated bonds) not involving equity, or subscription or buy-back of securities investment trust or futures trust funds, <u>subscription or sell-back of index investment securities</u>, or the securities subscribed by securities firm as the securities advisor of emerging companies due to underwriting business needs in accordance with the rules of Taipei Exchange, by the persons specializing in investment.</p> <p>3. transaction of bonds with buy-back and sell-back conditions, and subscription or buy-back of the funds in money market issued by domestic securities investment trust enterprises.</p> <p>The following paragraphs are omitted</p>	<p>exchange or the business place of securities firm, or subscription of issued ordinary corporate bonds in primary market and ordinary financial bonds (excluding subordinated bonds) not involving equity, or subscription or buy-back of securities investment trust or futures trust funds, or the securities subscribed by securities firm as the securities advisor of emerging companies due to underwriting business needs in accordance with the rules of Taipei Exchange, by the persons specializing in investment.</p> <p>3. transaction of bonds with buy-back and sell-back conditions, and subscription or buy-back of the funds in money market issued by domestic securities investment trust enterprises.</p> <p>The following paragraphs are omitted</p>	

Ennoconn Corporation
Comparison Table of the Terms and Provisions of the “Rules of
Procedures of the Shareholders' Meeting” before and after
Amendment

Amended Provisions	Current Provisions	Explanation
<p>Article 3</p> <p>The Company's Shareholders' Meeting shall be convened by its Board of Directors, unless otherwise stipulated by laws and regulations.</p> <p><u>Any changes to the method for holding the Company's Shareholders' Meeting shall subject to the Board of Directors' resolution, and shall be made, before the Shareholders' Meeting notice is sent, at the latest.</u></p> <p>The Company shall make Shareholders' Meeting notice, sample power of attorney, proposals to be submitted for recognition and discussion, election or dismissal of directors, causes for proposals and explanation information into electronic files and transmit them to Market Observation Post System (MOPS) 30 days before annual Shareholders' Meeting or 15 days before extraordinary Shareholders' Meeting. And the Company shall make the Handbook for Shareholders' Meeting and supplemental meeting information into electronic files and transmit them to MOPS 21 days before annual Shareholders' Meeting or 15 days before extraordinary Shareholders' Meeting, <u>but transmission of the said electronic files shall be completed at least 30 days before the annual Shareholders' Meeting, if the Company's paid-in capital as of the end of the most recent fiscal year reaches more than NT\$10 billion,</u></p>	<p>Article 3</p> <p>The Company's Shareholders' Meeting shall be convened by its Board of Directors, unless otherwise stipulated by laws and regulations.</p> <p>The Company shall make Shareholders' Meeting notice, sample power of attorney, proposals to be submitted for recognition and discussion, election or dismissal of directors, causes for proposals and explanation information into electronic files and transmit them to Market Observation Post System (MOPS) 30 days before annual Shareholders' Meeting or 15 days before extraordinary Shareholders' Meeting. And the Company shall make the Handbook for Shareholders' Meeting and supplemental meeting information into electronic files and transmit them to MOPS 21 days before annual Shareholders' Meeting or 15 days before extraordinary Shareholders' Meeting. The Company shall properly prepare the Handbook for the then current Shareholders' Meeting and supplemental meeting information 15 days before Shareholders' Meeting for checking by shareholders at any time, and display them in the Company and the professional stock-affairs agency entrusted by the Company, and issue them on Shareholders'</p>	<p>I. It is amended by referring to Tai Zheng Zhi Li Zi No. 1100001446 Announcement of Taiwan Stock Exchange Corporation issued on January 28, 2021 for amendment to “XXX Co., Ltd. Rules of Procedure for Shareholders Meetings”.</p> <p>II. The second paragraph is added to this Article for shareholders to know the changes to the method for holding Shareholders' Meeting and that any changes to the method for holding Shareholders' Meeting shall subject to the Board of Directors' resolution, and shall be made, before the Shareholders' Meeting Notice</p>

Amended Provisions	Current Provisions	Explanation
<p><u>or the ratio of its shareholding in abroad and mainland China enterprises as recorded in the Register of Shareholders of its annual Shareholders' Meeting held in the most recent fiscal year reaches more than 30% in total.</u></p> <p>The Company shall properly prepare the Handbook for the then current Shareholders' Meeting and supplemental meeting information 15 days before Shareholders' Meeting for checking by shareholders at any time, and display them in the Company and the professional stock-affairs agency entrusted by the Company.</p> <p><u>The Company shall provide the said Handbook and supplemental meeting information on the current day of Shareholders' Meeting in the following way for checking by shareholders:</u></p> <p>一、<u>They shall be issued at the Shareholders' Meeting site, if a physical Shareholders' Meeting is held.</u></p> <p>二、<u>They shall be issued at the Shareholders' Meeting site and their electronic files shall be transmitted to video-conferencing platform, if the Shareholders' Meeting is held under the assistance of video.</u></p> <p>三、<u>Their electronic files shall be transmitted to video-conferencing platform, if the Shareholders' Meeting is held by video.</u></p> <p>四、<u>For the purpose hereof, "Shareholders' Meeting (held by) video or video Shareholders' Meeting" refers to the said video-assisted or video Shareholders' Meeting.</u></p>	<p><u>Meeting site.</u></p> <p>Causes for holding meeting shall be specified in the Notice and Announcement; Notice may be made electronically if it is agreed by the Notice recipient.</p> <p>The following paragraphs are omitted.</p>	<p>is sent, at the latest.</p> <p>III. Paragraph 3 of this Article is amended, for satisfying the provision that the TWSE/TPEX listed companies meeting relevant conditions shall complete transmission of the said electronic files at least 30 days before annual Shareholders' Meeting, subjecting to Article 6 of the Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies revised and issued on December 16, 2021.</p> <p>IV. The original paragraph 2 of this Article is amended, and paragraph 4 is added, in order to enable shareholders to check Handbook for Shareholders' Meeting and</p>

Amended Provisions	Current Provisions	Explanation
<p>Causes for holding meeting shall be specified in the Notice and Announcement; Notice may be made electronically if it is agreed by the Notice recipient.</p> <p>The following paragraphs are omitted.</p>		<p>supplemental meeting information on the current day of Shareholders' Meeting, no matter whether they attend the Shareholders' Meeting on a physical basis or by video.</p>
<p>Article 4</p> <p>Paragraph 1 to 2 are omitted.</p> <p>If any shareholder would intend to attend Shareholders' Meeting in person or exercise voting rights in a writing or electronic way after Power of Attorney would have been served to the Company, it shall send a Power of Attorney cancellation notice to the Company in writing at least two days before the Shareholders' Meeting; In case of overdue cancellation, entrusted agent shall attend and exercise voting rights at the meeting.</p> <p><u>If any shareholder would intend to attend Shareholders' Meeting by video after Power of Attorney would have been served to the Company, it shall send a Power of Attorney cancellation notice to the Company in writing at least two days before the Shareholders' Meeting; In case of overdue cancellation, entrusted agent shall attend and exercise voting rights at the meeting.</u></p>	<p>Article 4</p> <p>Paragraph 1 to 2 are omitted.</p> <p>If any shareholder would intend to attend Shareholders' Meeting in person or exercise voting rights in a writing or electronic way after Power of Attorney would have been served to the Company, it shall send a Power of Attorney cancellation notice to the Company in writing at least two days before the Shareholders' Meeting; In case of overdue cancellation, entrusted agent shall attend and exercise voting rights at the meeting.</p>	<p>Where any shareholder entrusts an agent to attend Shareholders' Meeting, if the shareholder would intend to attend the Shareholders' Meeting by video after Power of Attorney would have been served to the Company, it shall send a Power of Attorney cancellation notice to the Company in writing at least two days before the Shareholders' Meeting, therefore, paragraph 4 is added.</p>
<p>Article 5</p> <p>Shareholders' Meeting shall be held at a place where the Company is located or a place that is convenient for shareholders to attend, and suitable for holding, the Shareholders' Meeting. The</p>	<p>Article 5</p> <p>Shareholders' Meeting shall be held at a place where the Company is located or a place that is convenient for shareholders to attend, and suitable for holding, the Shareholders' Meeting. The</p>	<p>Paragraph 2 is added to specify that, if the Company holds Shareholders' Meeting by video, it shall not subject to</p>

Amended Provisions	Current Provisions	Explanation
<p>meeting shall start no earlier than 9:00 am and end no later than 3:00 pm. The opinions of independent directors shall be fully considered for meeting place and time.</p> <p><u>If the Company holds Shareholders' Meeting by video, it shall not subject to the said restrictions on meeting place.</u></p>	<p>meeting shall start no earlier than 9:00 am and end no later than 3:00 pm. The opinions of independent directors shall be fully considered for meeting place and time.</p>	<p>the said restrictions on meeting place.</p>
<p>Article 6</p> <p>The Company shall specify, in the Meeting Notice, acceptance shareholder, the time and place for the shareholders <u>entrusting agents and the agents</u> (hereinafter referred to as "shareholders") to sign in for meeting and other notes.</p> <p>The time for shareholders to sign in for meeting specified in the preceding paragraph shall be at least 30 minutes before the start of the meeting; There shall be express mark in the sign-in place, and adequate and competent persons shall be appointed to deal with it; <u>If Shareholders' Meeting will be held by video, shareholders shall sign in for the meeting on video-conferencing platform 30 minutes before start of the meeting, and the shareholders completed sign-in shall be deemed as present at the meeting in person.</u></p> <p>Shareholders shall attend Shareholders' Meeting with attendance certificates or sign-in cards or other attendance documents. The Company shall not add any additional requirements on shareholder's attendance certification documents or require shareholders to provide any other certification documents; The agent specified in the Power of Attorney shall also take his/her identification document for verification.</p>	<p>Article 6</p> <p>The Company shall specify, in the Meeting Notice, the time and place for shareholders to sign in for meeting and other notes.</p> <p>The time for shareholders to sign in for meeting specified in the preceding paragraph shall be at least 30 minutes before the start of the meeting; There shall be express mark in the sign-in place, and adequate and competent persons shall be appointed to deal with it.</p> <p><u>Shareholders or their entrusted agents (hereinafter referred to as "shareholders") shall attend Shareholders' Meeting with attendance certificates or cards or other attendance documents. The Company shall not add any additional requirements on shareholder's attendance certification documents or require shareholders to provide any other certification documents; The agent specified in the Power of Attorney shall also take his/her identification document for verification.</u></p> <p>Paragraph 4 to 6 are omitted.</p>	<p>I. Paragraph 2 is added for specifying the time and procedures for shareholders to sign in for attending the meeting by video.</p> <p>II. Paragraph 3 is added in response to the abbreviation specified in paragraph 1.</p> <p>III. Paragraph 7 is added for specifying that, if any shareholder intends to attend the meeting by video, it shall register with the Company at least two days before the Shareholders' Meeting.</p> <p>IV. Paragraph 8 is added for specifying that the Company shall upload Handbook, Annual Report and other related data to the</p>

Amended Provisions	Current Provisions	Explanation
<p>Paragraph 4 to 6 are omitted.</p> <p><u>If Shareholders' Meeting will be held by video, the shareholders who intend to attend the meeting by video shall register with the Company at least two days before the Shareholders' Meeting.</u></p> <p><u>If Shareholders' Meeting will be held by video, the Company shall upload Handbook, Annual Report and other related data to the video-conferencing platform of the Shareholders' Meeting at least 30 minutes before start of the meeting, which shall be disclosed continuously, until the end of the meeting.</u></p>		<p>video-conferencing platform of the Shareholders' Meeting, in order enable the shareholders who attend the meeting by video to check the same.</p>
<p><u>Article 6-1</u></p> <p><u>If the Company will hold Shareholders' Meeting by video, the following items shall be specified in the Shareholders' Meeting Notice:</u></p> <p><u>I. The methods for shareholders to attend the meeting by video and exercise rights at such meeting.</u></p> <p><u>II. The methods for dealing with any failure of video-conferencing platform or video-based meeting caused by any natural disasters, incidents or other force majeure events, at least including:</u></p> <p><u>(I) The delayed time or the time for resumption of the meeting caused by occurrence, and continued failure in elimination, of the said failure, and the date for delayed meeting or for resumption of the meeting.</u></p> <p><u>(II) Any shareholder who has not registered for attending the original Shareholders' Meeting</u></p>		<p>I. This is a newly added Article.</p> <p>II. In order to enable shareholders to know the relevant rights related to and restrictions on attending Shareholders' Meeting before the meeting, it is specified that the contents of Shareholders' Meeting Notice shall cover the methods for shareholders to attend the meeting by video and exercise relevant rights at such meeting, and the methods for dealing with any failure of video-conferencing platform or video-based</p>

Amended Provisions	Current Provisions	Explanation
<p><u>by video shall not attend the delayed or resumed meeting.</u></p> <p><u>(III) Where a video-assisted Shareholders' Meeting is held, if the video meeting cannot be resumed, and if the total number of shares represented by the shareholders attending the meeting reaches statutory number after the number of shares represented by the shareholders attending the Shareholders' Meeting by video is deducted, the Shareholders' Meeting shall be resumed, and the number of shares represented by the shareholders attended the meeting by video shall be included in the total number of shares represented by the shareholders attending the meeting, but it shall be deemed as waiver of all the proposals at this Shareholders' Meeting.</u></p> <p><u>(IV) The methods for dealing with the situation where the results of all proposals have been announced, and there's no extempore motion.</u></p> <p><u>III. Appropriate alternatives to the shareholders who have difficulties to attend the meeting by video if a video Shareholders' Meeting will be held.</u></p>		<p>meeting caused by any natural disasters, incidents or other force majeure events, and shall specify the appropriate alternatives to the shareholders who have difficulties to attend the meeting by video.</p>
<p>Article 8</p> <p>The Company shall record and video the whole process of shareholder's sign-in, meeting, voting and votes counting</p>	<p>Article 8</p> <p>The Company shall record and video the whole process of shareholder's sign-in, meeting, voting and votes counting</p>	<p>I. Paragraph 3 and 4 are added by referring to Article 183 of the Company</p>

Amended Provisions	Current Provisions	Explanation
<p>continuously without interruption from the time of sign-in by shareholders.</p> <p>The said audio and video materials shall be kept for at least one year. However, in case of any lawsuit filed by any shareholder in accordance with Article 189 of the Company Act, they shall be kept until the lawsuit is closed.</p> <p><u>If Shareholders' Meeting is held by video, the Company shall record and keep shareholders' registration, sign-in, questioning and voting, company's vote counting results and other data, and shall make audio and video records about the whole process of the video meeting continuously without interruption.</u></p> <p><u>The Company shall properly keep the said data and audio and video records during its survival period, and submit the audio and video records to the party which dealt with the video meeting related affairs for keeping.</u></p> <p><u>If Shareholders' Meeting is held by video, the Company may make audio and video records on the back-stage operating interface of video-conferencing platform.</u></p>	<p>continuously without interruption from the time of sign-in by shareholders.</p> <p>The said audio and video materials shall be kept for at least one year. However, in case of any lawsuit filed by any shareholder in accordance with Article 189 of the Company Act, they shall be kept until the lawsuit is closed.</p>	<p>Act and Article 18 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.</p> <p>II. Paragraph 5 is added for specifying that audio and video records may be made on the back-stage operating interface of video-conferencing platform to keep the data related to video meeting.</p>
<p>Article 9</p> <p>Attendance at the Shareholders Meeting shall be calculated based on shares. The number of shares represented by the shareholders present shall be calculated based on the signature book or sign-in cards submitted, <u>the number of shares represented by the shareholders signed in on video-conferencing platform,</u> and the number of shares for which voting rights are exercised in writing or electronically.</p> <p>Chairperson shall, at the meeting commencement time,</p>	<p>Article 9</p> <p>Attendance at the Shareholders Meeting shall be calculated based on shares. The number of shares represented by the shareholders present shall be calculated based on the signature book or sign-in cards submitted and the number of shares for which voting rights are exercised in writing or electronically.</p> <p>Chairperson shall, at the meeting commencement time, announce commencement of the meeting, and announce the number of shares without voting rights and</p>	<p>I. Paragraph 1 is amended, in order to specify that, if the Company's Shareholders' Meeting is held by video, the number of shares represented by the shareholders who signed in on video-conferencing platform shall</p>

Amended Provisions	Current Provisions	Explanation
<p>announce commencement of the meeting, and announce the number of shares without voting rights and the number of shares represented by the shareholders present and other related information. Chairperson may announce postponement of the meeting only if there are insufficient shareholders representing over half of the total number of issued shares present, and the postponement shall be limited to two times and postponed time shall not exceed one hour in total. If there are insufficient shareholders representing over one-third of the total number of issued shares present after postponement for two times, chairperson shall announce adjournment of the meeting; <u>If Shareholders' Meeting is held by video, the Company shall announce adjournment of the meeting on video-conferencing platform.</u></p> <p>If there are insufficient shareholders representing over one-third of the total number of issued shares present after postponement for two times as specified in the preceding paragraph, a tentative resolution may be made in accordance with Paragraph 1, Article 175 of the Company Act, and shareholders shall be notified about the tentative resolution to hold a Shareholders' Meeting again within one month; <u>If the Shareholders' Meeting will be held by video, the shareholders intending to attend the meeting by video shall re-register with the Company according to Article 6.</u></p> <p>The following paragraphs are omitted.</p>	<p>the number of shares represented by the shareholders present and other related information. Chairperson may announce postponement of the meeting only if there are insufficient shareholders representing over half of the total number of issued shares present, and the postponement shall be limited to two times and postponed time shall not exceed one hour in total. If there are insufficient shareholders representing over one-third of the total number of issued shares present after postponement for two times, chairperson shall announce adjournment of the meeting.</p> <p>If there are insufficient shareholders representing over one-third of the total number of issued shares present after postponement for two times as specified in the preceding paragraph, a tentative resolution may be made in accordance with Paragraph 1, Article 175 of the Company Act, and shareholders shall be notified about the tentative resolution to hold a Shareholders' Meeting again within one month.</p> <p>The following paragraphs are omitted.</p>	<p>be included in the total number of shares represented by the shareholders present at the meeting.</p> <p>II. Paragraph 2 is amended to specify that, where the Company's Shareholders' Meeting is held by video, the Company shall separately announce adjournment of the meeting on video-conferencing platform if the chairman announces adjournment of the meeting, so as to notify shareholders.</p> <p>III. Paragraph 3 is amended to specify that, if the Company will hold Shareholders' Meeting separately for a tentative resolution, the shareholders intending to attend the meeting by video shall register with the Company.</p>

Amended Provisions	Current Provisions	Explanation
<p>Article 11</p> <p>Paragraph 1 to 5 are omitted.</p> <p>After a shareholder present has given a speech, the chairperson shall make reply in person or designate relevant person to make reply.</p> <p><u>If the Company's Shareholders' Meeting is held by video, the shareholders attending the meeting by video may raise queries by text on each proposal for no more than two times and no more than 200 words each time, on video-conferencing platform, after the chairperson announces commencement of the meeting, until adjournment of the meeting, and paragraph 1 to 5 shall not apply.</u></p> <p><u>The said queries shall be disclosed on the video-conferencing platform of the Shareholders' Meeting if they do not violate any regulations nor exceed the scope of the proposals being discussed, so as to make related persons to know.</u></p>	<p>Article 11</p> <p>Paragraph 1 to 5 are omitted.</p> <p>After a shareholder present has given a speech, the chairperson shall make reply in person or designate relevant person to make reply.</p>	<p>I. Paragraph 7 is added to specify the methods and procedures for the shareholders attending Shareholders' Meeting by video to raise queries, and the restrictions on raising queries.</p> <p>II. Paragraph 8 is added to specify that shareholder's queries shall be disclosed on video-conferencing platform to facilitate other shareholders to know the contents of the queries raised by query-raising shareholders, except that the Company screens and removes the questions unrelated to the topics of Shareholders' Meeting.</p>
<p>Article 13</p> <p>Paragraph 1 to 3 are omitted.</p> <p><u>Where Shareholders' Meeting is held by video, if any shareholder would intend to attend Shareholders' Meeting in person or by video after it would have exercised its voting rights in writing or in an electronic way, it shall cancel the said intention about exercising voting rights, in the</u></p>	<p>Article 13</p> <p>Paragraph 1 to 3 are omitted.</p> <p>If any shareholder would intend to attend Shareholders' Meeting in person after it would have exercised its voting rights in writing or in an electronic way, it shall cancel the said intention about exercising voting rights, in the same way as that for exercising its voting rights, at least two days</p>	<p>I. Paragraph 4 is amended to specify that, if any shareholder would intend to attend Shareholders' Meeting by video after it would have exercised its</p>

Amended Provisions	Current Provisions	Explanation
<p>same way as that for exercising its voting rights, at least two days before the Shareholders' Meeting; In case of overdue cancellation, the voting rights exercised in writing or in an electronic way shall prevail. If any shareholder chooses to exercise its voting rights in writing or in an electronic way and attends Shareholders' Meeting by its agent specified in the Power of Attorney, the voting rights exercised by such agent at the meeting shall prevail.</p> <p>Paragraph 5 to 8 are omitted.</p> <p><u>Where the Company holds Shareholders' Meeting by video, the shareholders attending the meeting by video shall vote on proposals and election proposals on video-conferencing platform after the chairperson announces commencement of the meeting, and shall complete voting before the chairperson announces termination of voting, otherwise, overdue voting shall be deemed as waiver.</u></p> <p><u>Where Shareholders' Meeting is held by video, votes shall be counted at one time, and voting and election results shall be announced, after the chairperson announces termination of voting.</u></p> <p><u>Where the Company holds video-assisted Shareholders' Meeting, if any shareholder who has registered for attending the meeting by video according to Article 6 would intend to attend physical Shareholders' Meeting, it shall cancel the registration, in the same way as that for registration, at least two days before the Shareholders' Meeting; In case of overdue cancellation, it shall attend the Shareholders' Meeting only by video.</u></p> <p><u>Any shareholder who attends Shareholders' Meeting by video,</u></p>	<p>before the Shareholders' Meeting. In case of overdue cancellation, the voting rights exercised in writing or in an electronic way shall prevail. If any shareholder chooses to exercise its voting rights in writing or in an electronic way and attends Shareholders' Meeting by its agent specified in the Power of Attorney, the voting rights exercised by such agent at the meeting shall prevail.</p> <p>Paragraph 5 to 8 are omitted.</p>	<p>voting rights in writing or in an electronic way, it shall cancel the said intention about exercising voting rights in the same way as that for exercising its voting rights.</p> <p>II. Paragraph 9 and 10 are added to specify that the shareholders attending the meeting by video may vote on various original proposals after the chairperson announces commencement of the meeting, until the chairperson announces termination of voting, so that they have sufficient time for voting, and votes shall be counted at one time in line with their voting time.</p> <p>III. Paragraph 11 is added to specify the relevant rules regarding the shareholders registered for attending video-assisted Shareholders'</p>

Amended Provisions	Current Provisions	Explanation
<p><u>exercises voting rights in writing or in an electronic way, and does not cancel its intention shall not exercise its voting rights on, or propose any amendments to, the original proposals or exercise its voting rights on such amendments.</u></p>		<p>Meeting by video cancel such registration. IV. Paragraph 12 is added to specify the voting rights of the shareholders attending video-assisted Shareholders' Meeting by video on proposals.</p>
<p>Article 15 Paragraph 1 to 3 are omitted. <u>Where Shareholders' Meeting is held by video, the commencement and termination time of the meeting, meeting methods, name of chairperson and meeting minute, the methods for dealing with any failure of video-conferencing platform or video-based meeting caused by any natural disasters, incidents or other force majeure events and its dealing status shall be specified in the meeting minutes, in addition to the said items to be recorded.</u> <u>If the Company holds Shareholders' Meeting by video, it shall specify, in the meeting minutes, the appropriate alternatives to the shareholders who have difficulties to attend the meeting by video.</u></p>	<p>Article 15 Paragraph 1 to 3 are omitted.</p>	<p>I. Paragraph 4 is added to specify that the Company shall specify video meeting-related handling methods and status in its Shareholders' Meeting minutes, in addition to the said items to be recorded as specified in paragraph 3, so as to facilitate shareholders to know the results of video meeting, the alternatives to the shareholders who have difficulties to attend the meeting by video, the methods for dealing with any failure in communication</p>

Amended Provisions	Current Provisions	Explanation
		<p>and its dealing status.</p> <p>II. Paragraph 4 is added to specify that the Company shall specify, in its meeting minutes, the alternatives to the shareholders who have difficulties to attend the meeting by video, if it holds Shareholders' Meeting by video.</p>
<p>Article 16</p> <p>The Company shall prepare a statistics table for the number of shares of the shareholders entrusting agents, the number of shares entrusted to the agents <u>and the number of shares represented by the shareholders attending the meeting in writing or in an electronic way</u>, in the stipulated format, on the then current day of Shareholders' Meeting, and shall expressly disclose such number on the meeting site; <u>If Shareholders' Meeting is held by video, the Company shall upload the said data to the video-conferencing platform of the Shareholders' Meeting at least 30 minutes before the start of the meeting, which shall be disclosed continuously, until the end of the meeting.</u></p> <p><u>If the Company holds Shareholders' Meeting by video, it shall disclose the total number of shares represented by the shareholders attending the meeting on video-conferencing platform at the time of announcing commence</u></p>	<p>Article 16</p> <p>The Company shall prepare a statistics table for the number of shares of the shareholders entrusting agents and the number of shares entrusted to the agents, in the stipulated format, on the then current day of Shareholders' Meeting, and shall expressly disclose such number on the meeting site.</p> <p>The following paragraphs are omitted.</p>	<p>I. The Company shall expressly disclose on the meeting site the number of shares of the shareholders entrusting agents, the number of shares entrusted to the agents and the number of shares represented by the shareholders attending the meeting in writing or in an electronic way, in order to enable shareholders to know the same. If the Company holds Shareholders' Meeting by video, the</p>

Amended Provisions	Current Provisions	Explanation
<p><u>of the meeting. If the total number of shares represented by the shareholders attending the meeting and the number of votes are calculated separately in the meeting, the same shall apply.</u></p> <p>The following paragraphs are omitted.</p>		<p>Company shall upload the said data to the video-conferencing platform of the Shareholders' Meeting. Therefore, paragraph 1 is amended.</p> <p>II. Paragraph 2 is added to specify that, if Shareholders' Meeting is held by video, the Company shall keep update of the total number of shares represented by the shareholders attending the meeting on video-conferencing platform at the time of announcing commence of the meeting.</p>
<p><u>Article 19</u> <u>If Shareholders' Meeting is held by video, the Company shall disclose the results of voting on proposals and election results, on the video-conferencing platform of the Shareholders' Meeting, in a real time, after termination of the voting, according to provisions, which shall be disclosed continuously for at least 15 minutes after the chairperson announces adjournment of the meeting.</u></p>		<p>I. This is a newly added Article.</p> <p>II. This Article is added to specify sufficient information disclosure time, in order to enable the shareholders attending video Shareholders' Meeting to know the status of voting on proposals and</p>

Amended Provisions	Current Provisions	Explanation
		election results in a real time.
<p><u>Article 20</u> <u>If the Company holds Shareholders' Meeting by video, chairperson and recording person shall be at the same place in domestic, and chairperson shall be at the place announced by him/her upon commencement of the meeting.</u></p>		<p>I. This is a newly added Article. II. This Article is added to specify that, where Shareholders' Meeting is held by video and there's no physical meeting place, chairperson and recording person shall be at the same place in domestic, and chairperson shall be at the place announced by him/her upon commencement of the meeting to enable shareholders to know chairperson's location.</p>
<p><u>Article 21</u> <u>If Shareholders' Meeting will be held by video, the Company shall provide shareholders with a simple connection test before the meeting, and provide relevant services in a real time before and in the meeting to assist in dealing with any technical problems of communication.</u> <u>If Shareholders' Meeting is held by video, the chairperson shall, at the time of announcing commencement of the meeting, separately announce the date of any postponed or resumed meeting to be held within 5 days in case of any failure of video-conferencing</u></p>		<p>I. This is a newly added Article. II. This Article is added, in order to reduce any communication problems of video meeting and specify the measures for dealing with various situations related to holding video Shareholders' Meeting.</p>

Amended Provisions	Current Provisions	Explanation
<p><u>platform or video-based meeting lasting for more than 30 minutes caused by any natural disasters, incidents or other force majeure events before the chairperson announces adjournment of the meeting, except for the conditions not requiring postponement or resumption as specified in paragraph 4, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, and Article 182 of the Company Act shall not apply.</u></p> <p><u>In case of any said delayed or resumed meeting, any shareholder who has not registered for attending the original Shareholders' Meeting by video shall not attend the delayed or resumed meeting.</u></p> <p><u>Where any meeting shall be postponed or resumed according to paragraph 2, if any shareholder who has registered for attending the original Shareholders' Meeting by video and completed sign-in fails to attend the postponed or resumed meeting, the number of shares represented by such shareholder attending the original Shareholders' Meeting, and the voting and election rights exercised by such shareholder shall be included in the total number of shares represented by, and the voting and election rights of, the shareholders attending the postponed or resumed meeting.</u></p> <p><u>Where any Shareholders' Meeting is postponed or resumed according to paragraph 2, the proposals for which voting and votes counting have been completed and voting results or the list of elected directors have been announced do not need to be discussed and resolved separately.</u></p> <p><u>Where the Company holds</u></p>		

Amended Provisions	Current Provisions	Explanation
<p><u>video-assisted Shareholders' Meeting and video meeting cannot be resumed as specified in paragraph 2, the Shareholders' Meeting shall continue to be conducted and the meeting does not need to be postponed or resumed according to paragraph 2 if the total number of shares represented by the shareholders attending the meeting still reaches statutory number for holding a shareholders' meeting after the number of shares represented by the shareholders attending the Shareholders' Meeting by video is deducted.</u></p> <p><u>If the meeting shall continue to be conducted as specified in the preceding paragraph, the number of the shares represented by the shareholders attending the Shareholders' Meeting by video shall be included in the total number of shares represented by the shareholders attending the Shareholders' Meeting, but it shall be deemed as waiver of all the proposals at this Shareholders' Meeting.</u></p> <p><u>If the Company postpones or resumes the meeting according to paragraph 2, it shall make preparation based on the original Shareholders' Meeting date and the various rules in accordance with paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p> <p><u>The Company shall handle it based on the date for postponed or resumed Shareholders' Meeting specified in paragraph 2 in accordance with Article 12 and paragraph 3, Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public</u></p>		

Amended Provisions	Current Provisions	Explanation
<p><u>Companies, as well as paragraph 2, Article 44-5, Article 44-15 and paragraph 1, Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p>		
<p><u>Article 22</u> <u>If the Company holds Shareholders' Meeting by video, it shall provide the method for exercising voting rights in writing or in an electronic way as an appropriate alternative to the shareholders who have difficulties to attend the meeting by video.</u></p>		<p>I. This is a newly added Article. II. This Article is added to specify that the Company shall provide the method for exercising voting rights in writing or in an electronic way as an alternative, by considering that there will be difficulties for some shareholders to attend the meeting by video and appropriate alternatives shall be provided, if the Company holds Shareholders' Meeting by video.</p>
<p><u>Article 23</u> These Rules shall be implemented after they are approved by Shareholders' Meeting, and the same shall apply to any amendments hereto.</p>	<p>Article 19 These Rules shall be implemented after they are approved by Shareholders' Meeting, and the same shall apply to any amendments hereto.</p>	<p>The number of Article is adjusted in response to the addition of Articles.</p>

Ennoconn Corporation

Rules of Procedures of the Shareholders' Meeting

Article 1 To establish a good governance system for the Company's Shareholders' Meeting, and improve its supervisory and management functions, these Rules are formulated in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, for compliance with.

Article 2 The Company's Rules of Procedures of the Shareholders' Meeting shall subject to these Rules, unless otherwise stipulated by laws or Articles of Incorporation.

Article 3 The Company's Shareholders' Meeting shall be convened by its Board of Directors, unless otherwise stipulated by laws and regulations.

The Company shall make Shareholders' Meeting Notice, sample Power of Attorney, proposals to be submitted for recognition and discussion, election or dismissal of directors, causes for proposals and explanation information into electronic files and transmit them to Market Observation Post System (MOPS) 30 days before annual Shareholders' Meeting or 15 days before extraordinary Shareholders' Meeting. And the Company shall make the Handbook for Shareholders' Meeting and supplemental meeting information into electronic files and transmit them to MOPS 21 days before annual Shareholders' Meeting or 15 days before extraordinary Shareholders' Meeting. The Company shall properly prepare the Handbook for the then current Shareholders' Meeting and supplemental meeting information 15 days before Shareholders' Meeting for checking by shareholders at any time, and display them in the Company and the professional stock-affairs agency entrusted by the Company, and issue them on Shareholders' Meeting site.

Causes for holding meeting shall be specified in the Notice and Announcement; Notice may be made electronically if it is agreed by the Notice recipient.

Election or dismissal of directors, amendment to Articles of Incorporation, capital decrease, application for stopping public offering, non-competition license for directors, capital increase from surplus, capital increase from reserves, company dissolution, merger

and separation, the matters specified in paragraph 1, Article 185 of the Company Act, and the matters specified in Article 26-1 and 43-6 of the Securities and Exchange Act and specified in Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be listed in the causes for holding a meeting and their major contents shall be explained, and they shall not be proposed as extempore motions; Their major contents shall be entered in the website designated by the authority in charge of securities or the company, and the website address shall be specified in the Notice.

If overall re-election of directors and supervisors and their office assumption dates have been specified in the causes for holding a Shareholders' Meeting, their office assumption dates shall not be changed at the same meeting by extempore motion or any other way after completion of re-election at this Shareholders' Meeting.

Each shareholder holding over 1% of the total number of issued shares may make only one proposal to the Company's annual Shareholders' Meeting, and more than one proposals will not be included in the proposals to be discussed. In addition, if any proposal made by shareholders meets any conditions specified in paragraph 4, Article 172-1 of the Company Act, it will not be included by the Board of Directors in the proposals to be discussed. A shareholder may make only one proposal, in accordance with Article 172-1 of the Company Act, to urge the company to improve public interests or fulfill its social responsibilities, and more than one proposals will not be included in the proposals to be discussed.

The Company shall announce shareholders' proposals accepted by it before the stock transfer stopping date before annual Shareholders' Meeting, written or electronic acceptance method, the place of acceptance and acceptance period; acceptance period shall not be less than ten days.

A proposal made by a shareholder shall be limited to 300 words, and any proposal with more than 300 words will not be included in the proposals to be discussed; a shareholder making proposal shall attend annual Shareholders' Meeting in person or by entrusted person, and shall participate in the discussion on this proposal.

The Company shall notify the shareholders making proposals of

handling results before the date of notice about holding Shareholders' Meeting, and shall list the proposals in compliance with this Article in the meeting Notice. For any shareholder's proposal which is not included in the proposals to be discussed, the Board of Directors shall explain the reasons for such condition at the Shareholders' Meeting.

Article 4 A shareholder may issue the Power of Attorney printed by the Company specifying the scope of authorization to entrust an agent to attend each Shareholders' Meeting.

A shareholder may issue only one Power of Attorney to entrust only one person, and the Power of Attorney shall be served to the Company five days before Shareholders' Meeting. In case of repeated Power of Attorney, the one served in the earliest time shall prevail, except for any previous Power of Attorney canceled as stated.

If any shareholder would intend to attend Shareholders' Meeting in person or exercise voting rights in a writing or electronic way after Power of Attorney would have been served to the Company, it shall send a Power of Attorney cancellation notice to the Company in writing at least two days before the Shareholders' Meeting; In case of overdue cancellation, entrusted agent shall attend and exercise voting rights at the meeting.

Article 5 Shareholders' Meeting shall be held at a place where the Company is located or a place that is convenient for shareholders to attend, and suitable for holding, the Shareholders' Meeting. The meeting shall start no earlier than 9:00 am and end no later than 3:00 pm. The opinions of independent directors shall be fully considered for meeting place and time.

Article 6 The Company shall specify, in the Meeting Notice, the time and place for shareholders to sign in for meeting and other notes.

The time for shareholders to sign in for meeting specified in the preceding paragraph shall be at least 30 minutes before the start of the meeting; There shall be express mark in the sign-in place, and adequate and competent persons shall be appointed to deal with it.

Shareholders or their entrusted agents (hereinafter referred to as "shareholders") shall attend Shareholders' Meeting with attendance certificates or sign-in cards or other attendance documents. The Company shall not add any additional requirements on shareholder's attendance certification documents or require shareholders to provide

any other certification documents; The agent specified in the Power of Attorney shall also take his/her identification document for verification.

The Company shall establish a signature book for the shareholders attending the meeting to sign in, or the shareholders attending the meeting shall submit sign-in cards for signing in for the meeting instead of signing on the signature book.

The Company shall deliver the Handbook, Annual Report, Attendance Certificates, speech slips, voting ballots and other meeting data to the shareholders present at the Shareholders' Meeting; if directors will be elected, election ballots shall be provided.

If any government or legal person is a shareholder, its representatives attending the Shareholders' Meeting shall not be limited to one person. If any legal person is entrusted to attend the Shareholders' Meeting, only one representative may be appointed to attend the meeting.

Article 7

If Shareholders' Meeting is convened by the Board of Directors, chairperson shall be served by the chairman. If the chairman asks for leave or cannot exercise his/her powers due to any reason, vice chairman shall do the same for the chairman. If there's no vice chairman or vice chairman also asks for leave or cannot exercise his/her powers due to any reason, a managing director shall be designated by the chairman to do the same. If there is no managing director, a director shall be designated to conduct that, while, if no agent is designated by the chairman, a director shall be recommended by managing directors or directors to serve as the chairperson for the chairman.

If the said chairperson is served by a managing director or director, he/she shall have assumed his/her office for more than six months and understand the company's financial and business status. If the said chairperson is served by the representative of a corporate director, the same shall apply.

A Shareholders' Meeting convened by the Board of Director is better to be presided over by the chairman in person and attended by over half of the Board of Directors' members and at least one Audit Committee's member in person and at least one representative of

various functional committee's members, and the attendance shall be recorded in the Shareholders' Meeting minutes.

If Shareholders' Meeting is convened by a person with the right to convene the meeting other than the Board of Directors, chairperson shall be served by such person, while, if there are two or more such persons, one of them shall be recommended by each other to serve as chairperson.

The Company shall appoint lawyers, CPAs or relevant persons to attend the Shareholders' Meeting.

Article 8 The Company shall record and video the whole process of shareholder's sign-in, meeting, voting and votes counting continuously without interruption from the time of sign-in by shareholders.

The said audio and video materials shall be kept for at least one year. However, in case of any lawsuit filed by any shareholder in accordance with Article 189 of the Company Act, they shall be kept until the lawsuit is closed.

Article 9 Attendance at the Shareholders Meeting shall be calculated based on shares. The number of shares represented by the shareholders present shall be calculated based on the signature book or sign-in cards submitted and the number of shares for which voting rights are exercised in writing or electronically.

Chairperson shall, at the meeting commencement time, announce commencement of the meeting, and announce the number of shares without voting rights and the number of shares represented by the shareholders present and other related information. Chairperson may announce postponement of the meeting only if there are insufficient shareholders representing over half of the total number of issued shares present, and the postponement shall be limited to two times and postponed time shall not exceed one hour in total. If there are insufficient shareholders representing over one-third of the total number of issued shares present after postponement for two times, chairperson shall announce adjournment of the meeting.

If there are insufficient shareholders representing over one-third of the total number of issued shares present after postponement for two times as specified in the preceding paragraph, a tentative

resolution may be made in accordance with Paragraph 1, Article 175 of the Company Act, and shareholders shall be notified about the tentative resolution to hold a Shareholders' Meeting again within one month.

If the number of shares represented by shareholders present reaches more than half of the total number of issued shares before the end of the then current meeting, chairperson may re-submit the tentative resolution to the Shareholders' Meeting for voting in accordance with Article 174 of the Company Act.

Article 10 If a Shareholders' Meeting is convened by the Board of Directors, the meeting agenda shall be formulated by the Board of Directors, and relevant proposals (including extempore motions and amendments to original proposals) shall be voted on a case-by-case basis, and the meeting shall be conducted according to the scheduled agenda, which shall not be changed without the resolution of Shareholders' Meeting.

If a Shareholders' Meeting is convened by a person with the right to convene the meeting other than the Board of Directors, the provisions specified in the preceding paragraph shall apply.

Chairperson shall not announce adjournment of the meeting without resolution before the agenda and proposals (including extempore motions) specified in the preceding two paragraphs are concluded; If chairperson announces adjournment of the meeting against the Rules of Procedures, other members of the Board of Directors shall promptly assist the shareholders present to elect a person to serve as chairperson, with the approval from over half of the voting rights of the shareholders present, according to legal procedures, to continue the meeting.

Chairperson shall give sufficient opportunities for explaining and discussing on proposals and any amendments or extempore motions proposed by shareholders, and shall announce stopping of discussion and submission for voting and arrange for suitable voting time when he/she believes voting may be conducted.

Article 11 Before a shareholder present gives a speech, he/she must fill out a speaker's slip specifying the gist of the speech, the shareholder's account number (or attendance certificate number) and account name, and the order of speeches shall be determined by the

chairperson.

If any shareholder present only submits a speaker's slip but does not give a speech, it shall be deemed as that he/she does not give a speech. In case of any discrepancy between the contents of speech and that specified on a speaker's slip, the former shall prevail.

Each shareholder shall give a speech for the same one proposal for no more than two times without the chairperson's consent and no more than five minutes each time. If any shareholder's speech violates any regulations or exceeds the scope of the proposal being discussed, the chairperson may stop him/her from giving the speech.

When a shareholder present is giving a speech, other shareholders shall not interfere with his/her speech, unless they have obtained the consent of the chairperson and the shareholder giving the speech, and the chairperson shall prevent shareholders from violation of such provision.

If a corporate shareholder designates two or more representatives to attend a Shareholders' Meeting, only one representative may be elected to give a speech for the same one proposal.

After a shareholder present has given a speech, the chairperson shall make reply in person or designate relevant person to make reply.

Article 12

Voting at the Shareholders Meeting shall be calculated based on shares.

For resolutions at Shareholders' Meeting, the number of shares represented by the shareholders without voting rights shall not be calculated in the total number of issued shares.

If any shareholder has conflict of interest which may damage the Company's interest, it shall not participate in the voting on the matters at the meeting, nor exercise voting rights for any other shareholder.

The number of shares represented by the shareholder who shall not exercise voting rights as specified in preceding paragraph shall not be calculated in the number of voting rights represented by the shareholders present.

If one person is entrusted by two or more shareholders, the voting rights represented by him/her shall not exceed 3% of the voting rights represented by the total number of issued shares, and

any exceeded voting rights will not be calculated, except for trust enterprise or the stock-affairs agency approved by the authority in charge of securities.

Article 13 Shareholder's each share shall be entitled to one voting right, except for the shares restricted or without voting rights as specified in paragraph 2, Article 179 of the Company Act.

Voting rights shall be exercised in an electronic way or in writing at the Company Shareholders' Meeting; If voting rights will be exercised in writing or in an electronic way, their exercising method shall be specified in Shareholders' Meeting' Notice. Shareholders who exercise their voting rights in writing or in an electronic way shall be deemed as present at the Shareholders' Meeting in person. But it shall be deemed as waiver of the extempore motions or amendments to original proposals at this Shareholders' Meeting, thus, the Company shall avoid from proposing extempore motions or making amendments to original proposals.

If shareholders will exercise their voting rights in writing or in an electronic way as specified in the preceding paragraph, their intentions shall be delivered to the Company at least two days before the Shareholders' Meeting. In case of repeated intentions, those delivered at an earlier time shall prevail, except for any earlier intentions canceled as stated.

If any shareholder would intend to attend Shareholders' Meeting in person after it would have exercised its voting rights in writing or in an electronic way, it shall cancel the said intention about exercising voting rights, in the same way as that for exercising its voting rights, at least two days before the Shareholders' Meeting. In case of overdue cancellation, the voting rights exercised in writing or in an electronic way shall prevail. If any shareholder chooses to exercise its voting rights in writing or in an electronic way and attends Shareholders' Meeting by its agent specified in the Power of Attorney, the voting rights exercised by such agent at the meeting shall prevail.

Resolutions shall be approved by over half of the voting rights of the shareholders present at the meeting, unless otherwise stipulated by the Company Act and the Company's Articles of Incorporation. Unless there's no objection as inquired by chairperson, shareholders shall vote on proposals one by one after the

total votes of the shareholders present at the meeting for each proposal are announced by chairperson or its designated person, and shareholder's affirmative, dissenting and abstention votes shall be entered in MOPS on the day immediately after the Shareholders' Meeting.

If there's any amendment or alternative to the same one proposal, chairperson shall determine the order for voting on it and the original proposal. If one of proposals has been approved, the other proposals shall be deemed as to be rejected and no further voting is required.

Scrutineers and tellers for voting shall be designated by the chairperson, but scrutineer shall have a shareholder status.

Votes cast at Shareholders' Meeting or on the proposals for election shall be counted on the Shareholders' Meeting site in a public way, and voting results shall be announced on site after completion of votes counting, including calculated voting rights, and they shall be made into records.

Article 14 If directors need to be elected at the Shareholders' Meeting, it shall be operated according to the relevant election and appointment rules formulated by the Company, and election results shall be announced on site, including the list of elected directors and their votes, and the list of candidates failed in the election of directors and supervisors and their votes.

The votes for election as specified in the preceding paragraph shall be sealed and signed by scrutineers, and shall be properly kept for at least one year. However, in case of any lawsuit filed by any shareholder in accordance with Article 189 of the Company Act, they shall be kept until the lawsuit is closed.

Article 15 The resolutions of the Shareholders' Meeting shall be made into meeting minutes, which shall be signed or affixed with seal by the chairperson, and shall be distributed to all shareholders within 20 days after the meeting. Meeting minutes may be made and distributed electronically.

The Company shall publish distribution of meeting minutes as specified in the preceding paragraph in MOPS.

The meeting year, month, date and venue, name of chairperson, method of resolution, major points for discussion on proposals, and

voting results (including statistical data) shall be recorded in meeting minutes faithfully. If any director is elected, the votes obtained by each candidate shall be disclosed. Meeting minutes shall be kept permanently during the survival period of the Company.

Article 16 The Company shall prepare a statistics table for the number of shares of the shareholders entrusting agents and the number of shares entrusted to the agents, in the stipulated format, on the then current day of Shareholders' Meeting, and shall expressly disclose such number on the meeting site.

If any matter resolved at the Shareholders' Meeting involves any significant information specified in laws, regulations or the rules of Taiwan Stock Exchange Corporation (Taipei Exchange), the Company shall transmit the contents to MOPS within stipulated time.

Article 17 The personnel who deal with Shareholders' Meeting related affairs shall wear identification cards or armbands.

Chairperson shall direct disciplinary officers or security persons to assist in maintaining the order at the meeting site. Disciplinary officers or security persons shall wear armbands or identification cards with the text "Disciplinary Officer".

If the meeting site is equipped with loudspeaker equipment, and if any shareholder gives speech not by using the equipment provided by the Company, chairperson shall prevent such shareholder from doing so.

If any shareholder violates the Rules of Procedures, does not make correction as required by chairperson, prevents the meeting from being conducted, and refuses to make correction, chairperson shall instruct disciplinary officers or security persons to ask him/her to leave the meeting site.

Article 18 Chairperson may decide to announce a break when the meeting is in progress. In case of any force majeure, chairperson shall suspend the meeting, and announce the time for assumption of the meeting depending on the situation.

In case of failure in continued use of the meeting site at that time before the agenda and proposals (including extempore motions) are concluded, Shareholders Meeting shall find other site for holding the meeting continuously.

The Shareholders Meeting may resolved to postpone or resume

the meeting within five days in accordance with Article 182 of the Company Act.

Article 19 These Rules shall be implemented after they are approved by Shareholders' Meeting, and the same shall apply to any amendments hereto.

Articles of Incorporation of Ennoconn Corporation

Chapter 1 General

- Article 1: The Company is incorporated in accordance with the Company Act, with its name of 權漢科技股份有限公司 and English name of Ennoconn Corporation.
- Article 2: The Company's business activities are as follows:
- I. F118010 Wholesale of Information Software.
 - II. F218010 Retail of Information Software.
 - III. F401010 International Trade.
 - IV. F401021 Import of Telecommunication Controlled Radio-frequency Equipment.
 - V. CC01080 Manufacturing of Electronic Components.
 - VI. CC01110 Manufacturing of Computer and Peripheral Equipment.
 - VII. CC01120 Manufacturing and Duplicating of Data Storage Media.
 - VIII. I301010 Information Software Service.
 - IX. I301020 Data Processing Service.
 - X. I301030 Electronic Information Supply Service.
- Article 3: The Company's head office is located in New Taipei City, and the Company may establish branches at home and abroad legally with its Board of Directors' resolution if necessary.
- Article 4: The Company shall make announcement in accordance with Article 28 of the Company Act.
- Article 4-1: The total amount of investment by the Company shall not subject to the limit of no more than 40% of paid-in share capital as specified in Article 13 of the Company Act, and the Company authorizes its Board of Directors to determine the total investment amount depending on actual needs.
- Article 4-2: The Company may provide endorsement and guarantee for the external according to its endorsement and guarantee procedures.

Chapter 2 Shares

- Article 5: The Company's total capital is NT\$2.5 billion, which are divided into

250 million shares, each with a denomination of NT\$10. The Board of Directors is authorized to issue un-issued shares by different times. 5 million shares shall be reserved from the said total shares for issuance of warrants to employees, and such warrants shall be issued by the Board of Directors by different times.

Article 5-1: The Company may transfer its shares to employees at a price lower than the actual average buyback price of such shares, or issue warrants to employees at a subscription price lower than the closing price of the Company's common shares on the issuance date, with the approval from over two-thirds of the voting rights represented by the shareholders present at the Shareholders' Meeting attended by the shareholders representing over half of the total number of issued shares.

Article 6: The transfer objects of the shares acquired by the Company include the employees of the companies controlled by or subordinated to the Company who meet certain conditions, and the Board of Directors is authorized to determine the conditions and transfer method.

The issuance objects of the Company's employee warrants include the employees of the companies controlled by or subordinated to the Company who meet certain conditions, and the Board of Directors is authorized to determine the conditions and issuance method.

The issuance objects of the Company's new shares with restricted employee's rights include the employees of the companies controlled by or subordinated to the Company who meet certain conditions, and the Board of Directors is authorized to determine the conditions and issuance method.

The issuance objects of the Company's new shares for subscription by employees for capital increase in cash include the employees of the companies controlled by or subordinated to the Company who meet certain conditions, and the Board of Directors is authorized to determine the conditions and subscription method.

Article 7: The Company's shares are registered, signed or affixed with seals by more than three directors, and issued after legal registration. The Company may be exempted from printing and producing stocks for issuance of new shares after it is listed, but it shall log on the system of

securities custody institution.

Article 8: Registration of stock transfer or change in stock account name shall be stopped within 60 days before annual Shareholders' Meeting, within 30 days before extraordinary Shareholders' Meeting, or within 5 days before the base date for distribution of dividends, bonuses or other benefits as determined by the Company.

Chapter 3 Shareholders' Meeting

Article 9: Shareholders' Meeting is composed of annual Shareholders' Meeting and extraordinary Shareholders' Meeting. Annual Shareholders' Meeting shall be held once every year within six months after the end of each fiscal year. Extraordinary Shareholders' Meeting shall be held as necessary in accordance with laws.

Article 10: A shareholder may entrust an agent to attend Shareholders' Meeting by issuing and signing on or affixing with seal on the Power of Attorney printed by the Company specifying the scope of authorization, if it cannot attend the meeting due to any reason.

A shareholder shall entrust an agent to attend the meeting in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies issued by competent authority, in addition to Article 177 of the Company Act.

Article 11: Each shareholder of the Company shall have be entitled to one voting right per share, unless any share is restricted or has no voting rights as stipulated by laws and regulations.

Article 12: The resolutions of Shareholders' Meeting shall be approved by more than half of the voting rights represented by the shareholders present at the Shareholders' Meeting attended by the shareholders representing over half of the total number of issued shares, unless otherwise provided by the Company Act.

Chapter 4 Directors

Article 13: The Company shall establish 7 to 9 directors with a term of three years. The candidate nomination system specified in Article 192-1 of the Company Act shall be adopted for election of directors. Directors shall be elected by Shareholders' Meeting from the list of candidates, and the same directors may be re-elected. Total number of shares held by all

shareholders shall not be less than a certain percentage of the total shares issued by the Company, and such percentage shall subject to that stipulated by competent authority.

At least three independent directors shall be established in the said total number of directors. Independent directors and non-independent directors shall be elected together, and elected independent directors and non-independent directors shall be calculated separately. Independent director's professional qualifications, shareholding, restriction on assumption of office on part-time basis, nomination and other matters to be followed shall subject to relevant laws and regulations.

Article 13-1: The Company shall establish an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. Audit Committee shall be composed of all independent directors and be responsible for exercising and fulfilling the powers and duties as a supervisor as specified in the Company Act, the Securities and Exchange Act, and other laws and regulations.

Article 14: The Board of Directors shall be composed of directors, and one chairman shall be elected by directors as approved by more than half of the directors present at the Board of Directors' meeting attended by over two-thirds of directors, and chairman shall represent the Company to the external.

Directors shall attend Board of Directors' meeting in person. If any director cannot attend the meeting due to any reason, it shall issue Power of Attorney each time, specifying the scope of authorization regarding the cause for holding the meeting, to entrust other director to attend the meeting for it. However, each person shall only be entrusted by one director.

If the Company holds Board of Directors' meeting, the cause for holding the meeting shall be specified, and directors shall be notified 7 days in advance, however, the meeting may be held at any time in case of any emergency.

Board of Directors' meeting shall be convened in writing, or by e-mail or fax or otherwise.

If Board of Directors' meeting is held by video, the directors present at

the meeting by video shall be deemed as attending the meeting in person.

Article 15: If the chairman asks for leave or cannot exercise his/her duties due to any reason, he/she shall designate an agent in accordance with Article 208 of the Company Act.

Article 16: The Board of Directors is authorized to determine the remuneration to all directors based on their participation in and contribution to the Company's operating by referring to the general level in the industry regardless of operating profits or losses.

The Board of Directors may purchase liability insurance for all directors during their tenure depending on actual needs as approved by more than half of the directors present at the Board of Directors' meeting attended by over half of directors.

Chapter 5 Managerial Officers

Article 17: The Company may establish several managerial officers, whose appointment, dismissal and remuneration shall be dealt with in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

Article 18: The Company shall have its Board of Directors to prepare I. Business Report; II. Financial Statements; III. earnings distribution or loss recovery proposals and other documents at the end of each fiscal year, and legally submit them to annual Shareholders' Meeting for recognition.

Article 19: (Omitted)

Article 20: If the Company has profits in a year, it shall withdraw no less than 2% of the profits as employee compensation, which shall be issued in the form of shares or in cash by the resolution of the Board of Directors, and the issuance objects include the employees of the companies controlled by or subordinated to the Company who meet certain conditions, and the Board of Directors is authorized to formulate relevant rules; The Company may withdraw no more than 2% of the said profits as directors' compensation as resolved by the Board of Directors. Employee compensation and directors' remuneration distribution proposal shall be submitted and reported to Shareholders' Meeting.

However, in case of any accumulated losses to the Company, it shall

reserve certain amount for recovery of the losses, and then allocate employee compensation and directors' compensation according to the said ratio.

Article 20-1: If there are "current net profits after tax" specified in the Company's annual final accounts, they shall be distributed in the following order:

(I) Recovery of losses.

(II) 10% of such profits shall be withdrawn as statutory surplus reserve in accordance with laws, but if accumulated statutory surplus reserve reaches the Company's total capital, this provision shall not apply.

(III) Others profits shall be withdrawn or reversed as special surplus reserve in accordance with laws and regulations.

(IV) After the amounts specified in the above-mentioned (I) to (III) are deducted from the "current net profits" set forth in the final accounts, the Board of Directors shall make a specific distribution plan for distributable earnings regarding the accumulated opening undistributed earnings and adjustment to current undistributed earnings, and submit it to the Shareholders' Meeting for resolution and distribution.

The Company is in a growth stage at present, and distribution plan shall be made by its Board of Directors for distribution of earnings based on development and expansion of its business in the future by considering the Company's future demands for capital expenditures, budgets and funds, and such distribution may be conducted after it is resolved by Shareholders' Meeting. However, in terms of distribution of dividends, no less than 10% of the dividends to be distributed in the then current year shall be distributed in cash.

Article 20-2: If the Company intends to cancel public issuance of its shares, it shall be proposed to its Shareholders' Meeting for resolution, and this provision shall not be revised during issuance and listing periods.

Chapter 7 Bylaws

Article 21: Any issues or matters not specified herein shall subject to the Company Act and relevant laws and regulations.

Article 22: These Articles of Incorporation were formulated on June 30, 1999.
The 1st amendment was made on December 1, 2000.
The 2nd amendment was made on April 12, 2001.
The 3rd amendment was made on October 29, 2004.
The 4th amendment was made on April 7, 2005.
The 5th amendment was made on April 7, 2005.
The 6th amendment was made on April 24, 2006.
The 7th amendment was made on May 28, 2007.
The 8th amendment was made on February 9, 2011.
The 9th amendment was made on June 28, 2011.
The 10th amendment was made on June 27, 2012.
The 11th amendment was made on October 4, 2012.
The 12th amendment was made on January 22, 2013.
The 13th amendment was made on June 4, 2013.
The 14th amendment was made on April 29, 2014.
The 15th amendment was made on May 12, 2015.
The 16th amendment was made on May 20, 2016.
The 17th amendment was made on June 28, 2018.
The 18th amendment was made on June 28, 2019.
The 19th amendment was made on June 23, 2020.

Ennoconn Corporation

Chairman: Chu, Fu-Chuan



Ennoconn Corporation Rules for Election of Directors

Article 1: The Company shall elect directors according to these Rules, unless otherwise stipulated by laws and regulations or Articles of Incorporation.

Article 2: The Company shall elect and appoint directors by considering the overall configuration of its Board of Directors. Diversity shall be considered for the Board of Directors' members. The Board of Directors shall formulate appropriate diversification policy based on its own operating, business type, and development needs, including but not limited to the following two major standards:

I. Basic conditions and values: gender, age, nationality, and culture, etc.

II. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills and experience in the industry, etc.

The Board of Directors' members shall generally have the knowledge, skills and quality required for fulfillment of duties, and the Board of Directors shall have the following capabilities as a whole:

I. Operational judgment capabilities.

II. Accounting and financial analysis capabilities.

III. Business management capabilities.

IV. Crisis management capabilities.

V. Knowledge in the industry.

VI. International market perspective.

VII. Leadership.

VIII. Decision-making capabilities.

There shall be no relationship of spouses and relatives within the second degree of kinship between or among over half of the directors.

Article 3: The qualifications of the Company's independent directors shall meet the requirements specified in Articles 2, 3 and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

Selection and appointment of the Company's independent directors shall

comply with Article 5, 6, 7, 8 and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be dealt with in accordance with Article 24 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article 4: The Company shall elect directors in accordance with the candidate nomination system specified in Article 192-1 of the Company Act.

If any director is dismissed due to any reason, resulting in the number of directors less than five, the Company shall re-elect a director at the latest Shareholders' Meeting. However, if the vacancy of directors reaches one-third of the seats specified in its Articles of Incorporation, the Company shall hold an extraordinary Shareholders' Meeting for re-election within 60 days from fact occurrence date.

If the number of independent directors is less than that specified in paragraph 1, Article 14-2 of the Securities and Exchange Act, independent directors shall be elected at the latest Shareholders' Meeting; In case of dismissal of any independent director, extraordinary Shareholders' Meeting shall be held for re-election of independent director within 60 days from fact occurrence date.

Article 5: The Company shall adopt cumulative voting system for election of directors. Each share shall be entitled to the same voting rights as the number of directors to be elected. One person may be elected, or several persons may be designated for election among them.

Article 6: The Board of Directors shall prepare votes in the number equaling to the number of directors to be elected, fill in their votes, and distribute them to shareholders present at the Shareholders Meeting. In terms of elector's names, attendance certificate numbers may be printed on the votes for instead.

Article 7: Any vote shall be null and void in case of any following condition:

I. Any vote not prepared by the person with the right to convene the meeting is used.

II. Any blank vote is put into voting box.

III. Any vote is illegible or altered.

IV. Any vote is filled with elected director inconsistent with the list of candidate directors.

V. Any vote filled with any text other than vote number.

Article 8: In terms of the Company's directors, the voting rights related to independent directors and non-independent directors shall be calculated based on the number of directors specified in Articles of Incorporation. Those obtained votes with more voting rights shall be elected, while, if two or more candidates obtain the votes with the same voting rights and the number of directors exceeds stipulated number of directors, such candidates shall draw lots for final election, and chairperson will draw lots for any candidate not present at the meeting.

Article 9: Before election begins, chairperson shall designate several scrutineers and tellers with shareholder status to perform various relevant duties. Voting boxes shall be prepared by the Board of Directors and shall be opened for inspection by scrutineers before voting.

Article 10: Voting results shall be announced by the chairperson on site after voting is completed, including the list of elected directors and their votes. The votes for election as specified in the preceding paragraph shall be sealed and signed by scrutineers, and shall be properly kept for at least one year. However, in case of any lawsuit filed by any shareholder in accordance with Article 189 of the Company Act, they shall be kept until the lawsuit is closed.

Article 11: The Company's Board of Directors will issue notice of election to elected directors.

Article 12: These Rules shall be implemented after they are approved by Shareholders' Meeting, and the same shall apply to any amendments hereto.

Ennoconn Corporation

Procedures for Acquisition or Disposal of Assets.

Article 1: Purpose

To establish institutionalized procedures for acquisition and disposal of company's assets, ensure appropriate evaluation and approval on acquisition and disposal of company's various assets, implement disclosure of information, and comply with relevant laws and regulations.

Article 2: Legal Basis

The procedures are formulated in accordance with Article 36-1 of the Securities and Exchange Act (hereinafter referred to as "this Act") and the relevant provisions of the Regulations Governing Acquisition and Disposal of Assets by Public Companies issued by the Financial Supervisory Commission (hereinafter referred to as "FSC").

Article 3: Scope of Assets

- I. Investment in stocks, government bonds, corporate bonds, financial bonds, securities of commendation funds, depositary receipts, call (put) warrants, beneficiary securities and asset-based securities, etc.
- II. Properties (including land, houses and buildings, investment properties, as well as operating and construction inventories) and equipment.
- III. Membership certificates.
- IV. Intangible assets, such as patent rights, copyrights, trademark rights, and franchise rights.
- V. Right-of-use assets.
- VI. Debts owed to financial institutions (including receivables, discounts on foreign exchange purchases, loans, and collections).
- VII. Derivative commodities.
- VIII. Assets acquired or disposed due to merger, separation, acquisition or share transfer in accordance with laws.
- IX. Other important assets.

Article 4: Definitions of Terms

- I. Derivative commodities: refer to any forward, option, futures, leveraged margin or exchange contracts, or combination thereof whose value is derived from specific interest rates, prices of financial instruments or commodities, exchange rates, prices or rate indexes, credit ratings or indexes or any other variables, or refer to combined contracts of embedded derivative commodities or structured commodities. "Forward contracts" do not include insurance, performance, after-sales service, long-term lease and long-term purchase (sale) contracts.
- II. Assets acquired or disposed due to merger, separation, acquisition or share transfer in accordance with laws: refers to the assets acquired or disposed due to any merger, separation or acquisition conducted in accordance with Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institutions Merger Act and other

laws, or the shares in any other company accepted upon issuance of new shares (hereinafter referred to as “share transfer”) in accordance with Article 156-3 of the Company Act.

- III. Related persons: refer to those specified in International Financial Reporting Standards No. 24 recognized by FSC.
- IV. Subsidiaries: refer to those specified in International Financial Reporting Standards No. 27 and 28 recognized by FSC.
- V. Professional valuator: refers to any properties valuator or any other person who is legally allowed to engage in properties and equipment valuation business.
- VI. Fact occurrence date: refers to any transaction contracting, payment, entrusted transaction, transfer registration or Board of Directors’ resolution date, or any other date sufficient to determine transaction objects and amount, whichever is the earlier. However, for any investor who shall obtain approval from competent authorities, it shall subject to the said date or the date of obtaining approval from competent authorities, whichever is the earlier.
- VII. Investment in mainland China: refers to the investment made in mainland China in accordance with the Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China issued by Investment Review Committee, Ministry of Economic Affairs.
- VIII. “Most recent financial statements” refer to company’s financial statements legally disclosed and audited or reviewed by CPAs before acquisition or disposal of assets.
- IX. Persons specializing in investment: refer to any financial holding companies, banks, insurance companies, securities financial companies, trust enterprises, securities firms operating its own or underwriting businesses, futures enterprises operating its own businesses, securities investment trust and consulting enterprises, and fund management companies which are incorporated in accordance with laws and managed by local competent financial authorities.
- X. Stock exchange: domestic stock exchange refers to Taiwan Stock Exchange Corporation; abroad stock exchange refers to any organized securities trading markets under the management of the competent securities authorities of that country.
- XI. Business office of securities firm: business place of domestic securities firm refers to any places where the securities firm establishes special counters for making transactions in accordance with the Regulations Governing Trading of Securities in the Business Places of Securities Firms; business place of abroad securities firm refers to any business places of financial institution operating securities businesses under the management of overseas authorities in charge of securities.

Article 5: The limit for investment by the Company and its subsidiaries in non-operating properties and securities shall subject to the following:

- I. Limit of investment by the Company:
 - 1 Investment in non-operating properties shall not exceed 50% of the

company's net worth.

- 2 Total investment in securities shall not exceed 350% of the company's net worth, and total investment in individual securities shall not exceed 200% of the company's net worth.

II. Limit of investment by subsidiaries:

- 1 Investment in non-operating properties shall not exceed 50% of parent company's net worth.
- 2 Total investment in securities shall not exceed 350% of parent company's net worth, and total investment in individual securities shall not exceed 200% of parent company's net worth.

The above-mentioned total investment in securities shall be calculated based on original investment costs.

Article 6: Valuation Report or Opinion:

I. In terms of the Valuation Reports or CPA's, Lawyer's or Securities

Underwriter's Opinions (to be) obtained by the Company, the professional valuers and their valuation persons, CPAs, lawyers or securities underwriters shall comply with the following provisions: .

- (I) They did not suffered sentence of imprisonment for more than one years as announced due to violation of this Act, Company Act, Banking Act, Insurance Act, Financial Holding Company Act, or Business Entity Accounting Act, or due to committing any fraud, dishonesty, embezzlement, forgery of documents, or business crimes. But this provision shall not apply, if it is more than three years after completion of execution, expiration of suspended sentence or exemption from penalty.
- (II) They shall not be any related persons of, or any persons having substantial relationship with, trading parties.
- (III) If the Valuation Reports issued by more than two professional valuers shall be obtained, different professional valuers or valuation persons shall not be any related persons of, or any persons having substantial relationship with, each other.

- II. If the Company acquires or disposes any assets specified in Article 7, 8, 9, and 10 in the auction process conducted by court, the certification documents issued by the court shall be used instead of Valuation Report or CAP's Opinion.

Article 7: Procedures for Acquisition and Disposal of Properties, Equipment, or Their Right-of-use Assets

- I. In terms of evaluation on the Company's acquisition or disposal of any properties, equipment or right-of-use assets, feasibility evaluation shall be made by Assets Management Department, and such acquisition or disposal may be conducted after it is approved according to the Company's rules related to approval authority.

II. Operating procedures:

- (I) If the Company intends to acquire or dispose properties, equipment or their right-of-use assets, and the transaction amount will reach more than 20% of the Company's paid-in capital or NT\$300 million, the Company shall obtain Valuation Report issued by professional

valuator before fact occurrence date, and shall comply with the following provisions, except for transactions with domestic government authorities, entrusted construction on its own land or rent land, or acquisition and disposal of operating equipment or its right-of-use assets:

- 1 If any limited price, specific price or special price must be used as the reference or basis for transaction price due to any special reasons, such transaction shall first be approved by the resolution of the Board of Directors, and the same provision shall apply in case of any change to transaction conditions subsequently.
- 2 If transaction amount will reach more than NT\$1 billion, valuation shall be made by more than two professional valutors.
- 3 In case of any following condition occurred to any valuation results issued by any professional valutors, CPAs shall be invited to deal with it in accordance with Audit Standards Bulletin No. 20 issued by Accounting Research and Development Foundation (hereinafter referred to as "ARDF"), and express their specific opinions on the cause for difference and the appropriateness of transaction price, unless the valuation result of acquired assets is higher than transaction amount, or the valuation result of disposed assets is lower than transaction amount:
 - (1) The difference between the valuation result and transaction amount reaches more than 20% of the transaction amount.
 - (2) The difference between the valuation results issued by more than two professional valutors reaches more than 10% of the transaction amount.
- 4 The time period between professional valuator's report issuance date and contract establishment date shall not be more than three months. However, if the then current value announced for the same period is applicable, opinions shall be issued by the original professional valuator.

(II) Assets shall be registered, managed and used according to the Company's Properties Management Rules after they are acquired.

III. Procedures for determining transaction conditions and authorized amount

(I) Price determination method and reference basis: For acquisition or disposal of properties, equipment or their right-of-use assets, demanding unit shall make report to explain reasons and refer to announced current value and the actual transaction price of adjacent properties etc., and such acquisition or disposal shall be determined after inquiring about price, negotiating on price or bidding.

(II) Authorization level

- 1 For acquisition or disposal of any properties, equipment or right-of-use assets, if the transaction amount will not reach 20% of the company's paid-in capital, chairman shall be authorized to make decisions; if the transaction amount will reach more than 20% of the company's paid-in capital, it shall be approved by the Board of

Directors before such transaction may be made.

- 2 If it is urgent to sign transaction contract with counter-party due to business needs, contract may be concluded after it is approved by chairman, and the transaction shall be submitted at the next Board of Directors' meeting for recognition after occurrence of the transaction.
- 3 If, subject to the Company Act or other laws and regulations, acquisition or disposal of any assets must be resolved or recognized by or reported to Shareholders' Meeting, it shall be handled in the that way.

Article 8: Procedures for Acquisition or Disposal of Securities

I. Evaluation procedures:

- (I) The Company shall obtain object company's most recent financial statements audited or reviewed by CPAs as the reference for evaluation on transaction price, before fact occurrence date.
- (II) If the transaction amount will reach more than 20% of the Company's paid-in capital or NT\$300 million, CPAs shall be invited to express their opinions on the reasonableness of the transaction price before fact occurrence date. If CPAs need to issue professional report, they shall deal with it in accordance with Audit Standards Bulletin No. 20 issued by ARDF. However, this provision shall not apply, if there's any public quotation for the securities in the active market or there's any other regulations issued by the Financial Supervisory Commission.

II. Operating procedures:

- (I) Evaluation, transaction, delivery, preparation of table (recording): shall be responsible by various organizing units.
- (II) Keeping: The securities obtained by the Company shall be handed over to its financial unit for keeping or being kept in a safe.
- (II) Assessment: Subject to the International Financial Reporting Standards recognized by FSC, financial unit shall collect relevant data and sends it to accounting unit for subsequent regular assessment.

III. Procedures for determining transaction conditions and authorized amount:

- (I) If the transaction amount of any government bonds, corporate bonds, financial bonds, securities of commendation funds or asset-based securities specified in paragraph 1, Article 3 of these Procedures will not reach 20% (inclusive) of the Company's paid-in capital , chairman shall be authorized to make decisions. If it will reach more than 20% of the Company's paid-in capital, it shall be reported to and approved by the Board of Directors before such transaction may be made.
- (I) If the transaction amount of any stocks, depositary receipts, call (put) warrants or beneficiary securities specified in paragraph 1, Article 3 of these Procedures will not reach 5% (inclusive) of the Company's

paid-in capital , chairman shall be authorized to make decisions. If it will reach more than 5% of the Company's paid-in capital, it shall be reported to and approved by the Board of Directors before such transaction may be made.

Article 9: Procedures for Acquisition or Disposal of Intangible Assets or Their Right-of-use Assets or Membership Certificates

- I. Evaluation procedures: For acquisition or disposal by the Company of intangible assets or their right-of-use assets or membership certificates, demanding unit shall make feasibility evaluation report and submit it to intellectual property management unit.
- II. Operating procedures: For acquisition or disposal by the Company of intangible assets or their right-of-use assets or membership certificates, professional valuator shall first be invited to issue Valuation Report, and CPAs shall be invited to issue their opinions on the reasonableness of transaction price before fact occurrence date if transaction amount will reach more than 20% of the Company's paid-in capital or NT\$300 million, except for transaction with domestic government authorities.
- III. Procedures for determining transaction conditions and authorized amount
 - (I) Price determination method and reference basis: Demanding unit shall submit and report the transaction prices of similar intangible assets or their right-of-use assets or membership certificates in market, and the reports issued by professional valutors shall be referred to.
 - (II) Authorization level
 - 1 If the transaction amount will not reach 20% of the company's paid-in capital, chairman shall be authorized to make decisions; if the transaction amount will reach more than 20% of the company's paid-in capital, it shall be approved by the Board of Directors before such transaction may be made, but if it is urgent to make the transaction due to business needs, decisions may be made by chairman first and it shall be submitted at the next Board of Directors' meeting for recognition.
 - 2 If, subject to the Company Act or other laws and regulations, acquisition or disposal of intangible assets or their right-of-use assets or membership certificates must be resolved or recognized by or reported to Shareholders' Meeting, it shall be handled in the that way.

Article 9-1: Calculation of Transaction Amount

For the purpose of Article 7, 8 and 9, transaction amount shall be calculated according to subparagraph 8, paragraph 2 of Article 13, and "within one year" refers to one year immediately before the fact occurrence date of this transaction, and the parts for which Valuation Report(s) issued by professional valuator(s) or CPA's Opinion(s) has/have been obtained according to these Procedures shall not be included.

Article 10: Procedures for Dealing with Transactions with Related Persons

I. Evaluation and operating procedures:

- (I) Acquisition or disposal of assets by the Company from or to related persons shall be evaluated and operated according to Article 7, 8 and 9 accordingly based on its nature. In addition, if transaction amount will reach more than 10% of the Company's total assets, Valuation Report(s) issued by professional valuator(s) or CPA's Opinion(s) shall be obtained according to Article 7, 8 or 9.
- (II) The information specified in subparagraph 1, paragraph 2 of this Article shall be prepared and evaluated, if the Company intends to acquire or dispose any properties or any assets other than properties from or to its any related persons, and the transaction amount will reach more than 20% of the Company's paid-in capital, 10% of the Company's total assets or NT\$300 million, except for transaction of government bonds and bonds with buy-back and sell-back conditions, and subscription or buy-back of the funds in money market issued by domestic securities investment trust enterprises.
- (III) For the purpose of preceding two subparagraph, transaction amount shall be calculated according to subparagraph 8, paragraph 2 of Article 13, and "within one year" refers to one year immediately before the fact occurrence date of this transaction, and the parts for which Valuation Report(s) issued by professional valuator(s) or CPA's Opinion(s) has/have been obtained according to these Procedures or which have been approved by the Board of Directors according to Article 16-1 shall not be included.
- (IV) In addition to paying attention to its legal form, substantive relation shall be considered for judging whether any transaction object is a related person.

II. Procedures for determining authorized amount:

- (I) Transaction contract may be signed and payment may be made after the following information has been approved by one-second of all the members of Audit Committee and submitted to and resolved by the Board of Directors, and paragraph 2 and 3, Article 16 shall apply, if the Company intends to acquire or dispose any properties or any right-of-use assets from or to its any related persons, or acquire or dispose any assets other than properties or right-of-use assets from or to its any related persons and the transaction amount will reach more than 20% of the Company's paid-in capital, 10% of the Company's total assets or NT\$300 million except for transaction of domestic government bonds and bonds with buy-back and sell-back conditions, and subscription or buy-back of the funds in money market issued by domestic securities investment trust enterprises. However, in case of acquisition or disposal of business equipment between the Company and its subsidiaries with an transaction amount not reaching 10% of the Company's paid-in capital, it shall be decided by chairman first, and proposed at the following Board of

Directors' meeting for review.

- 1 Purpose of, necessity for and expected benefits from acquisition or disposal of assets.
 - 2 Reasons for selecting the related person as transaction object.
 - 3 Information related to the evaluation made on the reasonableness of pre-determined transaction conditions, according to subparagraph (I), (II), (III), (IV) and (VI), paragraph 3 of this Article, for acquisition of any properties or right-of-use assets from any related persons.
 - 4 The related persons' original acquisition date and price, transaction objects and their relations with the Company and related persons, etc.
 - 5 Estimation table for expected cash income and expenditures in each month of future one year from the contracting month, and evaluation on the necessity for the transaction and the reasonableness of use of funds.
 - 6 The Valuation Report(s) issued by professional valuator(s) or CPA's Opinion(s) obtained according to paragraph 1 of this Article.
 - 7 Restrictions on the transaction and other important agreements.
- (II) The transaction amount specified in the preceding paragraph shall be calculated according to subparagraph 8, paragraph 2 of Article 13, and "within one year" refers to one year immediately before the fact occurrence date of this transaction, and the parts already submitted to and approved by Board of Directors according to these Procedures shall not be included.
- (III) Acquisition or disposal of any assets other than that specified in subparagraph 1 from or to any related persons shall be handled according to preceding three paragraphs.
- III. Evaluation on the reasonableness of transaction costs
- (I) For acquisition or disposal of properties or their right-of-use assets by the Company from or to its any related person, the reasonableness of transaction costs shall be evaluated in the following way:
- 1 The transaction price of the related person, plus necessary capital interest and the costs to be legally borne by purchaser. "Necessary capital interest costs" shall be calculated based on the weighted average interest rate for the annual amount borrowed by the company for purchase of assets, but which shall not be higher than the maximum rate for loan in non-financial industry published by the Ministry of Finance.
 - 2 If the related person has established a mortgage, by using the object item, for borrowing the amount from financial institution, the actual accumulated loan issued by the financial institution based on such object item shall reach 70% of the evaluated total loan to be issued by the financial institution based on such object item, and the loan shall have been issued for more than one year.

But this provision shall not apply if the financial institution and one of the trading parties are related persons.

- (II) For combined purchase or rent of the same one object land and house, transaction costs of the land and house shall be evaluated respectively according to any of the aforementioned methods.
- (III) For acquisition of properties or their right-of-use assets by the Company from its any related persons, the costs of the properties or their use rights shall be evaluated according to subparagraph 1 and 2, paragraph 3 of this Article, and CPAs shall be invited to review the costs and issue their specific opinions.
- (IV) If the result of evaluation made according to subparagraph 1 and 2, paragraph 3 of this Article for acquisition of properties or their right-of-use assets by the Company from its any related persons is lower than transaction price, it shall be handled according to subparagraph 5, paragraph 3 of this Article. But this provision shall not apply if any following condition occurs, and there are objective evidences certifying the same, and the specific opinions on reasonableness issued by professional valuator and CPAs have been obtained:
 - 1 If the related person conducts construction on the land acquired or rent by it, evidence shall be provided to certify that one of the following conditions is satisfied:
 - (1) The amount of land shall be evaluated according to the method specified in preceding paragraph, and the amount of house shall be its construction costs plus reasonable operating profits. Its total amount exceeds actual transaction price. “Reasonable operating profits” refer to the average gross operating profit margin of the related person’s Construction Department in the most recent three years or the gross profit margin of the most recent period in construction industry published by the Ministry of Finance, whichever is lower.
 - (2) There are other cases that non-related person traded similar area of other floors or adjacent area of the same object land or house within one year under the similar conditions after evaluation on the reasonable difference in price of the floors or area based on properties purchase or lease practices.
 - 2. The Company provides evidence certifying that the transaction conditions for the properties acquired or their using rights obtained by renting from the related person are equivalent to that for the transactions made by other non-related persons with a similar area in adjacent area within one year. For the purpose of the preceding paragraph, “transaction made in adjacent area” refers to the transaction made in the same or adjacent street with a distance from the transaction object less than 500 meters in radius or with a similar announced current value. “Similar area” refers to that the area traded by other non-related person is no less than 50% of the transaction

object's area. "Within one year" refers to one year immediately before the fact occurrence date of this acquisition of properties or their right-of-use assets.

- (V) If the result of evaluation made according to subparagraph 1 and 2, paragraph 3 of this Article for acquisition of properties or their right-of-use assets by the Company from its any related persons is lower than transaction price, it shall be handled according to the following provisions. And, if the Company and the public company which evaluates investment in the Company by using equity method have withdrawn special surplus reserves according to the aforementioned provisions, loss from falling prices shall be recognized for the assets purchased or rent at a higher price, or lease contract shall be terminated, or proper compensation shall be made or it shall be restored to its original status, or the special surplus reserves may be used after is it approved by FSC if there's any evidence certifying that there is no unreasonableness.
- 1 The Company shall withdraw special surplus reserves for any difference between the transaction price of properties or their right-of-use assets and their evaluated costs in accordance with paragraph 1, Article 41 of the Securities and Exchange Act, and such special surplus reserves shall not be distributed or used for distribution of shares for capital increase. If an investor which evaluates investment in the Company by using equity method is a public company, it shall also withdraw special surplus reserves based on its shareholding ratio in accordance with paragraph 1, Article 41 of the Securities and Exchange Act.
 - 2 Audit Committee shall operate in accordance with Article 218 of the Company Act.
 - 3 The handling conditions of the matters specified in points 1 and 2, subparagraph 5, paragraph 3 of this Article shall be reported to Shareholders' Meeting, and transaction details shall be disclosed in annual report and prospectus.
- (VI) In case of any following condition, acquisition of properties or their right-of-use assets by the Company from any related person shall be handled according to the provisions of paragraph 2 of this Article regarding evaluation and operating procedures, and the provisions of subparagraph 1, 2 and 3, paragraph 3 of this Article concerning evaluation on the reasonableness of transaction costs shall not apply :
- 1 The related person acquires the properties or their right-to-use assets through inheritance or gift.
 - 2 It has been more than five years from the date of contracting by the related person for acquisition of the properties or their right-to-use assets to the contracting date of this transaction.
 - 3 The properties are acquired by signing joint construction contract with the related party, or due to entrusted construction on the

company's own land or rent land, or construction of the properties by the related person as otherwise entrusted.

4 The properties are the right-of-use assets of operating properties acquired between the Company and its subsidiaries, or between/among its subsidiaries that the Company directly or indirectly holds 100% of their issued shares or total capital.

(VII) If there is any other evidence indicating that acquisition of properties or their right-to-use assets by the Company from its any related person is not in line with business practices, it shall also be handled according to subparagraph 5, paragraph 3 of this Article.

Article 11: Procedures for acquisition or disposal of derivative commodities: It shall subject to the procedures for the Company to deal with derivative commodities-affairs.

Article 12: Procedures for Handling Merger, Separation, Acquisition or Share Transfer

I. Evaluation and operating procedures

(I) For merger, separation, acquisition or share transfer, the Company shall invite and entrust lawyers, CPAs and securities underwriters to jointly discuss legal procedures and estimated schedule, and organize a project team to implement it in accordance with legal procedures. And, before holding Board of Directors' meeting for resolution, the Company shall invite and entrust lawyers, CPAs and securities underwriters to issue their opinions on the reasonableness of share conversion ratio, acquisition price or distribution of cash or other properties to shareholders, and submit them to Board of Directors' meeting for discussion and approval. However, for merger by the Company of the subsidiaries that the Company directly or indirectly holds 100% of their issued shares or total capital, or for merger between or among such subsidiaries, the said opinions on reasonableness are exempted from being issued by the said professional persons.

(II) The Company shall prepare public documents to shareholders specifying the contents of merger, separation or acquisition agreements and related matters before holding Shareholders' Meeting, and shall submit them to shareholders together with the professional person's opinions specified in subparagraph 1, paragraph 1 of this Article and Shareholders' Meeting notice as the reference for agreement to such merger, separation or acquisition or not, except for any merger, separation or acquisition for which Shareholders' Meeting is exempted from being held as stipulated by other laws. In addition, the Shareholders' Meeting of any company participating in the merger, separation or acquisition cannot be held and resolution cannot be made due to insufficient number of persons present or insufficient voting rights or due to any other legal restriction, or any proposal is not approved by Shareholders' Meeting, the company participating in the merger, separation or acquisition shall immediately explain the cause, subsequent handling

method and expected date for holding Shareholders' Meeting to the public.

II. Other notes

- (I) Board of Directors' meeting date: The companies participating in merger, separation or acquisition shall hold Board of Directors' meeting and Shareholders' Meeting on the same day for making resolution on the matters related to the merger, separation or acquisition, unless otherwise stipulated by any other laws or reported to and approved by FSC in prior due to any special reason. The companies participating in share transfer shall hold Board of Directors' meeting on the same day, unless otherwise stipulated by any other laws or reported to and approved by FSC in prior due to any special reason.
- (II) Commitment for prior confidentiality: All persons participating in or knowing the company's merger, separation, acquisition or share transfer plan shall issue written confidentiality commitment, and shall not disclose any contents of the plan to the public before the information is disclosed, nor, by itself or in other person's name, purchase or sell any shares and other equity securities in all the companies related to the merger, separation, acquisition or share transfer plan.
- (III) The principles for changing share conversion ratio or acquisition price: In terms of participation in merger, separation, acquisition or share transfer, share conversion ratio or acquisition price shall not be changed freely in the principle, unless the conditions for change have been specified in contract and disclosed to the public. Conditions for changing share conversion ratio or acquisition price are as follows:
 - 1 Capital increase in cash, issuance of convertible bonds, distribution of share dividends, issuance of corporate bonds with stock options, preferred shares with stock options, warrants and other equity securities.
 - 2 Disposal of the company's major assets and other acts which affect the company's finance and business.
 - 3 Occurrence of any material disasters, significant technological changes or other matters which affect the shareholders' equity or securities prices of the company.
 - 4 Adjustment to any treasury shares legally bought-back by any company participating in merger, separation, acquisition or share transfer.
 - 5 Any increase or decrease or changes in the number of entities participating in merger, separation, acquisition or share transfer.
 - 6 Other conditions for change specified in contract and already disclosed to the public.
- (IV) Items to be specified in contracts: In addition to compliance with Article 317-1 of the Company Act and Article 22 of the Business Mergers and Acquisitions Act, merger, separation, acquisition or

share transfer contracts shall specify the following contents:

- 1 How to deal with any breach of contract.
 - 2 The principles for dealing with the company's previously issued equity securities or bought-back treasury shares that disappeared or divided due to merger.
 - 3 The number of treasury shares that a participating company may buy back legally and their disposal principles after the base date for calculation of share conversion ratio.
 - 4 How to deal with any increase or decrease or changes in the number of participating entities.
 - 5 Expected implementation schedule of plan, and expected completion schedule.
 - 6 Expected date for holding the Shareholders' Meeting which shall be held in accordance with laws and regulations in case of overdue completion of plan, and related handling procedures.
- (V) In case of increase or decrease or changes in the number of the companies participating in merger, separation, acquisition or share transfer: If any company participating in merger, separation, acquisition or share transfer intends to conduct merger, separation, acquisition or share transfer with other companies after disclosing information to the public, all companies participating therein shall re-conduct or re-take the procedures or legal acts already completed in the original merger, separation, acquisition or share transfer case, unless such companies are exempted from holding Shareholder' Meeting for re-making resolution due to decrease in the number of such companies and their Shareholders' Meetings have resolved and authorized their Boards of Directors to change authority.
- (VI) If any company participating in merger, separation, acquisition or share transfer is not a public company, the Company shall sign agreement with it and deal with it in accordance with related regulations.
- (VII) The listed companies, or the companies whose stocks are traded in the business place of securities firm, participating in merger, separation, acquisition or share transfer shall make complete written records specifying and based on the following information and keep them for five years for audit.
- 1 Basic information of personnel: including all persons participated in or implemented merger, separation, acquisition or share transfer plan before disclosure of information, and their titles, names, and ID Card numbers (passport numbers if they are foreigners).
 - 2 Dates of important matters: including letter of intent or memorandum signing date, financial or legal consultant appointment date, contract signing date and Board of Directors' meeting date, etc.
 - 3 Important documents and meeting minutes: including merger,

separation, acquisition or share transfer plan, letter of intent or memorandum, important contracts and Board of Directors' meeting minutes, etc.

- (VIII) The listed companies, or the companies whose stocks are traded in the business place of securities firm, participating in merger, separation, acquisition or share transfer shall report the information specified in subparagraph 1 and 2 of the preceding paragraph in on-line information system in the stipulated form within two days immediately from the date of approval on the Board of Directors' resolution.

Article 13: Procedures for Disclosure of Information

I. Time limit for publishing and declaration

In terms of acquisition or disposal of assets by the Company, if there's any item to be published and declared and its transaction amount meets the publishing and declaration standards as specified in paragraph 2 of this Article, relevant information shall be published and declared on FSC's designated website within two days immediately after fact occurrence date.

II. Items to be published and declared, and publishing and declaration standards

- (I) Acquisition or disposal of properties or their right-of-use assets from or to any related persons, or acquisition or disposal of any assets other than properties or their right-of-use assets from or to any related persons with a transaction amount reaching more than 20% of the Company's paid-in capital, 10% of the Company's total assets or NT\$300 million, except for transaction of government bonds and bonds with buy-back and sell-back conditions, and subscription or buy-back of the funds in money market issued by domestic securities investment trust enterprises.
- (II) Merger, separation, acquisition or share transfer.
- (III) Derivative commodities transaction with any loss reaching the upper limit set forth in the individual or all contracts as specified in the procedures.
- (IV) Acquisition or disposal of operating equipment or its using rights by the company from or to any non-related persons with a transaction amount:
- 1 reaching more than NT\$500 million if it is a public company with its paid-in capital not reaching NT\$10 billion.
 - 2 reaching more than NT\$1 billion if it is a public company with its paid-in capital reaching NT\$10 billion.
- (V) Acquisition or disposal of construction properties or their right-of-use assets by a public company operating construction business from or to any non-related persons with a transaction amount reaching more than NT\$500 million. Disposal of its self-constructed and completed properties by a public company with its paid-in capital

reaching NT\$10 billion to any non-related persons with a transaction amount reaching more than NT\$1 billion.

(VI) Acquisition of properties from any non-related persons due to entrusted construction on the company's own land or rent land, or due to joint construction for sharing houses, income or sales with an expected transaction amount to be invested by the company reaching more than NT\$500 million.

(VII) Assets transactions other than that specified in the preceding six sub-paragraphs, disposal of debts by financial institutions or investment in mainland China with a transaction amount reaching more than the 20% of the company's paid-in capital or NT\$300 million, except for:

- 1 transaction of domestic government bonds.
- 2 trading of securities in stock exchange or the business place of securities firm, or subscription of issued ordinary corporate bonds in primary market and ordinary financial bonds (excluding subordinated bonds) not involving equity, or subscription or buy-back of securities investment trust or futures trust funds, or the securities subscribed by securities firm as the securities advisor of emerging companies due to underwriting business needs in accordance with the rules of Taipei Exchange, by the persons specializing in investment.
- 3 transaction of bonds with buy-back and sell-back conditions, and subscription or buy-back of the funds in money market issued by domestic securities investment trust enterprises.

(VIII) The transaction amounts specified in the preceding seven sub-paragraphs shall be calculated as follows, and "within one year" refers to one year immediately before the fact occurrence date of this transaction, and the parts already published in accordance with regulations shall not be included.

- 1 Amount of each transaction.
- 2 Accumulated amount of transactions for acquisition or disposal of the objects with the same nature from or to the same counter-party within one year.
- 3 Accumulated amount for (respective) acquisition or disposal of the properties under the same development plan or their right-of-use assets within one year.
- 4 Accumulated amount for (respective) acquisition or disposal of the same securities within one year.

III. Publishing and declaration procedures

(I) The Company shall publish and declare relevant information on FSC's designated website.

(II) The Company shall enter the information about the derivative commodities transactions made by it and its subsidiaries which are not domestic public companies as of the end of previous month on FSC's designated information declaration website in the stipulated

form before the 10th day of each month on a monthly basis.

- (III) If any item which shall be published by the Company in accordance with regulations needs to be corrected upon publishing due to any error or omission therein, it shall re-publish and declare all the items within two days immediately after it knows the same.
- (IV) For acquisition or disposal of assets, the Company shall keep related contracts, meeting minutes, reference books, Valuation Reports, and opinions issued by CPAs, lawyers or securities underwriters in the Company for at least five years, unless otherwise stipulated by any other laws.
- (V) In case of any following condition after the Company has published and declared transactions according to the preceding paragraph, it shall publish and declare relevant information on FSC's designated website within two days immediately from fact occurrence date:
 - 1 Any changes to or termination or cancellation of relevant contracts originally signed for the transactions.
 - 2 Failure to complete any merger, separation, acquisition or share transfer as scheduled and specified in the contracts.
 - 3 Any changes in originally published and declared contents.

Article 14: The Company's subsidiaries shall comply with the following provisions:

- I. Subsidiaries shall also formulate and implement their Procedures for Acquisition or Disposal of Assets in accordance with the relevant provisions of the Regulations Governing Acquisition and Disposal of Assets by Public Companies. If a subsidiary is not a public company, formulation of these procedures shall be approved by the Board of Directors of the subsidiary, and the same provision shall apply to any amendments to such procedures; if a subsidiary is a public company, these procedures shall be formulated in accordance with the Regulations Governing Acquisition and Disposal of Assets by Public Companies.
- II. If a subsidiary is not a public company, and the assets acquired or disposed by it meet the publishing and declaration standards specified in Article 31 of the Regulations Governing Acquisition and Disposal of Assets by Public Companies, the Company shall conduct the publishing and declaration for such subsidiary.
- III. In terms the provisions on paid-in capital or total assets regarding the standards for publishing and declaration by subsidiaries, it shall subject to the Company's paid-in capital or total assets.

Article 15: Penalties

If the Company's any employee undertakes acquisition and disposal of assets in violation of these Procedures, it shall be evaluated regularly according to the Company's internal control system, and penalties will be imposed on him or her based on the serious level of the situation.

Article 16: Implementation and Amendment

The Company's Procedures for Acquisition or Disposal of Assets shall be approved by more than one-second of all the members of its Audit Committee, and approved by its Board of Directors, and then submitted to its Shareholders' Meeting for approval. The same applies to any amendments hereto.

In case of failure in being approved by more than one-second of all the members of Audit Committee as specified in paragraph 1, it shall be approved by over two-thirds of all the members of Board of Directors, and the resolution of Audit Committee shall be specified in the Board of Directors' meeting minutes.

For the purpose hereof, "all the members of Audit Committee" and "all the members of Board of Directors" shall be calculated based on the members actually assuming their offices as the members.

Article 16-1: If, subject to these Procedures, any major assets or derivative commodities transaction shall be submitted and reported to Board of Directors and approved by Board of Directors' resolution based on authorization level, it shall first be approved by over one-second of all the members of Audit Committee, and paragraph 2 and 3 of Article 16 shall apply.

Article 16-2: In terms of the provisions hereof regarding 10% of total assets, it shall be calculated based on the total assets set forth in the most recent individual financial statements as specified in the Regulations Governing Preparation of Financial Reports by Securities Issuers. In terms of the provisions hereof concerning transaction amount reaching 20% of paid-in capital or not, it shall be calculated based on 10% of the equity attributable parent company's owners, if the Company's any share has no denomination or the denomination per share is not NT\$10. In terms of the provisions hereof regarding the transaction amount related to paid-in capital reaching NT\$10 billion, it shall be calculated based on NT\$20 billion of the equity attributable parent company's owners.

Article 17: Bylaws

In case of any issue or matter not specified herein, it shall subject to relevant laws and regulations and the Company's related rules.

Ennoconn Corporation Shareholding of All Directors

Base date: April 25, 2022

Title	Name	Number of Shares Held
Chairman	Fu-Chuan Chu	1,026,726
Director	Cheng-Ching Chu	0
Director	Legal Representative of Bon Shin International Investment Co., Ltd.: Chao-Tsung Lou	33,178,779
Director	Legal Representative of Bon Shin International Investment Co., Ltd.: Chia-Lin Teng	33,178,779
Independent director	Wen-Chang Fang	0
Independent director	Yu-Hui Su	0
Independent director	Chien-Min Wang	0
Total		34,205,505
Minimum number of shares held by all directors		8,000,000

Note: Total shares issued on April 25, 2022: 106,692,019 common shares.

(Including 4,880,000 privately-placed common shares and 655,000 treasury shares)