



Wiwynn Corporation
Agenda of
2022 General Shareholders' Meeting
(Translation)

Meeting Time : 9:00 a.m., Tuesday, May 31, 2022

Place : 2F., No. 94, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City 221411, Taiwan (R.O.C.)
(Conference Room on the 2nd Floor, Building C, Oriental Science Park)

Disclaimer

This is a translation of the 2022 General Shareholders' Meeting Agenda of Wiyynn Corporation (the "Company"). The translation is intended for reference only and nothing else, the Company hereby disclaims any and all liabilities whatsoever for the translation. The Chinese text of the Agenda shall govern any and all matters related to the interpretation of the subject matter stated herein.

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Wiwynn Corporation

Rules and Procedures of Shareholders' Meeting

Article 1 The shareholders meeting of Wiwynn Corporation (hereunder referred to as "the Company"), except as otherwise provided by law, regulation, or the articles of incorporation, shall be conducted in accordance with these Rules and Procedures.

Article 2 The Company shall prepare electronic copies of the meeting notice, the form of proxy, and materials of all proposals, including subjects and purposes, related to proposals for ratification, matters for deliberation, or the election or dismissal of directors, and post them on the Market Observation Post System (MOPS) website not less than thirty (30) days before the regular shareholders meeting or not less than fifteen (15) days before the special shareholders meeting.

The Company shall prepare electronic copies of the shareholders meeting agenda and supplemental meeting materials and post them on the MOPS website not less than twenty-one (21) days before the regular shareholders meeting or not less than fifteen (15) days before the special shareholders meeting. In addition, not less than fifteen (15) days before the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for shareholders to review at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the office of the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting. The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the recipients thereof, the meeting notice may be given in electronic form.

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act of the Republic of China, Articles 26-1 and 43-6 of the Securities and Exchange Act of the Republic of China, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice with the reasons and explanation of essential contents for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Election of directors and the date of assumed office shall be set out in the notice for convening the shareholders meeting, the date of assumed office shall not be amended by an extraordinary motion at the same meeting after the re-election.

A shareholder holding one (1) percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act of the Republic of China apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce that it will receive shareholder proposals in writing or by way of electronic transmission, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than ten (10) days.

Shareholder-submitted proposals are limited to three hundred (300) words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of the meeting notice, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting, the Board of Directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 3 The Company shall specify, in meeting notices, the attending shareholders' check-in time and the place for such meeting and other important matters.

The check-in time for attending shareholder shall commence from at least thirty (30) minutes prior to the meeting. There shall be clear signs and sufficient and adequate staffs in the check-in place.

Shareholders and their appointed proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or independent directors, pre-printed ballots shall also be furnished.

When the government or a legal entity is a shareholder, it may be represented by more than one representative at a shareholders meeting. Any legal entity designated as proxy by shareholder(s) to be present at the meeting may appoint only one representative to attend the meeting.

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

Article 4 For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the form of proxy issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one form of proxy and appoint only one proxy for any given shareholders meeting, and shall deliver the form of proxy to the Company before five (5) days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a form of proxy has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before two (2) business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5 Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three (3) percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 6 The shareholders meeting shall be held at the head office of the Company or any other appropriate place that is convenient for shareholders to attend. The meeting shall not begin earlier than 9 a.m. and later than 3 p.m. The Board of Directors shall take into full consideration each independent director's opinions on the place and time of the meeting.

Article 7 Unless otherwise provided by law or regulation, the chairman of the Board of Directors shall be the chairman presiding at the meeting in the case that the meeting is convened by the Board of Directors. If the chairman of the Board of Directors is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairman of the Board of Directors or one of the directors shall preside at the meeting in accordance with the provisions of Paragraph Three, Article 208 of the Company Act of the Republic of China. If a shareholders meeting is convened by any other person with power to convene the meeting but other than the Board of Directors, such person shall be the chairman to preside at the meeting. If there are two or more people entitled to convene the meeting, they shall elect a chairman of the meeting from and among themselves. If a director serves as chairman of the meeting, as referred to in the first paragraph hereinbefore, such director shall have held that position for six (6) months or more and shall be familiar with the financial and business conditions of the Company. The same requirement shall apply if a representative of a corporate director serves as chairman of the meeting.

Article 8 The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting.

Article 9 The Company, beginning from the time it accepts shareholder attendance registrations, shall record uninterruptedly the check-in process, the shareholders meeting, voting and vote counting by audio and video. The records referred to in the preceding paragraph shall be retained for at least one (1) year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act of the Republic of China, the recording shall be retained until the legal proceedings of the foregoing lawsuit have been concluded.

Article 10 The chairman shall call the meeting to order at the time scheduled for the meeting time and disclose

information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, If the number of shares represented by attending shareholders has not yet constituted more than one-half of the total number of issued and outstanding shares at the time scheduled for the meeting, the chairman may postpone the time for the meeting, provided that the maximum number of times a shareholder meeting may be postponed shall be two and total time of postponements shall not exceed one (1) hour. If after two postponements the number of shares represented by the attending shareholders has not yet constituted more than one third of the total number of issued and outstanding shares, the chairman shall announce the termination of the meeting .If after two postponements in the preceding paragraph no quorum can yet be constituted but the attending shareholders represent more than one third of the total number of issued and outstanding shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act of the Republic of China; all shareholders shall be notified of the tentative resolution and to attend another shareholders meeting that shall be convened within one (1) month.

If, by the end of the meeting, the attending shareholders have constituted more than one-half of the total number of issued and outstanding shares, the chairman may resubmit the tentative resolution to the meeting for approval pursuant to Article 174 of the Company Act.

Article 11 If a shareholders meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. For each proposal (including extemporary motions and the amendments to the contents of the original proposals) shall be voted by polling. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

During the meeting, the chairman may, at his/her discretion, set time for intermission. Unless otherwise resolved at the meeting, the chairman may not announce adjournment of the meeting before all discussion items (including extemporary motions) listed in the agenda are concluded. If the chairman adjourns the meeting in violation of the Rules and Procedures, a new chairman of the meeting may be elected by a resolution to be adopted by a majority of the voting rights represented by the shareholders attending the said meeting to continue the proceedings of the meeting.

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

Article 12 When an attending shareholder wishes to speak, a speaker note must be filled out with summary of the speech, the shareholder's account number (or attendance card numbers), and account name of the shareholder. The sequence of speeches by shareholders shall be decided by the chairman.

If a shareholder present at the meeting who has submitted a speaker note but does not actually speak, no speech shall be deemed to have been made by the shareholder. If the contents of the speech are inconsistent with the contents of the speaker note, the contents of actual speech shall prevail.

Unless otherwise permitted by the chairman and the shareholder in speaking, no shareholder shall interrupt the speeches of the other shareholders, otherwise the chairman shall stop such interruption.

Article 13 Unless otherwise permitted by the chairman, a shareholder may not speak more than twice on the same proposal, and each time may not exceed five (5) minutes. If the shareholder's speech violates this Rules and Procedures or exceeds the scope of the proposal, the chairman may stop the speech of such shareholder.

Article 14 If a corporate shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives can speak for each proposal.

Article 15 After an attending shareholder has spoken, the chairman may respond in person or direct relevant personnel to respond.

Article 16 The chairman shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairman may announce the discussion closed and arrange enough time to vote.

Article 17 A shareholder of the Company shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act of the Republic of China.

The shareholders meeting shall adopt the electronic transmission as one of the methods for exercising the voting power, and the method of exercising the voting rights shall be specified in the meeting notice.

A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before two (2) days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two (2) business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail.

When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Inspectors of election and counting personnel for the voting on a proposal shall be appointed by the chairman, provided that all inspectors of election shall be shareholders of the Company.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 18 Except as otherwise provided in the Company Act of the Republic of China and in the Company's articles of incorporation, the proposal shall be adopted by a majority of the votes represented by the attending shareholders. At the time of a vote, for each proposal, the chairman or a person designated by the chairman shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the end of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be posted on the MOPS website.

Article 19 When there is an amendment or an alternative to a proposal, the chairman shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 20 The election of directors or independent directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the list of directors and independent directors elected and the numbers of votes such directors and independent directors received, and the list of directors and independent directors not elected and number of votes they received.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the inspectors of election and kept in proper custody for at least one (1) year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act of the Republic of China, the ballots shall be retained until the legal proceedings of the foregoing lawsuit have been concluded.

Article 21 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairman of the meeting and a copy of the minutes shall be distributed to each shareholder within twenty (20) days after the end of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes mentioned in the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairman's full name, the methods by which resolutions were adopted, and a summary of the deliberations and, results of resolution (including the statistical tallies of the numbers of votes). If a proposal is election of the board directors and independent directors, the numbers of votes for the candidates of board directors shall be published. All meeting minutes shall be retained for the duration of the existence of the Company.

Article 22 If matters put to a resolution at a shareholders meeting of the Company constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Company shall post the content of such resolution on the MOPS website within the prescribed period of time.

Article 23 Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chairman may direct the proctors (or security personnel) to help maintain order at the meeting place. When proctors (or security personnel) help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

If the place of the meeting is equipped with loudspeaker devices, the chairman may stop any shareholder using a device not set up by the Company from speaking. If a shareholder violates the Rules and Procedure and defies the chairman's correction, obstructing the proceedings and refusing to heed calls to stop, the chairman may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 24 In the event of force majeure, the chairman may decide to temporarily suspend the meeting and announce when, depending on the situation, the meeting will resume or, by resolution of the shareholders present at the

meeting, the chairman may resume the meeting within five (5) days without further notice or public announcement. If the place of the meeting is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another place.

Article 25 These Rules and Procedures, and any amendments hereto, shall be effective from the date it is approved by the shareholders meetings.

This Rules and Procedures was enacted on May 26, 2014. The 1st amendment was made on January 17, 2018. The 2nd amendment was made on June 25, 2019. The 3rd amendment was made on June 15, 2020. The 4th amendment was made on July 8, 2021.

Meeting Procedures

1. Call the Meeting to Order
2. The Chairman in Position
3. Opening Remarks by the Chairman
4. Report Items
5. Ratification Items and Discussion Items

Note: After discussions on all ratification and discussion items are completed, every item shall be voted by ballot and tallied separately and simultaneously.
6. Extemporaneous Motion
7. Adjournment

Meeting Agenda

Meeting type : Hybrid shareholders' meeting
(physical shareholders meeting supported by video conferencing)

Meeting Time : 9:00 a.m., Tuesday, May 31, 2022

Place : 2F., No. 94, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City, Taiwan (R.O.C.)
(Conference Room on the 2nd Floor, Building C, Oriental Science Park)

E-Meeting Platform : “Shareholders meeting e-Voting Platform - e-meeting platform” by
Taiwan Depository & Clearing Corporation
【website: <http://www.stockvote.com.tw>】

1. Report Items

- (1) Report the business of 2021.
- (2) Audit Committee’s review report.
- (3) Report 2021 employees’ profit sharing and directors’ compensation.
- (4) Report the status of domestic unsecured corporate bonds.
- (5) Report the amendments to the “Codes of Ethical Conduct.”

2. Ratification Items and Discussion Items

- (1) Ratification of the Business Report and Financial Statements of 2021.
- (2) Ratification of the proposal for distribution of 2021 profits.
- (3) Discussion of the issuance of new common shares for cash to sponsor the issuance of GDR and/or the issuance of new common shares for cash through public offering and/or the issuance of new common shares for cash through private placement and/or the issuance of new common shares for cash to sponsor the issuance of GDR through private placement.
- (4) Discussion of amendments to the “Articles of Incorporation.”
- (5) Discussion of amendments to the “Procedures of Assets Acquisition and Disposal.”
- (6) Discussion of amendments to the “Rules and Procedures of Shareholders’ Meeting.”
- (7) Discussion of the removal of the non-compete restrictions on directors and their corporate representatives.

3. Extemporary Motion

4. Adjournment

Report Items

1. **Report the business of 2021.** (Please refer to Attachment 1, pages 16-17)
2. **Audit Committee’s review report.** (Please refer to Attachment 2, pages 34)
3. **Report 2021 employees’ profit sharing and directors’ compensation.**

Explanation:

- (1) According to Article 21 of the “Articles of Incorporation”: If the Company has profit as a result of the yearly accounting closing, (profit means the profit before tax, excluding the amounts of employees’ and directors’ compensation) such profit will be distributed in accordance with the following, once the Company’s accumulated losses shall have been covered.
 - A. No less than five percent (5%) of profit as employees’ compensation. The employees’ compensation may be distributed in the form of shares or in cash. The qualification requirements of employees, including the employees from the Company’s controlling companies or subsidiaries, which are entitled to receive compensation, shall be determined by the Board of Directors;
 - B. No more than one percent (1%) of profit as the compensation in cash to the directors.
- (2) The Company’s third-term seventh Compensation Committee Meeting and the second Board Meeting of 2022 approved the proposal of 2021 employees’ profit sharing and directors’ compensation. The employees’ profit sharing and Board Directors’ compensation are to be distributed in accordance with the “Articles of Incorporation.”
 - A. The total amount of employees’ 2021 profit sharing is NT\$574,000,000, distributed in cash.
 - B. The total amount of Board Directors’ 2021 compensation is NT\$27,450,000, distributed in cash.

4. Report the status of domestic unsecured corporate bonds.

Explanation: In order to strength the operating capital, the Company issued domestic unsecured ordinary corporate bonds. Details as follows:

Tranche / Category	Wiwynn Corporation 1 st Unsecured Corporate Bond issue in 2021
Date of Approval	2021.07.28
Date of Issuance	2021.08.06
Date of Expiration	2026.08.06
Total issuance Amount	NTD 4.45 billion
Face value	NTD 1 million
Issue price	100% of par value
Issuance Period	5 years ; From 2021.08.06 to 2026.08.06
Coupon rate	Fixed rate at 0.63%
Way of Reimbursement	50% respectively for the 4 th and 5 th year.
Interest Payment	The interest is calculated with simple interest based on the coupon rate and distributed annually.
Trustees	Bank SinoPac
Debt Service Agency	Bank SinoPac Taipei Branch
Exercise of the Issuance	Fully exercised in Q3 2021

5. Report the amendments to the “Codes of Ethical Conduct.”

Explanation: In order to meet operational needs, the Company approved the amendments of the “Codes of Ethical Conduct” at the first Board Meeting of 2022. Please refer to Attachment 3, pages 35 for the before and after revision chart and Attachment 4, pages 36-38 for the amended version.

Ratification Items and Discussion Items

Item 1

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

(Proposed by the Board of Directors)

Explanation :

1. The Company's business report and financial statements for 2021 (including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows), which have all been adopted by the Board of Directors with resolution and examined by the Audit Committee, and are hereby submitted for ratification. (Please refer to Attachment 1, pages 16-33)
2. Submission for ratification.

Item 2

Proposal : Ratification of the proposal for distribution of 2021 profits.

(Proposed by the Board of Directors)

Explanation :

1. The unappropriated retained earnings at the beginning of the year is NT\$6,122,872,321 in 2021. After adding up the 2021 net income of NT\$8,648,011,824, then deducting the legal reserve of NT\$864,413,342 and special reserve retained for the net debit balance of other equity interest in this year of NT\$193,125,853 and remeasurements of defined benefit obligation of NT\$3,878,400, therefore the total amount of retained earnings available for distribution is NT\$13,709,466,550. It is proposed to distribute NT\$4,371,019,775 as the dividends to the shareholders in cash. (NT\$25 per share).
2. After the adoption of the resolution at the Shareholders' Meeting, it is proposed the Shareholders' Meeting to authorize the Chairman with the power to set the ex-dividend date and other relevant matters.
3. Before the ex-dividend date, due to the amendment of laws or regulations, or the change to the Company's common shares (i.e. repurchasing the Company's shares for transfer or cancellation, capital increase by cash, the issuance of new common shares for cash to sponsor the issuance of GDR, unsecured convertible bonds converting into common shares etc.), which results in changes in shareholders' allotment of cash dividend, the Chairman is to be authorized to adjust accordingly.
4. 2021 Statements of Profit Appropriation, please refer to Attachment 5, pages 39.
5. Submission for ratification.

Item 3

Proposal : Discussion of the issuance of new common shares for cash to sponsor the issuance of GDR and/or the issuance of new common shares for cash through public offering and/or the issuance of new common shares for cash through private placement and/or the issuance of new common shares for cash to sponsor the issuance of GDR through private placement.
(Proposed by the Board of Directors)

Explanation :

1. Fund raising purpose and size: For the purpose of fulfilling the funding needs of the Company to purchase overseas materials, or repay bank loans, or increase working capital, or invest overseas business, or other needs for its future development and competitiveness enhancement, it is proposed to authorize the Board of Directors to issue up to 17 million common shares, depending on the market conditions and the Company's need, to choose appropriate timing and fund raising methods in accordance with the applicable laws and regulations, according to the following fund raising method and handling principles.
2. Fund raising methods and handling principles:
 - (1) Issuance of new common shares for cash to sponsor issuance of GDR
 - A. In accordance with the existing provisions of the "Disciplinary Rules for Securities Underwriters Assisting Issuing Company in the Offering and Issuance of Securities issued by the Taiwan Securities Association," the issue price of the new common shares for cash capital increase for the issuance of GDR may not be lower than the closing price of the Company's common shares on the Taiwan Stock Exchange or 90% of the average closing price of the common shares of the Company in one, three, or five business days prior to the pricing date after adjustment for any distribution of stock and cash dividends or capital reduction. In case of any changes to the relevant domestic laws, the pricing method shall be adjusted accordingly. In view of the severe short-term fluctuations in domestic market price, it is proposed to authorize the Chair to determine the final issue price, within the scope of the said requirement under the Disciplinary Rules, after negotiation with the lead underwriter depending on international capital markets, domestic market price and the overall book building situations, to improve the subscription of international investors, so the pricing method should be reasonable.
 - B. Upon the limit of 17 million common shares for the issuance of GDR through the issuance of new common shares by capital increase, the original shareholders' equity will be diluted by a maximum of 9.7%. The implementation of the fundraising plan will enhance the Company's competitiveness and benefit the shareholders; the determination of the issue price of the GDRs will be based on the fair trading price of common shares formed in the domestic market. Existing shareholders may still be able to purchase common stock in domestic stock market at the price closing to the issue price of GDR without bearing the exchange risks and liquidity risks, and may take into account their interests.
 - C. Except for 10% to 15% of new common shares shall be allocated for the employees' subscription in accordance with applicable law, it is proposed for the shareholders meeting to approve that the rights to the remaining 85% to 90% of the issuance shall be waived by the shareholders and shall be offered to the public under Article 28-1 of Securities and Exchange Act as the underlying shares of GDR to be sold. It is proposed to authorize the Chairman, depending on the market needs, to allot the new common shares not subscribed by employees of the Company as underlying shares of GDR.
 - (2) Issuance of new common shares for cash in public offering
 - A. The par value of the new common shares to be issued per share is NT\$10. It is proposed to authorize the Chairman of the Company to coordinate with the underwriter(s) of the public offering to determine the actual issue price in accordance with the Taiwan Securities Association's Self-regulatory Rules Governing the Provision of Advisory Services by Underwriter Members to

Issuing Companies for Offering and Issuing Securities and the market conditions and the issue price shall be reported to, and accepted by the regulatory authority before issuance.

B. It is proposed to authorize the Board to choose either of the following methods to sell the new shares in the public offering through the underwriter(s):

- a. Except for 10% to 15% of the new shares must be offered to employees in accordance with Article 267, Paragraph I of the Company Act, it is proposed for the shareholders meeting to approve the pre-emptive rights to subscribe to the remaining shares to be waived by the shareholders in accordance with Article 28-1 of the Securities and Exchange Act and such remaining shares will be offered to the public via book building. It is proposed that any new common shares not subscribed by employees of the Company will be sold to the person(s) designated by the Chairman of the Company at the issue price.
- b. Except for 10% to 15% of the new shares must be offered to employees in accordance with Article 267, Paragraph I of the Company Act, it is proposed that 10% of the new shares to be sold to the public through the underwriter(s) in accordance with Article 28-1, Paragraph 2 of the Securities and Exchange Act and the remaining shares will be subscribed to by the existing shareholders of the Company in accordance with their shareholding. It is proposed that any new common shares not subscribed by employees and shareholders of the Company will be sold to the person(s) designated by the Chairman of the Company at the issue price.

(3) Issuance of new common shares for cash in private placement and/or issuance of new common shares for cash to sponsor issuance of GDR in private placement

A. The basis and rationale to determine the private placement price:

- a. The common stock price per share shall be set at no less than 85% of the reference price. The reference price is set as the higher of the following two basis prices:
 - (i) The simple average closing price of the common shares of the Company for either the one, three, or five business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction.
 - (ii) The simple average closing price of the common shares of the Company for the thirty business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.
- b. The pricing date, actual reference price, theoretical price, and actual issuance price are proposed to be authorized to the Board of Directors to determine within the range approved by the shareholders meeting, after taking into consideration the market status, objective conditions, and qualification of specific parties. Considering that the Securities and Exchange Act has set the restrictions on transfers of the privately placed securities for three full years, the price determination above shall be reasonable.

B. The method to determine specific parties:

The strategic investors have the priority to be considered as specific parties for private placement if they may be qualified for the rules in Article 43-6, Securities and Exchange Act and other letters from government authorities and should also have direct or indirect benefit to the Company, and can recognize the Company's operating strategy. The company currently has not arranged the specific parties. It is proposed to authorize the Company's Board of Directors to determine the specific parties for private placement.

C. The necessity of private placement:

- a. The Company plans to invite strategic investors and strengthen competitiveness through private placement. Because of the restrictions on transfers for three full years, it is better to maintain a long-term relationship with strategic partners by such security issuance of private placement. And also considering the effectiveness and feasibility to raise capital, the Company proposes to raise capital through private placement, rather than public offering.
- b. The amount of the private placement: up to 17 million common shares.

- c. The use of proceeds and projected benefits of private placement: The Company plans to do private placement at one time or several times (no more than 3 times) based on market conditions and specific parties. The capital raised will be used to purchase overseas materials, or repay bank loans, or increase working capital, or invest overseas business, or other needs for its future development. The private placement will strengthen our competitiveness, upgrade operating efficiency, and reinforce financial structure, which can benefit shareholders' equity.
3. Use of proceeds, schedule and projected benefit: The Company plans to use the fund raising from capital increase to purchase overseas materials, or repay bank loans, or increase working capital, or invest overseas business, or other needs for its future development. The fund raising plan will strengthen our competitiveness, upgrade operating efficiency, and reinforce financial structure, which can benefit shareholders' equity.
4. It is proposed to authorize the Board of Directors to determine, proceed or revise the issuance plan of new common shares to be issued to sponsor the GDR and the new common shares to be issued in public offering, new common shares in private placement and/or new common shares to sponsor issuance of GDR in private placement, including issue price, shares, terms and conditions, amount, record date, plan items, projected progresses and benefits, and any other item related to the issuance plan, based on market conditions. It is also proposed to authorize the Board of Directors to revise the issuance plan based on operation evaluation, environment changes or if receiving instructions from governmental authorities.
5. The new common shares to be issued to sponsor issuance of GDR, the new common shares to be issued in public offering, the new common shares in private placement and/or the new common shares to sponsor issuance of GDR in private placement will be issued in scripless form. However the new common shares in private placement and the new common shares to sponsor issuance of GDR are subject to the selling restrictions within three years after the delivery date under Article 43-8 of the Securities and Exchange Act, the new common shares to be issued to sponsor the GDR and the new common shares to be issued in public offering, new common shares in private placement and new common shares to sponsor issuance of GDR in private placement will have the same rights and obligations as the Company's existing issued and outstanding common shares.
6. It is proposed to authorize the Chairman or the Chairman's designee, on behalf of the Company, to handle all matters relating to, and sign all agreements and documents in connection with, issuance of new common shares to sponsor issuance of GDR and/or issuance of new common shares in public offering and/or issuance of new common shares in private placement and/or issuance of new common shares to sponsor issuance of GDR in private placement.
7. The Board is authorized to handle all matters which are not addressed herein in accordance with the applicable laws and regulations.
8. Please discuss.

Item 4

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

(Proposed by the Board of Directors)

Explanation :

1. In order to comply with government rules and regulations and the operational needs of the Company, it is proposed to make amendments to the “Articles of Incorporation.” Please refer to Attachment 6, pages 40 for the before and after revision chart.
2. Please discuss.

Item 5

Proposal : Discussion of amendments to the “Procedures of Assets Acquisition and Disposal.”

(Proposed by the Board of Directors)

Explanation :

1. In order to comply with government rules and regulations, it is proposed to make amendments to the “Procedures of Assets Acquisition and Disposal.” Please refer to Attachment 7, pages 41-45 for the before and after revision chart.
2. Please discuss.

Item 6

Proposal : Discussion of amendments to the “Rules and Procedures of Shareholders’ Meeting.”

(Proposed by the Board of Directors)

Explanation :

1. In order to comply with government rules and regulations, it is proposed to make amendments to the “Rules and Procedures of Shareholders’ Meeting.” Please refer to Attachment 8, pages 46-51 for the before and after revision chart.
2. Please discuss.

Item 7

Proposal : Discussion of the removal of the non-compete restrictions on directors and their corporate representatives.

(Proposed by the Board of Directors)

Explanation :

1. Pursuant to Article 209 of the Company Act, “A director who does anything for himself or on behalf of another person that is within the scope of the Company’s business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.”
2. To draw on the expertise and relevant experience of directors, pursuant to Article 209 of the Company Act, it is proposed to release the prohibition on directors and their corporate representatives, who participate in the operations of another company that engages in the same or similar business scope as the Company.
3. Concurrent positions of Directors and Independent Director, please refer to Attachment 9, pages 52.
4. Please discuss.

Voting by Poll

Extemporaneous Motion

Adjournment

Wiwynn Corporation Business Report

In 2021, the whole world was still under the threat of COVID-19 epidemic. During the Level 3 epidemic alert from May to July in Taiwan, Wiwynn employees were all work from home. We were lucky to have already deployed arrangement in advance. When our company was established, we followed a strategy of “cloud first, zero enterprise computer room” and introduced innovative technology of information systems, including complete cloud-based enterprise application system, block chain supply chain management, autonomous intelligent manufacturing, and hybrid cloud information security defending system. Therefore, Wiwynn maintained normal operation without any negative impact when employees worked from home. Wiwynn was awarded First Prize of Pioneer in the Manufacturing Industry for comprehensive digital transformation at the 1st Digital Transformation Awards.

However, it was not the only challenge we faced in 2021. The lack of raw materials, labor shortage, and port congestion caused by the epidemic plus the impact of extreme climate created difficulties in the overall supply chain. Under the state of imbalance between supply and demand, we were unable to fully satisfy the strong demands from our customers. Nevertheless, with the efforts of all of our colleagues, we continued growing in 2021. The scale of our operation hit a record high. It was a difficult but fruitful year.

The consolidated operating revenue at the Company in 2021 was NT\$ (the same below) 192,625,942,000, and it increased 3.05% compared to that in the previous year. The net profit after tax was \$ 8,648,012,000 with an increase of 0.44% compared to that in the previous year. It was a record high. Affected by the impact of inflationary spike and appreciation of New Taiwan Dollar, the gross profit margin, operating margin, and net profit margin decreased 0.1% each from the previous year to 8.1%, 5.9%, and 4.5% respectively. The basic earnings per share (EPS) was \$49.46; it hit a record high.

In terms of sustainable development, Wiwynn also established “Corporate Sustainability Committee” in March 2021 as well as set up relevant organizational regulations. As for environment, Wiwynn responded to the sustainable development goal No. 14 (SDG 14) promoted by the United Nations to conserve and sustainably use marine ecological system. We planted 800 trees on the frontline of coast near Wujie Township, Yilan County to block out the impact to the inner land by strong northeast monsoon, salinity of the sea, and blown sand in order to protect the life quality of the community residents. With regard to corporate governance, to enhance the transparency to stakeholders and meet the blueprint of the corporate governance promoted by the competent authority as early as possible, Wiwynn voluntarily disclosed the self-assessed income information for fiscal year 2021 in January 2022. Moreover, Wiwynn participated in the 7th Corporate Governance Assessment held by Taiwan Stock Exchange for the first time and achieved the excellent performance of top 6%-20% of the listed companies. In the 14th Taiwan Corporate Sustainability Awards, Wiwynn received the recognition of Gold Award in the category of electronics and information manufacturing industry. Because of our outstanding performance in ESG, we are included to the constituent stocks of “FTSE4Good TIP Taiwan ESG Index” and “TWSE Corporate Governance 100 Index”.

Along with the extreme climate is getting more frequent, leaders of different countries in the world have made a commitment on carbon reduction at United Nations Climate Summit (COP26). The net zero emissions in 2050 is a global consensus, and customers of hyperscale data centers all declare to achieve carbon neutral or the goal of 100% utilization of renewable energy within next few years. Wiwynn also focuses R&D and continues developing power converter and cooling solution with high-efficient energy saving and carbon reduction. Among them, the two-phase immersion cooling technology also formally entered hyperscale data center

【 Attachment 1 】

in 2021.

Our Company launched Taiwan Intellectual Property Management System (TIPS) in 2021 and passed Level A qualification. During the promotion of TIPS, educational trainings were used for promotion and follow-up of legal consultation to ensure the awareness of protecting intellectual property right is enhanced. It helps the hard skills (quantity of patent) and soft skills (employees' awareness) of intellectual property in Wiwynn grow and develop at the same time.

Looking into the future, there are still uncertainties in global economy. We are still facing the risks in the overall supply chain. However, the new normal after the epidemic continues pushing the demand of digital transformation. Various applications and services related to 5G, edge computing, AI, and big data to metaverse is increasing. The cloud data center industry will continue growing. The focus of operation in Wiwynn is as below:

1. Diverse global layout: Wiwynn Malaysia Factory has started by the end of 2021, and it is estimated to be completed in 2023. Besides, we also plan to continue expanding our service stations all over the world in the next two or three years to achieve the scale of 5 to 6 times of current own capacity in order to maintain operating stability and flexibility as well as spread risks.
2. Continue deepening digital transformation: Wiwynn plans to introduce the intelligent manufacturing technology to our own factories and make them smart factories as well as continues devoting actively to construct digital capabilities and culture among all our employees. Through the activities of Hackathon and Digital Festival, we encourage employees to widely apply relevant skills. We use Robotic Process Automation (RPA) established creatively by employees to enhance working efficiency.
3. Implement corporate sustainable operation: We create green factories, actively use renewable energy, continue promoting Ocean Hugs marine environment and ecology shared good scheme, make good use of resources to protect the environment, and strengthen the communication with stakeholders. Centered on human beings, we provide a safe and healthy working environment to our employees and comply with the blueprint of corporate governance promoted by the competent authority.

We carry the core values of “excellence”, “forward-looking”, “teamwork”, and “agile” carried by Wiwynn to march forward in a steady pace, create the maximal shareholder value, and pursue a future of sustainable development.

Chairman:
Simon Lin

President:
Emily Hong

Accounting Officer:
Wenifred Wen



安侯建業聯合會計師事務所

KPMG

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Independent Auditors' Report

To the Board of Directors of Wiwynn Corporation:

Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Revenue recognition

Refer to note 4(n) "Revenue" and note 6(r) to the financial statements for the disclosure of revenue recognition.



Description of key audit matter

The Company is a listed Company in related to public interest, and the investors are highly expecting the financial performance, resulting in revenue recognition is one of the key judgmental areas of our audit.

How the matter was addressed in our audit

Our principal audit procedures included testing of the design and implement of controls over sales and collection of receivable transactions; evaluate if there is any significant abnormal changes through performing trend analysis on top 10 customers by comparing the related changes or differences; assessing and testing if the management obtained sufficient external evidence showing that the control of the products have been transferred to the customers to support the timing of revenue recognition; evaluating the adequacy of revenues recognition by testing the sale transactions during the period before and after the balance sheets date.

2. Inventory valuation

Refer to note 4(g) "Inventories", note 5 "Significant accounting assumptions and judgments, and major sources of estimation uncertainty" and note 6(d) to the financial statements for the disclosure of valuation of inventory.

Description of key audit matter

Inventories are stated at the lower of cost or net realizable value. With the rapid development of technology, the advance of new electronic products may significantly change consumer demands, which leads to product obsolescence that may result in the cost of inventory to be higher than the net realizable value. Consequently, the valuation of inventories has been identified as one of the key Judgmental areas of our audit.

How the matter was addressed in our audit

Our principal audit procedures included analyze the change of inventory aging by assessing and testing the inventory aging report, understanding the sales price which is used to evaluate the inventory valuation by management and the subsequent market price information as well as selecting the original transition documentation in order to test the appropriateness of the net realize values reviewing if the estimation and assumption used for inventory valuation and other disclosure for inventories made by management were appropriateness.

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

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

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



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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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



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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chia-Chien Tang and Ming-Hung Huang.

KPMG

Taipei, Taiwan (Republic of China)

February 25, 2022

Notes to Readers

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

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

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

Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		<u>2021</u>		<u>2020</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenue (notes 6(r) and 7)	\$ 73,162,110	100	79,017,070	100
5000	Operating costs (notes 6(d)(f)(g)(h)(l)(m)(s), 7 and 12)	<u>59,360,963</u>	<u>81</u>	<u>64,533,782</u>	<u>82</u>
	Gross profit	13,801,147	19	14,483,288	18
5910	Unrealized profit (loss) from sales	<u>342,227</u>	-	<u>(350,000)</u>	-
	Net gross profit	<u>14,143,374</u>	<u>19</u>	<u>14,133,288</u>	<u>18</u>
	Operating expenses (notes 6(b)(f)(g)(h)(l)(m)(s), 7 and 12):				
6100	Selling expenses	366,386	1	613,040	1
6200	Administrative expenses	703,257	1	579,743	1
6300	Research and development expenses	2,411,214	3	2,136,829	2
6450	Expected credit loss	<u>2,501</u>	-	<u>1,807</u>	-
	Total operating expenses	<u>3,483,358</u>	<u>5</u>	<u>3,331,419</u>	<u>4</u>
	Net operating income	<u>10,660,016</u>	<u>14</u>	<u>10,801,869</u>	<u>14</u>
	Non-operating income and expenses (notes 6(e)(f)(k)(l)(t) and 7):				
7100	Interest income	60,032	-	33,527	-
7010	Other income	48	-	76	-
7020	Other gains and losses	(73,622)	-	(98,187)	-
7050	Finance costs	(98,893)	-	(64,339)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	<u>322,505</u>	<u>1</u>	<u>150,540</u>	-
	Total non-operating income and expenses	<u>210,070</u>	<u>1</u>	<u>21,617</u>	-
7900	Income before tax	10,870,086	15	10,823,486	14
7950	Income tax expense (note 6(n))	<u>2,222,074</u>	<u>3</u>	<u>2,213,829</u>	<u>3</u>
	Net income	<u>8,648,012</u>	<u>12</u>	<u>8,609,657</u>	<u>11</u>
8300	Other comprehensive income (notes 6(e)(m)(n)(o)):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Losses on remeasurements of defined benefit plans	(4,848)	-	(6,121)	-
8349	Income tax related to items that may not be reclassified subsequently to profit or loss	<u>970</u>	-	<u>1,224</u>	-
	Total items that may be reclassified subsequently to profit or loss	<u>(3,878)</u>	-	<u>(4,897)</u>	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(193,126)	-	(291,808)	-
8399	Income tax related to items that may be reclassified subsequently to profit or loss	<u>-</u>	-	<u>-</u>	-
	Total items that may be reclassified subsequently to profit or loss	<u>(193,126)</u>	-	<u>(291,808)</u>	-
8300	Other comprehensive income	<u>(197,004)</u>	-	<u>(296,705)</u>	-
8500	Total comprehensive income	<u>\$ 8,451,008</u>	<u>12</u>	<u>8,312,952</u>	<u>11</u>
	Earnings per share (expressed in New Taiwan dollars) (note 6(q))				
9750	Basic earnings per share	<u>\$ 49.46</u>		<u>49.25</u>	
9850	Diluted earnings per share	<u>\$ 49.28</u>		<u>48.98</u>	

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)
Wiwynn Corporation

Statements of Changes in Equity

For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings					Other equity		Total equity
	Common shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	
\$	1,746,368	8,816,183	752,956	-	8,849,444	9,602,400	53,914	20,218,865
-	-	-	616,925	-	(616,925)	-	-	-
-	-	-	-	-	(4,021,131)	(4,021,131)	-	(4,021,131)
-	-	-	-	-	8,609,657	8,609,657	-	8,609,657
-	-	-	-	-	(4,897)	(4,897)	(291,808)	(296,705)
-	-	-	-	-	8,604,760	8,604,760	(291,808)	8,312,952
2,040	1,197	-	-	-	-	-	-	3,237
1,748,408	8,817,380	1,369,881	-	-	12,816,148	14,186,029	(237,894)	24,513,923
-	-	860,476	-	-	(860,476)	-	-	-
-	-	-	237,894	-	(237,894)	-	-	-
-	-	-	-	-	(5,594,905)	(5,594,905)	-	(5,594,905)
-	-	-	-	-	8,648,012	8,648,012	-	8,648,012
-	-	-	-	-	(3,878)	(3,878)	(193,126)	(197,004)
-	-	-	-	-	8,644,134	8,644,134	(193,126)	8,451,008
\$	1,748,408	8,817,380	2,230,357	237,894	14,767,007	17,235,258	(431,020)	27,370,026

Balance on January 1, 2020

Appropriation and distribution of retain earnings:

Legal reserve

Cash dividends

Net income

Other comprehensive income

Total comprehensive income

Issue of common shares-employee stock options

Balance on December 31, 2020

Appropriation and distribution of retain earnings:

Legal reserve

Special reserve

Cash dividends

Net income

Other comprehensive income

Total comprehensive income

Balance on December 31, 2021

See accompanying notes to financial statements.

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

Wiwynn Corporation

Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	2021	2020
Cash flows from (used in) operating activities:		
Income before tax	\$ 10,870,086	10,823,486
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	349,965	286,415
Amortization expense	41,946	19,350
Expected credit loss	2,501	1,807
Net gain on financial assets or liabilities at fair value through profit or loss	(35,697)	(436,049)
Interest expense	98,893	64,339
Interest income	(60,032)	(33,527)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	(322,505)	(150,540)
Losses on disposal of property, plant and equipment	4	95
Unrealized losses (profit) from sales	(342,227)	350,000
Prepayments for equipment reclassified as expenses	-	186
Total adjustments to reconcile profit	<u>(267,152)</u>	<u>102,076</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease in financial assets mandatorily measured at fair value through profit or loss-current	35,697	436,049
Increase in accounts receivable, net	(1,136,310)	(715,885)
Decrease (increase) in accounts receivable-related parties, net	(4,501,462)	2,860,866
Decrease (increase) in other receivable	(622)	172
Decrease (increase) in other receivable-related parties	(934,604)	1,770,909
Increase in inventories	(4,629,876)	(231,039)
Decrease (increase) in other current assets	619,752	(475,359)
Total changes in operating assets	<u>(10,547,425)</u>	<u>3,645,713</u>
Changes in operating liabilities:		
Increase in contract liabilities-current	1,063,555	1,435,914
Increase (decrease) in notes and accounts payable	891,588	(2,596,018)
Increase (decrease) in accounts payable-related parties	(1,380,814)	2,659,908
Increase in other payable	88,039	277,578
Decrease in other payable-related parties	(21,559)	(210,015)
Increase (decrease) in other current liabilities	147,053	(2,369)
Decrease in net defined benefit liabilities	(165)	(84)
Total changes in operating liabilities	<u>787,697</u>	<u>1,564,914</u>
Total changes in operating assets and liabilities	<u>(9,759,728)</u>	<u>5,210,627</u>
Total adjustments	<u>(10,026,880)</u>	<u>5,312,703</u>
Cash inflow generated from operations	843,206	16,136,189
Interest received	59,248	31,884
Interest paid	(86,420)	(58,093)
Income taxes paid	(2,618,436)	(1,617,776)
Net cash flows from (used in) operating activities	<u>(1,802,402)</u>	<u>14,492,204</u>
Cash flows from investing activities:		
Increase in other receivables — related parties	(276,900)	-
Acquisition of investments accounted for using equity method	(705,680)	-
Acquisition of property, plant and equipment	(120,826)	(295,457)
Proceeds from disposal of property, plant and equipment	27	-
Acquisition of intangible assets	(76,076)	(64,846)
Decrease in other financial assets	62	1,107
Increase in prepayments for equipment	(132,656)	(98,720)
Net cash flows used in investing activities	<u>(1,312,049)</u>	<u>(457,916)</u>
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	87,062,810	70,744,296
Decrease in short-term borrowings	(85,601,332)	(71,307,022)
Proceeds from issuing bonds	4,442,325	4,991,500
Payment of lease liabilities	(63,695)	(55,471)
Cash dividends paid	(5,594,905)	(4,021,131)
Exercise of employee stock options	-	3,237
Net cash flows from financing activities	<u>245,203</u>	<u>355,409</u>
Net increase (decrease) in cash and cash equivalents	<u>(2,869,248)</u>	<u>14,389,697</u>
Cash and cash equivalents at beginning of period	<u>22,200,585</u>	<u>7,810,888</u>
Cash and cash equivalents at end of period	<u>\$ 19,331,337</u>	<u>22,200,585</u>

See accompanying notes to financial statements.



安侯建業聯合會計師事務所

KPMG

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Independent Auditors' Report

To the Board of Directors of Wiyynn Corporation:

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

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

1. Revenue recognition

Refer to note 4(n) "Revenue" and note 6(r) to the consolidated financial statements for the disclosure of revenue recognition.



Description of key audit matter

The Group is a listed Company in related to public interest, and the investors are highly expecting the financial performance, resulting in revenue recognition is one of the key judgmental areas of our audit.

How the matter was addressed in our audit

Our principal audit procedures included testing of the design and implement of controls over sales and collection of receivable transactions; evaluate if there is any significant abnormal changes through performing trend analysis on top 10 customers by comparing the related changes or differences; assessing and testing if the management obtained sufficient external evidence showing that the control of the products have been transferred to the customers to support the timing of revenue recognition; evaluating the adequacy of revenues recognition by testing the sale transactions during the period before and after the balance sheets date.

2. Inventory valuation

Refer to note 4(h) "Inventories", note 5 "Significant accounting assumptions and judgments, and major sources of estimation uncertainty" and note 6(d) to the consolidated financial statements for the disclosure of valuation of inventory.

Description of key audit matter

Inventories are stated at the lower of cost or net realizable value. With the rapid development of technology, the advance of new electronic products may significantly change consumer demands, which leads to product obsolescence that may result in the cost of inventory to be higher than the net realizable value. Consequently, the valuation of inventories has been identified as one of the key Judgmental areas of our audit.

How the matter was addressed in our audit

Our principal audit procedures included analyze the change of inventory aging by assessing and testing the inventory aging report, understanding the sales price which is used to evaluate the inventory valuation by management and the subsequent market price information as well as selecting the original transition documentation in order to test the appropriateness of the net realize values reviewing if the estimation and assumption used for inventory valuation and other disclosure for inventories made by management were appropriateness.

Other Matter

Wiyynn Corporation has prepared its parent-company-only financial statements as of and for the years ended December 31, 2021 and 2020, on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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



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

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

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

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

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

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



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

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

The engagement partners on the audit resulting in this independent auditors' report are Chia-Chien Tang and Ming-Hung Huang.

KPMG

Taipei, Taiwan (Republic of China)

February 25, 2022

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Wiwynn Corporation and Subsidiaries

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan dollars, Except for Earnings Per Common Share)

		2021		2020	
		Amount	%	Amount	%
4000	Operating revenue (notes 6(r) and 7)	\$192,625,942	100	186,927,647	100
5000	Operating costs (notes 6(d)(f)(g)(h)(l)(m)(s), 7 and 12)	177,004,761	92	171,626,518	92
	Gross profit from operations	<u>15,621,181</u>	<u>8</u>	<u>15,301,129</u>	<u>8</u>
	Operating expenses (notes 6(b)(f)(g)(h)(l)(m)(s), 7 and 12):				
6100	Selling expenses	936,512	1	1,228,494	1
6200	Administrative expenses	835,779	-	658,157	-
6300	Research and development expenses	2,459,313	1	2,179,233	1
6450	Expected credit loss (gain)	2,501	-	(6,609)	-
	Total operating expenses	<u>4,234,105</u>	<u>2</u>	<u>4,059,275</u>	<u>2</u>
	Net operating income	<u>11,387,076</u>	<u>6</u>	<u>11,241,854</u>	<u>6</u>
	Non-operating income and expenses (notes 6(e)(f)(g)(k)(l)(t) and 7):				
7100	Interest income	61,593	-	38,984	-
7010	Other income	48	-	76	-
7020	Other gains and losses	(64,374)	-	(89,179)	-
7050	Finance costs	(356,154)	-	(304,316)	-
7370	Share of associates and joint ventures accounted for using equity method	(32,120)	-	-	-
	Total non-operating income and expenses	<u>(391,007)</u>	<u>-</u>	<u>(354,435)</u>	<u>-</u>
7900	Income before tax	10,996,069	6	10,887,419	6
7950	Income tax expense (note 6(n))	2,348,057	1	2,277,762	1
	Net income	<u>8,648,012</u>	<u>5</u>	<u>8,609,657</u>	<u>5</u>
8300	Other comprehensive income (notes 6(e)(m)(n)(o)):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Loss on remeasurements of defined benefits plans	(4,848)	-	(6,121)	-
8349	Income tax related to items that may not be reclassified to profit or loss	970	-	1,224	-
	Total items that may not be reclassified subsequently to profit or loss	<u>(3,878)</u>	<u>-</u>	<u>(4,897)</u>	<u>-</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(193,126)	-	(291,808)	-
8399	Income tax related to items that may be reclassified to profit or loss	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	<u>(193,126)</u>	<u>-</u>	<u>(291,808)</u>	<u>-</u>
8300	Other comprehensive income (net of tax)	<u>(197,004)</u>	<u>-</u>	<u>(296,705)</u>	<u>-</u>
8500	Total comprehensive income	<u>\$ 8,451,008</u>	<u>5</u>	<u>\$ 8,312,952</u>	<u>5</u>
	Profit attributable to:				
8610	Owners of parent	<u>\$ 8,648,012</u>	<u>5</u>	<u>\$ 8,609,657</u>	<u>5</u>
	Comprehensive income attributable to:				
8710	Owners of parent	<u>\$ 8,451,008</u>	<u>5</u>	<u>\$ 8,312,952</u>	<u>5</u>
	Earnings per share (expressed in New Taiwan dollars) (note 6(q))				
9750	Basic earnings per share	<u>\$ 49.46</u>		<u>\$ 49.25</u>	
9850	Diluted earnings per share	<u>\$ 49.28</u>		<u>\$ 48.98</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Wiwynn Corporation and Subsidiaries

Consolidated Statements of Changes in Equity

For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan dollars)

	Retained earnings				Other equity			
	Common shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Total equity
Balance on January 1, 2020	\$ 1,746,368	8,816,183	752,956	-	8,849,444	9,602,400	53,914	20,218,865
Appropriation and distribution of retain earnings:								
Legal reserve	-	-	616,925	-	(616,925)	-	-	-
Cash dividends	-	-	-	-	(4,021,131)	(4,021,131)	-	(4,021,131)
Net income	-	-	-	-	8,609,657	8,609,657	-	8,609,657
Other comprehensive income	-	-	-	-	(4,897)	(4,897)	(291,808)	(296,705)
Total comprehensive income	-	-	-	-	8,604,760	8,604,760	(291,808)	8,312,952
Issue of common shares-employee stock options	2,040	1,197	-	-	-	-	-	3,237
Balance on December 31, 2020	\$ 1,748,408	8,817,380	1,369,881	-	12,816,148	14,186,029	(237,894)	24,513,923
Appropriation and distribution of retain earnings:								
Legal reserve	-	-	860,476	-	(860,476)	-	-	-
Special reserve	-	-	-	237,894	(237,894)	-	-	-
Cash dividends	-	-	-	-	(5,594,905)	(5,594,905)	-	(5,594,905)
Net income	-	-	-	-	8,648,012	8,648,012	-	8,648,012
Other comprehensive income	-	-	-	-	(3,878)	(3,878)	(193,126)	(197,004)
Total comprehensive income	-	-	-	-	8,644,134	8,644,134	(193,126)	8,451,008
Balance on December 31, 2021	\$ 1,748,408	8,817,380	2,230,357	237,894	14,767,007	17,235,258	(431,020)	27,370,026

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Wiwynn Corporation and Subsidiaries
Consolidated Statements of Cash Flows
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan dollars)

	2021	2020
Cash flows from (used in) operating activities:		
Income before tax	\$ 10,996,069	10,887,419
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	505,835	371,292
Amortization expense	41,946	19,350
Expected credit loss (gain)	2,501	(6,609)
Net gains on financial assets or liabilities at fair value through profit or loss	(35,697)	(436,049)
Interest expense	356,154	304,316
Interest income	(61,593)	(38,984)
Share of loss of associates and joint ventures accounted for using equity method	32,120	-
Losses (gains) on disposal of property, plant and equipment	(503)	95
Prepayments for equipment reclassified as expenses	2,181	186
Lease modification losses (gains)	(3,119)	313
Total adjustments to reconcile profit	839,825	213,910
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease in financial assets mandatorily measured at fair value through profit or loss-current	35,697	436,049
Decrease (increase) in accounts receivable, net	(5,053,598)	5,628,430
Decrease (increase) in accounts receivable-related parties, net	(103,320)	75,714
Decrease (increase) in other receivable	(653)	2,634
Decrease in other receivable-related parties	186,630	1,734,239
Increase in inventories	(26,689,003)	(3,394,994)
Decrease (increase) in other current assets	596,814	(498,840)
Total changes in operating assets	(31,027,433)	3,983,232
Changes in operating liabilities:		
Increase in contract liabilities-current	1,063,555	1,435,914
Increase (decrease) in notes and accounts payable	6,320,769	(4,086,436)
Increase (decrease) in accounts payable-related parties	(21,824)	3,105,001
Increase in other payable	333,116	440,006
Decrease in other payable-related parties	(69,014)	(59,222)
Increase in other current liabilities	334,872	96,938
Decrease in net defined benefit liabilities	(165)	(84)
Total changes in operating liabilities	7,961,309	932,117
Total changes in operating assets and liabilities	(23,066,124)	4,915,349
Total adjustments	(22,226,299)	5,129,259
Cash inflow generated from (used in) operations	(11,230,230)	16,016,678
Interest received	60,808	37,341
Interest paid	(334,181)	(303,088)
Income taxes paid	(2,708,854)	(1,658,747)
Net cash flows from (used in) operating activities	(14,212,457)	14,092,184
Cash flows from (used in) investing activities:		
Acquisition of investments accounted for using equity method	(276,609)	-
Acquisition of property, plant and equipment	(333,376)	(387,276)
Proceeds from disposal of property, plant and equipment	4,562	-
Acquisition of intangible assets	(76,076)	(64,846)
Increase in other non-current assets	(180,716)	(1,136)
Increase in prepayments for equipment	(177,278)	(165,402)
Net cash used in investing activities	(1,039,493)	(618,660)
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	125,641,712	99,065,137
Decrease in short-term borrowings	(109,510,172)	(102,169,488)
Proceeds from issuing bonds	4,442,325	4,991,500
Cash dividends paid	(5,594,905)	(4,021,131)
Exercise of employee stock options	-	3,237
Payment of lease liabilities	(124,407)	(94,946)
Net cash flows from (used in) financing activities	14,854,553	(2,225,691)
Effect of exchange rate changes on cash and cash equivalents	(98,942)	(70,741)
Net increase (decrease) in cash and cash equivalents	(496,339)	11,177,092
Cash and cash equivalents at beginning of period	23,169,231	11,992,139
Cash and cash equivalents at end of period	\$ 22,672,892	23,169,231

See accompanying notes to consolidated financial statements.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2021 Business Report, Financial Statements, and Proposal for Distribution of Profits. The CPAs Chia-Chien Tang and Ming-Hung Huang from KPMG performed Wiwynn's Financial Statements Audit and issued an audit report. The Business Report, Financial Statements, and Proposal of Distribution of Profit have been reviewed and determined to be correct and accurate by the Audit Committee of Wiwynn Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, I hereby submit this Report.

Wiwynn Corporation

Convener of the Audit Committee : Simon Dzeng

April 18, 2022

Wiwynn Corporation
Codes of Ethical Conduct
 (Before and After Revision Chart)

Items	Before Revision	After Revision	Reason
Article 5	<p>Giving Presents and Treats as Part of Business Routine</p> <p>.....</p> <p>(4) One must not subscribe any shares of stock or any other similar preferential packages outside the open market from any units or companies that are involved in Company’s business operations.</p> <p>.....</p>	<p>Giving Presents and Treats as Part of Business Routine</p> <p>.....</p> <p>(4) One must not subscribe any shares of stock or any other similar preferential packages outside the open market from any units or companies that are involved in Company’s business operations.</p> <p><u>(5) One must not receive presents or any types of gifts more than three times a year from the same supplier and client.</u></p> <p>.....</p>	<p>To comply with the Company’s operational needs.</p>
Article 11	<p>Enforcement and Amendment</p> <p>This Code of Ethical Conduct will be implemented after adoption by the resolution of the Board of Directors, amendments likewise, and will be reported to the shareholders meeting. This Code of Ethical Conduct was enacted on October 30, 2017. The 1st amendment was made on November 06, 2019.</p>	<p>Enforcement and Amendment</p> <p>This Code of Ethical Conduct will be implemented after adoption by the resolution of the Board of Directors, amendments likewise, and will be reported to the shareholders meeting. This Code of Ethical Conduct was enacted on October 30, 2017. The 1st amendment was made on November 06, 2019. <u>The 2nd amendment was made on January 18, 2022.</u></p>	<p>Correspondence to the amendment date.</p>

Wiwynn Corporation Codes of Ethical Conduct

- Article 1 **Purpose**
This Code of Ethical Conduct is hereby established to enforce Wiwynn Corporation (hereinafter “Company”)’s core values, maintain its high level of business ethics and require Relevant Personnel to strictly abide by Company’s standard code of ethical conduct in order to uphold Company’s reputation and to gain the respect and trust of customers, suppliers and professionals of all fields.
- Article 2 **Applicability and Definition**
This Code of Ethical Conduct shall apply to all directors (including the independent directors; hereinafter “Directors”), managers and employees (hereinafter “Relevant Personnel”).
- Article 3 **Important Code of Ethical Conduct**
1. Integrity is Company’s core value and the root of operating an enterprise. To operate an enterprise in integrity, Company shall provide an environment and atmosphere that will allow Relevant Personnel to execute their duties in accordance with ethical standard. Company requires all Relevant Personnel to fully understand and abide by this Code of Ethical Conduct and self-integrity. The following is the relevant and important code of ethical conduct:
 - (1) Unless authorized or required by law, Relevant Personnel must strictly keep confidential the information related to Company or its clients whom Company purchases goods from or whom Company sells products to. The confidential information shall include all information that could be possibly used by competitors or cause damages to Company or its clients after disclosure.
 - (2) When Relevant Personnel use information related to Company or its clients whom Company purchases goods from or whom Company sells products to, they must not contravene any applicable laws or Company’s Policies and Procedures on the Protection of Confidential Information.
 - (3) Relevant Personnel must treat clients whom Company purchases goods from or whom Company sells products to, the competing companies and employees on a fair and equal basis, and must not use the information obtained through job convenience to manipulate, conceal or misuse such information to make false statement on important matters, or use such information to obtain unjust benefits through other unjust transactions.
 - (4) Relevant Personnel must be loyal to their job. Their execution of duties, including disposition of money, purchase, safekeeping assets, evaluation of performances and making and ratification of reports, shall be accomplished with integrity, diligence and dedication.
 - (5) Relevant Personnel have the duty to protect Company’s assets and resources, and ensure that such assets and resources can be lawfully and effectively used in business operations. It is strictly prohibited to use Company’s assets or resources to gain personal interest. Relevant Personnel shall also recuse from negatively affecting Company’s interest through personal or department’s interest or through stealing, neglecting, and wasting Company’s assets and resources.
 - (6) Relevant Personnel must recuse from any conflict that will result in the conflict of personal and Company’s interest.
 - (7) Relevant Personnel must not participate or instigate others to proceed in activities or relationships that might cause harm to loyalty or professional judgment.
 - (8) Relevant Personnel must not request, accept or give any gifts, donations, political donations or treats (bribery) that might cause harm to loyalty or professional judgment.
 - (9) Relevant Personnel must not commit any acts that will damage the reputation of Company.
 - (10) Relevant Personnel must abide by national laws, rules and regulations. Relevant Personnel must not be involved in any illegal or inappropriate activities under any circumstances.
 - (11) Relevant Personnel must not seek an opportunity to pursue personal gain by using Company’s property or information, or by taking advantage of their positions. Relevant Personnel must not obtain personal gain by using Company property or information, or by taking advantage of their positions. Relevant Personnel must not compete with Company. When Company has an opportunity for profit, Directors, supervisors and managers have responsibility to maximize the reasonable and proper benefits that can be obtained by Company.
 2. The Codes of Ethical Conduct will not be limited to acts, rules and regulations. The spirit in the execution of this is in the high level of self-restraint, and that one will abide by the Codes without violating general conventions. When Relevant Personnel cannot determine whether an action or a circumstance fits with Company’s Codes of Ethical Conduct, one should check its adequacy based on the following principles:
 - (1) Whether the disclosure of such relationship or action will cause negative effects to Company’s reputation.
 - (2) Whether the process of such relationship or action will be generally interpreted as having effects on the just execution of job duties or professional judgment
- Article 4 **Recusal Policy on the Conflict of Interest**
1. Relevant Personnel shall recuse from any conflict that will cause conflict between the personal and Company’s interest. Therefore, Relevant Personnel shall actively and fully report to their supervisor and the head of Human Resource department (applicable for Relevant Personnel who are not director), or the Board of Directors (applicable for Directors) upon knowing or facing, including, but not limited to the following circumstances and explain how the personal interest can be conflicting with Company’s interest:
 - (1) When the positions held by the Relevant Personnel might let them, their spouse or third-degree

【 Attachment 4 】

relatives gain unjust benefits, or obstruct their objective and effective handling of business operations.

- (2) When the activities participated by the Relevant Personnel outside the Company cause direct competition against Company's business, or obstruct with the Relevant Personnel's positions and duties in the Company.
 - (3) Using Company's resources (such as information, objects or properties, etc.) to participate in activities outside the Company without Company's permission.
 - (4) Has third-degree relatives working in the Company.
2. When Company receives reports from Relevant Personnel on how their actions do not fit the Recusal Policy on the Conflict of Interest, the chairman (applicable for Directors) or the head of Human Resource department (applicable for Relevant Personnel who are not director), together with the head of Relevant Personnel's department shall discuss the handling principles and procedures, and pass the case to the general manager (applicable for Relevant Personnel who are not director) for authorization, or pass the case to the Board of Directors (applicable for Directors) to handle.

Article 5 **Giving Presents and Treats as Part of Business Routine**

1. To maintain the highest standard for ethical conduct, any form of bribery is strictly prohibited from suppliers, contractors, clients and other relevant parties and groups (including governmental agencies) involved in the Company's business operations. In normal business relations, receiving reasonable presents and treats shall comply with Sections 2 and 3 of this Articles 5.
2. When it is necessary to receive presents or any types of gifts, one shall proceed in accordance to the following in addition to abiding by Section 1 of Article 5:
 - (1) One must not accept cash, check or any valuable papers (such as gift coupons or stocks, etc.).
 - (2) When one has to accept the presents or treats as a courtesy, the value of such must not exceed the equivalent amount of NTD1,000. If the presents include trademark, then the value of such must not exceed the equivalent amount of NTD\$6,000.
 - (3) If one has to accept a present because the refusal might cause adverse effect and such present's value is higher than the limits set forth in Section 2(2) of this Article 5 above, such present shall be handed to the Executive Secretary of the Employees' Welfare Committee within seven days of acceptance.
 - (4) One must not subscribe any shares of stock or any other similar preferential packages outside the open market from any units or companies that are involved in Company's business operations.
 - (5) One must not receive presents or any types of gifts more than three times a year from the same supplier and client.
3. To maintain and promote the normal business relationship and operation of Company, one may be permitted to give presents to relevant individuals involved in Company's business operations. However, such acts must comply with Section 1 of this Article 5 and the following rules:
 - (1) Declare the purpose of giving presents and the presents shall contain Company's name.
 - (2) One shall select the most appropriate presents for subjects from the presents provided by Company.
4. Acceptance and arrangement of any treats related to business operations shall comply with the rules of general business courtesy and shall not be too frequent, and shall not let customers or suppliers misunderstand that giving presents or treats is a condition for establishing or maintaining the business relationship with Company.
5. The relationship and interaction between superiors and employees shall also comply with this Article 5.
6. If any inappropriate behavior is identified or a report is received that colleagues or departments do not comply with the above-mentioned provisions and have accepted presents in private, Company shall deal with this report in accordance with relevant rules.

Article 6 **The Procedure for Provision of Lawful Political Donations**

When Relevant Personnel makes direct or indirect donations to a political party or an organization or individual participating in political activities, they shall abide by the following basic principles:

1. They shall comply with the Political Donations Act and relevant laws and regulations, and shall not use it to seek any commercial benefits or transaction advantages.
2. They shall not directly or indirectly provide political donations in the name of Company.
3. They shall not use any of Company's properties or facilities, or participate in political activities during working hours.
4. When making political donations in Company's name, it must be done only after the approval of the chairman notwithstanding the amount of such donation.

Article 7 **The Procedure and Amount Standards for Handling the Provision of Fair and Charitable Donations or Sponsorship**

When Relevant Personnel make charitable donations or sponsorship, they shall abide by the following basic principles:

1. It shall be done pursuant to relevant laws and regulations and Company's rules, and shall not turn into an act of bribery through other manners.
2. If one makes a lawful charitable donation or sponsorship in Company's name, it must be done only after the approval of the chairman notwithstanding the amount of such donation or sponsorship. In the event that the laws and regulations have more restrictive standards, such standards shall prevail.

Article 8 **The Execution of Code of Ethical Conduct**

1. To achieve ethical corporate management, Human Resource department is delegated to establish

【 Attachment 4 】

and supervise the implementation of the ethical corporate management policies and related measures, and it shall report to the Board of Directors on a regular basis. Relevant units shall provide training and publicize this Code of Ethical Conduct to ensure all Relevant Personnel understand, accept and will strictly abide by this Code of Ethical Conduct.

2. Relevant Personnel shall continue to publicize this Code of Ethical Conduct to business related units or other companies that have business relations with Company to ensure they understand and support Company's determination and policies of the ethical corporate management.

Article 9

Disciplinary measures on Relevant Personnel in violation of this Code of Ethical Conduct

1. Company encourages insiders and outsiders to report any activities which violate this Code of Ethical Conduct; however, insiders shall not make any false report or malicious accusation. Anyone who make false report or malicious accusation shall be subject to a disciplinary action, and removed from office if the circumstance concerned is material.
2. Accuser shall at least furnish the following information:
 - (1) Accuser's name and identity number and contact information.
 - (2) Accused's name or other information sufficient to identify the accused.
 - (3) Specific facts and evidences available for investigation.
3. Company personnel handling accusation shall represent in writing that they will keep accuser's identity and accusation confidential. Company shall protect accuser from improper treatment due to the making of accusation. The unit in charge of accusation shall handle the accusation in accordance with the following procedure:
 - (1) Accusation involving a general employee shall be reported to the head of Human Resource department. Accusation involving a director or senior manager shall be reported to the head of Auditing Office or the independent directors.
 - (2) The unit in charge of accusation and the head or personnel being reported to in Section 3(2) of this Article 9 shall immediately verify the facts, and be provided with the assistance from other related department if necessary.
 - (3) If the accused is confirmed to have violated this Code of Ethical Conduct, Company shall immediately demand the accused to cease the conduct and make an appropriate disposition. When necessary, Company will institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.
 - (4) The transaction counterparties violating this Code of Ethical Conduct will be strictly treated by Company by reducing or canceling the collaboration with Company or reported to the corresponding judicial authorities depending on the severity.
 - (5) Documentation of accusation acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event a lawsuit relating to the accusation is filed before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.
 - (6) With respect to a confirmed accusation, Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.
 - (7) The unit in charge of accusation shall submit to the Board of Directors a report of the accusation, actions taken and subsequent reviews and corrective measures.

Article 10

Directors who violate this Code of Ethical Conduct will be referred to the Board of Directors for investigation

If managers or employees violate this Code of Ethical Conduct, Company will take disciplinary measures including dismissal or termination of appointment in accordance with the relevant provisions under the Employees' Reward and Punishment Operation Essentials.

Company will seriously deal with transaction counterparties that violate the principles of good faith and integrity, and will reduce or cancel its collaboration with Company or even hand it over to the corresponding judicial authorities depending on the severity.

Article 11

Enforcement and Amendment

This Code of Ethical Conduct will be implemented after adoption by the resolution of the Board of Directors, amendments likewise, and will be reported to the shareholders meeting.

This Code of Ethical Conduct was enacted on October 30, 2017.

The 1st amendment was made on November 06, 2019.

The 2nd amendment was made on January 18, 2022.

Wiwynn Corporation
Profit Appropriation Statement for 2021

		Unit : NTDS
Unappropriated Retained Earnings at beginning of the year		6,122,872,321
Plus :		
Net Income of 2021	8,648,011,824	
Less :		
Legal Reserve	(864,413,342)	
Special Reserve retained for the net debit balance of other equity interest in this year	(193,125,853)	
Remeasurements of defined benefit obligation	(3,878,400)	
Retained Earnings Available for Distribution		13,709,466,550
Distribution Items :		
Stock Dividends to Common Shareholders		0
Cash Dividends to Common Shareholders	(4,371,019,775)	
Unappropriated Retained Earnings at the end of the year		9,338,446,775

Note: Profit appropriation for 2021 is calculated based on 174,840,791 shares, the number of shares outstanding on the Company's third board resolution day in 2022 (April 18, 2022). Cash dividends distribute to common shareholders is NT\$25 per share. Cash dividends will be rounded down to the nearest NT\$1 with the sum of all fractional dividends less than NT\$1 being recognized as other income of the Company.

Chairman:
Simon Lin

President:
Emily Hong

Accounting Officer:
Wenifred Wen

Wiwynn Corporation
Articles of Incorporation
 (Before and After Revision Chart)

Items	Before Revision	After Revision	Reason
Article 9	The shareholders' meetings of the Company are divided into annual general shareholders' meetings and extraordinary shareholders' meetings. The annual general shareholders' meeting should be duly convened within six (6) months following the close of each fiscal year. Extraordinary shareholders' meetings may be convened when necessary in accordance with laws and regulations.	The shareholders' meetings of the Company are divided into annual general shareholders' meetings and extraordinary shareholders' meetings. The annual general shareholders' meeting should be duly convened within six (6) months following the close of each fiscal year. Extraordinary shareholders' meetings may be convened when necessary in accordance with laws and regulations. <u>The shareholders' meeting of the Company can be held by means of visual communication network or other methods promulgated by the central competent authority.</u> <u>In case a shareholders' meeting is proceeded via visual communication network, then the shareholders taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.</u>	To comply with the Company's operational needs.
Article 25	The Procedure was enacted on February 20, 2012.	The Procedure was enacted on February 20, 2012..... <u>The 8th amendment was made on May 31, 2022.</u>	Correspondence to the amendment date.

Wiwynn Corporation
Procedures of Assets Acquisition and Disposal
(Before and After Revision Chart)

Items	Before Revision	After Revision	Reason
Article 3-1	<p>.....</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. 3. They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. 4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations. 	<p>.....</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the <u>self-regulatory rules of the industry associations to which they belong and with the following provisions</u>:</p> <ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When conducting-examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. 3. They shall undertake an item-by-item evaluation of the <u>appropriateness</u> comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. 4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate and</u> reasonable and accurate, and that they have complied with applicable laws and regulations. 	To comply with the updated regulation.
Article 5	<p>.....</p> <p>2. Amount and Level of License</p> <p>.....</p> <p>(b) For the acquisition or disposition of securities purchased and sold on the centralized exchange market or OTC exchange, the chairman of the board is authorized by the Board of Directors to decide and execute a project that amount is not more than NT\$300 million, the executed project will be reported to the Board of Directors thereafter. However, for related party transactions subject to the Article 12 of these procedures,</p>	<p>.....</p> <p>2. Amount and Level of License</p> <p>.....</p> <p>(b) For the acquisition or disposition of securities purchased and sold on the centralized exchange market or OTC exchange, the chairman of the board is authorized by the Board of Directors to decide and execute a project that amount is not more than NT\$300 million, the executed project will be reported to the Board of Directors thereafter. However, for related party transactions subject to the Article 12 of these procedures,</p>	To comply with the Company's operational needs.

【 Attachment 7 】

Items	Before Revision	After Revision	Reason
	<p>the provisions of Article 12 shall prevail.</p> <p>(c) Short-term idle funds invested in short-term securities such as domestic government bonds, domestic bond funds, financial bonds, American government bond and oversea bond fund with good credit rating, domestic money market funds, whereby the approval of CFO is required for each single transaction or the daily total amount not exceeding NT\$ 2 billion; and the approval of the chairman of the board is required for amount exceeding NT\$ 2 billion.</p> <p>(2) The acquisition or disposition of real estate or right-of-use assets shall be approved by the Board of Directors before its execution, except that the chairman of the board is authorized by the Board of Directors to execute a project that is not more than NT\$300 million, and it will be reported to the Board of Directors thereafter. However, the acquisition or disposition of real property or right-of-use assets to a related party, is not in the scope of this authorization, but shall apply the provisions of Article 12 paragraph 2.</p> <p>(3) Acquisition or disposition of the Company and its parent and subsidiary, or transaction between the subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital of the Company equipment or right-of-use assets used for operating purposes and real property right-of-use assets used for operating purposes, to authorize the Chairman of the Board of Directors or its authorized personnel decisions NT\$300 million, and afterwards would then be sent the most recent of the Board for ratification. Otherwise, the acquisition or disposition of equipment or right-of-use assets; for any projects the amount is more than NT\$300 million, must be approved by the Board of Directors, the chairman of the Board or his authorized</p>	<p>the provisions of Article 12 shall prevail.</p> <p><u>(b)(e)</u> Short-term idle funds invested in short-term securities such as domestic government bonds, domestic bond funds, financial bonds, American government bond and oversea bond fund with good credit rating, domestic money market funds, whereby the approval of CFO is required for each single transaction or the daily total amount not exceeding NT\$ 2 billion; and the approval of the chairman of the board is required for amount exceeding NT\$ 2 billion.</p> <p>(2) The acquisition or disposition of real estate or right-of-use assets shall be approved by the Board of Directors before its execution, except that the chairman of the board is authorized by the Board of Directors to execute a project that is not more than NT\$300 million, and it will be reported to the Board of Directors thereafter. However, the acquisition or disposition of real property or right of use assets to a related party, is not in the scope of this authorization, but shall apply the provisions of Article 12 paragraph 2.</p> <p>(3) Acquisition or disposition of the Company and its parent and subsidiary, or transaction between the subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital of the Company equipment or right of use assets used for operating purposes and real property right of use assets used for operating purposes, to authorize the Chairman of the Board of Directors or its authorized personnel decisions NT\$300 million, and afterwards would then be sent the most recent of the Board for ratification. Otherwise, the <u>The acquisition or disposition of equipment or right-of-use assets, and intangible assets or right-of-use assets such as Membership certificates, patent right, copyright, trademark right, franchise; for any projects the</u></p>	

【 Attachment 7 】

Items	Before Revision	After Revision	Reason
	<p>officers decides for other projects before its executions.</p> <p>(4) The acquisition or disposition of derivative products shall be authorized to relevant personnel in accordance with the “Rules and Procedures of Derivative Transactions,” which formulated by the Company, and shall report to the soonest meeting of Board of Directors.</p>	<p>amount is more than NT\$300 million, must be approved by the Board of Directors, the chairman of the Board or his authorized officers decides for other projects before its executions.</p> <p><u>(4) The transaction object conforms to the related party transactions regulated in Article 12 of these procedures, the provisions of paragraph 2 of Article 12 shall prevail.</u></p> <p>(5)(4) The acquisition or disposition of derivative products shall be authorized to relevant personnel in accordance with the “Rules and Procedures of Derivative Transactions,” which formulated by the Company, and shall report to the soonest meeting of Board of Directors.</p>	
Article 6	<p>.....</p> <p>(6) Except for asset transactions provided in the preceding five items, or an investment in the mainland China area, where the transaction amount reaching 20% of the Company’s paid-in capital or in exceeds NT\$300 million; however, not included otherwise provided below:</p> <p>(a) purchase and sale of domestic government bonds,</p> <p>(b) purchase and sale of bonds with put or call conditions, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises.</p> <p>.....</p>	<p>.....</p> <p>(6) Except for asset transactions provided in the preceding five items, or an investment in the mainland China area, where the transaction amount reaching 20% of the Company’s paid-in capital or in exceeds NT\$300 million; however, not included otherwise provided below:</p> <p>(a) purchase and sale of domestic government bonds <u>or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan,</u></p> <p>(b) purchase and sale of bonds with put or call conditions, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises.</p> <p>.....</p>	To comply with the updated regulation.
Article 10	<p>.....</p> <p>3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and</p>	<p>.....</p> <p>3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and</p>	To comply with the updated regulation.

【 Attachment 7 】

Items	Before Revision	After Revision	Reason
	<p>render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p>	<p>render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p>	
<p>Article11</p>	<p>..... 1. The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC). 2. Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</p>	<p>..... 1. The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC). 2. Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</p>	<p>To comply with the updated regulation.</p>
<p>Article12</p>	<p>..... The calculation of the transaction amounts referred to in this Article shall be made in accordance with Article 6, paragraph 2 herein, and “within the preceding year” as used herein refers to the year preceding the date of occurrence of the current transaction. Items that</p>	<p>..... With respect to the types of transactions listed below when to be conducted between the Company and its parent and subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital and when the</p>	<p>To comply with the updated regulation.</p>

【 Attachment 7 】

Items	Before Revision	After Revision	Reason
	<p>have been approved by the Audit Committee and the Board of Directors need not be counted toward the transaction amount.</p> <p>With respect to the types of transactions listed below when to be conducted between the Company and its parent and subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital and when the transaction is within the authorized amount, the Chairman of the Board may, pursuant to the item 3 of paragraph 2 of Article 5, decide such matters and have the decisions subsequently submitted to and ratified at the next Board of Directors meeting:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use. 	<p>transaction is within the authorized amount, the Chairman of the Board may, pursuant to the item 3 of paragraph 2 of Article 5, decide such matters and have the decisions subsequently submitted to and ratified at the next Board of Directors meeting:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use. <p><u>If the Company or its subsidiaries not categorized as domestic public company will have a transaction set out in paragraph 2 and the transaction amount will reach 10 percent or more of the Company’s total assets, the Company shall submit the materials in all the subparagraphs of paragraph 2 to the shareholders meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the Company and its parent company or subsidiaries or between its subsidiaries.</u></p> <p>The calculation of the transaction amounts referred to in <u>paragraph 2 and the preceding paragraph</u> this Article shall be made in accordance with Article 6, paragraph 2 herein, and “within the preceding year” as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by <u>the shareholders meeting</u>, the Audit Committee and the Board of Directors need not be counted toward the transaction amount.</p>	
Article 29	The Procedures were enacted on August 20, 2012.	The Procedures were enacted on August 20, 2012. <u>The 4th amendment was made on May 31, 2022.</u>	Correspondence to the amendment date.

Wiwynn Corporation
Rules and Procedures of Shareholders’ Meeting
 (Before and After Revision Chart)

Before Revision	After Revision	Reason
<p>Article 3</p> <p>The Company shall specify, in meeting notices, the attending shareholders’ check-in time and the place for such meeting and other important matters.</p> <p>The check-in time for attending shareholder shall commence from at least thirty (30) minutes prior to the meeting. There shall be clear signs and sufficient and adequate staffs in the check-in place.</p> <p>Shareholders and their appointed proxies (collectively, “shareholders”) shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>.....</p> <p>Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.</p>	<p>Article 3</p> <p>The Company shall specify, in meeting notices, the <u>check-in time of attending shareholders, solicitors and proxies (collectively "shareholders")</u>, as well as <u>shareholders’ check-in time</u> and the place for such meeting and other important matters.</p> <p>The check-in time for attending shareholder shall commence from at least thirty (30) minutes prior to the meeting. There shall be clear signs and sufficient and adequate staffs in the check-in place. <u>For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.</u></p> <p>Shareholders and their appointed proxies (collectively, “shareholders”) shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>.....</p> <p><u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.</u></p> <p><u>In the event of a virtual shareholders meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p> <p>Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, <u>and the shares checked in on the virtual meeting platform</u>, plus the number of shares whose voting rights are exercised by correspondence or electronically.</p>	<p>To comply with the updated regulation.</p>
<p>Article 4</p> <p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the form of proxy issued by the Company and stating the scope of the proxy’s authorization.</p> <p>.....</p>	<p>Article 4</p> <p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the form of proxy issued by the Company and stating the scope of the proxy’s authorization.</p> <p>.....</p> <p><u>If, after a proxy form is delivered to the Company, a shareholder wishes to attend the</u></p>	<p>To comply with the updated regulation.</p>

【 Attachment 8 】

Before Revision	After Revision	Reason
	<p><u>shareholders meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>	
<p>Article 6</p>	<p>Article 6 <u>The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting. When the Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.</u></p>	<p>To comply with the updated regulation.</p>
<p>Article 9 The records referred to in the preceding paragraph shall be retained for at least one (1) year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act of the Republic of China, the recording shall be retained until the legal proceedings of the foregoing lawsuit have been concluded.</p>	<p>Article 9 The records referred to in the preceding paragraph shall be retained for at least one (1) year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act of the Republic of China, the recording shall be retained until the legal proceedings of the foregoing lawsuit have been concluded. <u>Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end. The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting. In case of a virtual shareholders meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.</u></p>	<p>To comply with the updated regulation.</p>
<p>Article 10 If after two postponements the number of shares represented by the attending shareholders has not yet constituted more than one third of the total number of issued and outstanding shares, the chairman shall announce the termination of the meeting .If after two postponements in the preceding paragraph no quorum can yet be constituted but the attending shareholders represent more than one third of the total number of issued and outstanding shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act of the Republic of China; all shareholders shall be notified of the tentative resolution and to attend another shareholders meeting that shall</p>	<p>Article 10 If after two postponements the number of shares represented by the attending shareholders has not yet constituted more than one third of the total number of issued and outstanding shares, the chairman shall announce the termination of the meeting .If after two postponements in the preceding paragraph no quorum can yet be constituted but the attending shareholders represent more than one third of the total number of issued and outstanding shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act of the Republic of China; all shareholders shall be notified of the tentative resolution and to attend another shareholders meeting that shall be convened</p>	<p>To comply with the updated regulation.</p>

【 Attachment 8 】

Before Revision	After Revision	Reason
<p>be convened within one (1) month.</p>	<p>within one (1) month. <u>In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 3.</u></p>	
<p>Article 15</p>	<p>Article 15 <u>Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in Article 12 to 14 do not apply.</u></p>	<p>To comply with the updated regulation.</p>
<p>Article 17 After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two (2) business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p>	<p>Article 17 After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person <u>or online</u>, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two (2) business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote. <u>When the Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting. In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced.</u></p>	<p>To comply with the updated regulation.</p>

【 Attachment 8 】

Before Revision	After Revision	Reason
	<p><u>immediately.</u> <u>In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.</u> <u>When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 3 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.</u> <u>When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p>	
<p>Article 22 </p>	<p>Article 22 <u>On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u> <u>During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.</u> </p>	<p>To comply with the updated regulation.</p>
<p>(Add)</p>	<p>Article 25 <u>In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations</u></p>	<p>To comply with the updated regulation.</p>

【 Attachment 8 】

Before Revision	After Revision	Reason
	<p><u>Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.</u></p> <p><u>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.</u></p> <p><u>For a meeting to be postponed or resumed under the first paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.</u></p> <p><u>During a postponed or resumed session of a shareholders meeting held under the first paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and independent directors.</u></p> <p><u>When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in first paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the first paragraph is required.</u></p> <p><u>Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>When postponing or resuming a meeting according to the first paragraph, the Company shall handle the preparatory work based on the</u></p>	

【 Attachment 8 】

Before Revision	After Revision	Reason
	<p><u>date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p> <p><u>For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the first paragraph.</u></p>	
<p>Article 25 These Rules and Procedures, and any amendments hereto, shall be effective from the date it is approved by the shareholders meetings.</p>	<p>Article 26 Article 25 These Rules and Procedures, and any amendments hereto, shall be effective from the date it is approved by the shareholders meetings. <u>The 5th amendment was made on May 31, 2022.</u></p>	<p>Amending article number and Correspondence to the amendment date.</p>

Concurrent positions of Directors and Independent Director

Title	Name	Company Name and Concurrent Position
Director	Wistron Corporation Representative : Frank Lin	Chairman of WiSuccess Asset Management Corporation.
Director	Sunlai Chang	Director of LiquidStack Holding B.V.
Independent Director	Cathy Han	Independent Director of MACROBLOCK, INC.
		Independent Director of APACER TECHNOLOGY INC.

Wiwynn Corporation Articles of Incorporation

CHAPTER I General Provisions

- Article 1 : The Company shall be incorporated as a company limited by shares under the Company Act of the Republic of China, and its name is 緯穎科技服務股份有限公司 in the Chinese language, and Wiwynn Corporation in the English language.
- Article 2 : The business items of the Company are set out as follows:
1. CC01030 Electric Appliance and Audiovisual Electric Products Manufacturing,
 2. CC01080 Manufacture of electronic components and parts,
 3. CC01110 Manufacture of computer and peripheral equipment,
 4. CC01120 Data Storage Media Manufacturing and Duplicating
 5. F218010 Retail Sale of Computer Software
 6. F401010 Import/export trading and dealer businesses,
 7. I103060 Management Consulting Services
 8. I301010 Information technology service,
 9. I301020 Data Processing Services
 10. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 : The Company may engage in external guarantees to meet business needs.
- Article 4 : The total investment amount by the Company is exempt from the cap amount provided in Article 13 of the Company Act of the Republic of China.
- Article 5 : The head office of the Company is in New Taipei City, Republic of China. Subject to the approval by the Board of Directors, the Company may set up branch offices or representative's offices at various locations within or outside the territory of the R.O.C., whenever the Company deems it necessary.

Chapter II Share Capital

- Article 6 : The total capital stock of the Company amounts is two billion five hundred million New Taiwan Dollars (NTD 2,500,000,000), which is divided into two hundred fifty million (250,000,000) shares at ten New Taiwan Dollars (NTD10) par value each share. The Board of Directors is authorized to issue common shares in installments. An amount of two hundred fifty million New Taiwan Dollars (NTD 250,000,000) among the above total amount of capital stock divided into twenty-five million (25,000,000) shares at ten New Taiwan Dollars (NTD10) par value per share should be reserved for the issuance of employee stock options.
- Article 6-1 : The employees entitled to receive shares, which bought back by the Company, or share subscription warrants, or restricted stock for employees, or reserved for subscription by employees when the Company issues new shares, may including the employees of controlling companies or subsidiaries of the Company meeting certain specific requirements which will be determined by the Board of Directors.
- Article 7 : Shares shall be issued in registered form only, shall be signed by or affixed with seals of director(s) representing the Company, and authenticated by the competent authorities in accordance with laws. The Company may adopt book-entry transfer of shares, instead of issuance of share certificates; as well as with other securities of the Company.
- Article 8 : Registration for transfer of shares shall be suspended sixty (60) days immediately before the date of annual general shareholders' meeting, and thirty (30) days immediately before the date of any extraordinary shareholders' meeting, or within five (5) days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.

Chapter III Shareholders' Meeting

- Article 9 : The shareholders' meetings of the Company are divided into annual general shareholders' meetings and extraordinary shareholders' meetings. The annual general shareholders' meeting should be duly convened within six (6) months following the close of each fiscal year. Extraordinary shareholders' meetings may be convened when necessary in accordance with laws and regulations.
- Article 10 : A shareholder unable to personally attend the shareholders' meeting for whatever cause may vote by proxy with a duly executed appointment form issued by the Company specifying the authorized powers.
- Article 11 : Except as otherwise provided by laws and regulations, each shareholder of the Company is entitled to one vote per share.
The shareholders' meeting shall adopt the electronic voting system as one of the methods for exercising the voting rights, and the method of exercising the voting rights shall be stated in the notice of shareholders' meeting.
- Article 12 : Except as otherwise provided by the relevant laws or regulations, shareholders may take action on a matter at a shareholders' meeting if a quorum of fifty percent (50%) or more of the outstanding shares of the Company exists. If a quorum exists, action on a matter is approved if more than fifty percent (50%) votes being represented at a meeting favor the action.
- Article 13 : (Deleted)

Chapter IV Directors and Audit Committee

- Article 14 : The Company should have seven (7) to nine (9) directors and adopt the candidate nomination

【Appendix 1】

system. Directors are elected by the shareholders from a roster of director candidate announced by the Company. Each director will serve an office term of three years and may be re-elected.

The Company should purchase liability insurance for the directors to protect them against potential liabilities arising from exercising directors' duties during their terms of office.

The aforesaid Board of Directors shall be composed of at least three (3) independent directors, who will be elected at the shareholders' meeting from a roster of the independent director candidate. With respect to the independent director's profession, holding shares, work restriction, nomination and election method and other matters, all should be preceded by relevant regulations set by the securities authority.

The Board of Directors may set up functional committees, of which the establishment and authority shall be conducted in accordance with the relevant laws and regulations.

Pursuant to Article 14-4 of the Securities and Exchange Act, the Company shall establish an Audit Committee. The Audit Committee shall be composed of all independent directors.

The number of members, terms, authority and rules of meeting of the audit committee shall be stipulated in the Audit Committee Charter.

Article 15 : The Board of Directors shall consist of the directors of the Company; the chairman of the Board of Directors represents the Company and shall be elected from among the directors by a majority vote in a meeting attended by over two-thirds of the directors; the Company may elect a vice chairman of the Board of Directors based on business need.

Article 16 : Each director shall be notified at least seven days in advance of the reasons for calling a Board of Directors meeting. In emergency circumstances, however, a meeting may be called on shorter notice.

Article 17 : The aforesaid meeting notice may be prepared in either written or electronic format. In case the Chairman of the Board of Directors is on leave or unable to represent the Company or perform his or her functions for whatever cause, he or she may appoint another director as proxy in accordance with Paragraph 3 of Article 208 of the Company Act. If that director is not able to attend a meeting in person, he or she may appoint another director as proxy. A director may serve as proxy for only one other director.

Article 18 : The Board of Directors is authorized to determine the compensation for all Directors, taking into account the extent and value of the services provided for the management of the Corporation and the standards of the industry within the R.O.C. and overseas.

Chapter V Managerial Officers

Article 19 : The Company will have one or more general managers, whose appointment, discharge and remuneration will be determined in accordance with Article 29 of the Company Act of the Republic of China. Subject to the authority prescribed by the Board of Directors, the officers shall be empowered to manage the operation of the Company and to sign relevant business documents for the Company.

Chapter VI Accounting

Article 20 : After the end of each fiscal year, in accordance with the Company Act, the following reports shall be prepared by the Board of Directors, and be submitted to the annual regular shareholders' meeting for acceptance.

1. Business report;
2. Financial statements;
3. Profit distribution proposal or loss making-up proposal.

Article 21 : If the Company has net profit as a result of the yearly accounting closing, (profit means the profit before tax, excluding the amounts of employees' and directors' compensation) such profit will be distributed in accordance with the following, once the Company's accumulated losses shall have been covered.

1. No less than five percent (5%) of profit as employees' compensation. The employees' compensation may be distributed in the form of shares or in cash. The qualification requirements of employees, including the employees from the Company's controlling companies or subsidiaries, which are entitled to receive compensation, shall be determined by the Board of Directors;
2. No more than one percent (1%) of profit as the compensation in cash to the directors.

Article 22 : If the Company has profit as a result of the yearly accounting closing, the Company shall pay all taxes and duties and offset its losses in precious years, then set aside a legal capital reserve at ten percent (10%) of the net profit, until the accumulated legal capital reserve has equaled the total capital of the Company; then set aside special capital reserve in accordance with relevant laws or regulations or as requested by the authorities in charge, then appropriate not less than ten percent (10%) of the remaining balance plus undistributed earnings in begin of period are available for distribution as dividends to shareholders. The Board of Directors may propose the distribution for approval in the shareholders' meeting.

Article 23 : In consideration that the Company is in a capital and technology-intensive industry and in consideration of the Company's expansion and for its continual and steady growth, a long-term investment plan needs to be adopted, therefore, the Company adopts the residual dividend policy as its dividend policy. Dividends paid by cash shall not be less than ten percent (10%) of the total dividends.

【Appendix 1】

Chapter VII Supplementary Provisions

- Article 24 : Matters not prescribed under the Articles of Incorporation shall be in accordance with the Company Act of the Republic of China and the relevant rules and regulations.
- Article 25 : The Procedure was enacted on February 20, 2012. The 1st amendment was made on May 26, 2014. The 2nd amendment was made on May 22, 2015. The 3rd amendment was made on May 20, 2016. The 4th amendment was made on May 31, 2017. The 5th amendment was made on January 17, 2018. The 6th amendment was made on June 25, 2019. The 7th amendment was made on June 15, 2020.

Wiwynn Corporation

Procedures of Assets Acquisition and Disposal

- Article 1 Purpose and Legal Basis To conform to laws and decrees and enhance the management of the Company's "Procedures of Asset Acquisition and Disposal," these procedures are amended in accordance with Article 36-1 of the Securities and Exchange Act and Financial Supervisory Commission (referred to as "FSC").
- Article 2 The term "assets" as used in the Procedures including:
1. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, warrants, investment funds, underlying asset bonds, etc.
 2. Real estate (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.
 3. Membership certificates.
 4. Intangible assets, such as patent right, copyright, trademark right, franchise, etc.
 5. Right-of-use assets.
 6. Derivative products.
 7. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
 8. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
 9. Other important assets.
- Article 3 Definitions
1. "Derivative Products" means forward contracts, options, futures, leverage contracts, swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; and the hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.
 2. "Assets Acquired or Disposed by Mergers, Splits, Acquisition or Shares Transference Pursuant to Laws" means assets acquired or disposed by mergers, splits, acquisition or shares transference pursuant to Enterprise Merger and Acquisition Law, Financial Holding Companies Law, Financial Institutions Merger Law or other laws or share transference from other companies (hereinafter referred to as "share transference") by issuing new shares pursuant to the Article 156-3 of Company Law.
 3. The term "related party" and "subsidiary company" shall be defined as stated in the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."
 4. The term "the date of the occurrence of the event" as used in these procedures, in principle means the date of contract signing, the date of payment, the date of consignment trading, the date of transfer, the date of resolution of Board of Directors or other date which can confirm the trading counterparty and trading amount (whichever is earlier). If the Company is engaged in investments which must be approved by a competent authority, it shall mean the above-said date of receiving the approval letter from the competent authority, whichever is earlier.
 5. The term "professional appraiser" means a real estate appraiser or other according to laws engaged in real estate, equipment valuation business.
 6. The term "within one year" as used in these procedures, means dating back for one year from the date of acquiring or disposing this asset (the announced period is exempt from counting in again).
 7. The term "the most recent financial statement" as used in these procedures, means the financial statement publicly audited or reviewed by an accountant in accordance with applicable laws before the Company acquires or disposes assets.
 8. Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.
 9. Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.
 10. Over-the-counter venue: "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.

【Appendix 2】

Article 3-1 Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:

1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
2. May not be a related party or de facto related party of any party to the transaction.
3. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.

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

1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
2. When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
3. They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.

Article 4 Procedures of Evaluation and Operation for the Acquisition or Disposition of Assets

1. Acquisition or Disposition of Securities

- (1) For securities acquired or disposed on a centralized exchange market or OTC exchange, the operating department shall submit items such as the reasons for the proposed acquisition or disposition, targeted assets, and price reference, etc. to the in-charge department for the decision.
- (2) For securities not acquired or disposed on a centralized exchange market or OTC exchange, the operating department shall submit items such as the reasons for the proposed acquisition or disposition, targeted assets, trading counterparties, price of transfer, receipt and payment terms, and price reference, etc. to the incharge department for the decision.

2. For acquisition or disposition of real estates, equipment, membership certificates, intangible assets, right-of-use assets, and assets acquired or disposed by mergers, splits, acquisition or shares transference in accordance to laws, the operating department shall submit items such as the reasons for the proposed acquisition or disposition, targeted assets, trading counterparties, price of transfer, receipt and payment terms, and price reference, etc. to the in-charge department for the decision.

3. For evaluation of derivative products, the financial manager shall hold periodic meetings with related persons to examine operational strategies and performances. Positions for hedge trades shall be evaluated at least twice per month. Evaluation reports shall be submitted to senior management personnel authorized by the board of directors.

4. As to related operations for acquisition or disposition of assets, they are all processed in accordance with the Company's relevant regulations for the internal control system.

Article 5 Procedures of Ratification and Decision for the Acquisition or Disposition of Assets

1. Manner and the Reference Basis for the Decision on Price

(1) For securities purchased and sold on a centralized exchange market or OTC exchange, the price shall be decided by the market price at the time of the transaction. For securities not acquired or disposed on a centralized exchange market or OTC exchange, the price shall be determined by reference to net value per share, profitability, and future development potential, in addition, the transaction price at the time shall also be referenced.

(2) The acquisition or disposition of real estate or right-of-use assets and equipment or right-of-use assets shall be carried out by price comparison, price negotiation, or bidding. As to the price of real estate, it shall be determined by reference to the announced present value, appraised present value, and actual transaction price in the vicinity.

(3) For the acquisition or disposition of membership certificates, the price shall be integrally evaluated by reference to future anticipated added-value and produced benefit.

(4) For the acquisition or disposition of intangible assets or right-of-use assets such as patent rights, copyrights, trademark rights, and franchises, the price shall be entirely determined by reference

to elements such as future anticipated profit, levels of technology development and innovation, legally protected conditions, circumstances of license and implementation, or production cost or implementation cost; in addition, the relevant elements of right owners and licensees shall also be integrally referred.

2. Amount and Level of License

In-charge department of the Company shall decide within its authority on the acquisition and disposition of assets in the following situations, provided, however, that matters governed by Article 185 of the Company Law shall be approved at the shareholders' meeting in advance:

- (1) Unless otherwise provided below, the acquisition or disposition of securities shall be approved by the Board of Directors before its execution:
 - (a) The chairman of the board is authorized by the Board of Directors to decide and execute a project if the amount is not more than NT\$300 million, the executed project will be reported to the Board of Directors thereafter.
 - (b) For the acquisition or disposition of securities purchased and sold on the centralized exchange market or OTC exchange, the chairman of the board is authorized by the Board of Directors to decide and execute a project that amount is not more than NT\$300 million, the executed project will be reported to the Board of Directors thereafter. However, for related party transactions subject to the Article 12 of these procedures, the provisions of Article 12 shall prevail.
 - (c) Short-term idle funds invested in short-term securities such as domestic government bonds, domestic bond funds, financial bonds, American government bond and oversea bond fund with good credit rating, domestic money market funds, whereby the approval of CFO is required for each single transaction or the daily total amount not exceeding NT\$ 2 billion; and the approval of the chairman of the board is required for amount exceeding NT\$ 2 billion.
- (2) The acquisition or disposition of real estate or right-of-use assets shall be approved by the Board of Directors before its execution, except that the chairman of the board is authorized by the Board of Directors to execute a project that is not more than NT\$300 million, and it will be reported to the Board of Directors thereafter. However, the acquisition or disposition of real property or right-of-use assets to a related party, is not in the scope of this authorization, but shall apply the provisions of Article 12 paragraph 2.
- (3) Acquisition or disposition of the Company and its parent and subsidiary, or transaction between the subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital of the Company equipment or right-of-use assets used for operating purposes and real property right-of-use assets used for operating purposes, to authorize the Chairman of the Board of Directors or its authorized personnel decisions NT\$300 million, and afterwards would then be sent the most recent of the Board for ratification. Otherwise, the acquisition or disposition of equipment or right-of-use assets; for any projects the amount is more than NT\$300 million, must be approved by the Board of Directors, the chairman of the Board or his authorized officers decides for other projects before its executions.
- (4) The acquisition or disposition of derivative products shall be authorized to relevant personnel in accordance with the "Rules and Procedures of Derivative Transactions," which formulated by the Company, and shall report to the soonest meeting of Board of Directors.

3. Operating Department The finance department is the operating department for securities and derivative product investments; the using department and the relevant in-charge department are the operating departments for investments in real estate, equipment, intangible assets, right-of-use assets, membership certificate, and assets acquired or disposed by mergers, splits, acquisition or shares transference in accordance to laws

Article 6

Procedures of Announcement and Filing

1. The acquisition or disposition of the Company's assets, provided below, shall be announced and filed to the FSC's designated website in accordance to its nature and the stipulated form, within two days commencing immediately of its occurrence, with the relevant data and information:
 - (1) Acquisition and disposition of real estate or right-of-use assets from a related party, or purchase or disposition of assets other than real property or right-of-use assets from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises.
 - (2) Proceeding mergers, splits, acquisition or shares transference.
 - (3) Engaging in derivative products transactions and the loss reaching the upper limit loss amount of the total or individual contract prescribed in procedures which formulated by the Company.

【Appendix 2】

- (4) Equipment or right-of-use assets that are categorized as assets acquired or disposed for business use, the transaction counterparty is not a related party, and the transaction amount has reached NT\$500 million or more.
 - (5) Real estate acquired by the Company by the ways of mandating others to build on its land, engaging others to build on rented land, joint cooperatively building with others to split the units, cooperatively building with others to acquire the proportion of profits, or cooperatively building with others to separately sell the units, and furthermore the transaction counterparty is not a related party, then the transaction amount which the anticipated amount invested by the Company has exceeded NT\$500 million.
 - (6) Except for asset transactions provided in the preceding five items, or an investment in the mainland China area, where the transaction amount reaching 20% of the Company's paid-in capital or in exceeds NT\$300 million; however, not included otherwise provided below:
 - (a) purchase and sale of domestic government bonds,
 - (b) purchase and sale of bonds with put or call conditions, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises.
2. The transaction mounts in the preceding paragraph are calculated in accordance to the methods provided herein below:
 - (1) each single transaction amount,
 - (2) the transaction amount accumulated within one year with the same counterparty in the acquisition or disposition of the targeted assets with the same nature,
 - (3) the amount accumulated (the amounts for acquisition and disposition are separately accumulated) within one year of the acquisition or disposition of the same real estate or right-of-use assets in a development plan,
 - (4) the amount accumulated (the amounts for acquisition and disposition are separately accumulated) within one year in the acquisition or disposition of the same securities.
 3. One year period in sub-section is dating back from the date of the concerned transaction; the announced period is exempt from counting in again.
 4. The Company shall monthly enter into the transaction situations of the derivative products engaged by it and its subsidiaries not categorized as domestic public companies, up to the end of the previous month in accordance to the stipulated form to the FSC's designated website for filing information before the 10th of each month.
 5. Where any item required to be placed into a public announcement pursuant to these provisions is incorrect or not placed in the announcement and it is required to be supplemented, the whole announcement shall be remade and placed into a public announcement within two days counting inclusively from the date of knowing of such error or omission.
 6. Unless otherwise provided by other laws, the Company's acquisition or disposition of assets shall keep in reserve the relevant contracts, meeting minutes, registry, appraisal report, and the opinion books by accountants, attorneys or security underwriters for at least 5 years.
 7. After announcing and filing the transaction in accordance with the provisions, provided that one of the following conditions exist, the Company shall announce and file the relevant data and information to the FSC's designated website within two days commencing immediately after its occurrence:
 - (1) Where the executed relevant contracts of the original transaction have been changed, terminated or ceased.
 - (2) Where mergers, splits, acquisition or share transfers have not been completed in accordance to the anticipated timeframe set in the contracts.
 - (3) Change to the originally publicly announced and reported information.

Article 7

Scope and Amount of Acquisition or Disposition of Assets

1. Apart from acquisition of assets for business use, the Company may invest or acquire real estate or right-of-use assets and securities for non-business use, the limitations on amounts are set forth as follows:
 - (1) Total investment in real estate or right-of-use assets for non-business use shall not exceed 40% of the equity attributable to owners of the Company and long-term liabilities of the Company as the most recent financial report audited or reviewed by the accountant.
 - (2) Total investment in securities shall not exceed 200% of the equity attributable to owners of the Company as the most recent financial report audited or reviewed by the accountant.
 - (3) Investment in a single security shall not exceed 40% of the equity attributable to owners of the Company as the most recent financial report audited or reviewed by the accountant.
2. As to the Company's subsidiaries, the limitations on amounts of acquisition or disposition of assets shall not violate rules provided herein below:
 - (1) Real estate or right-of-use assets shall not be acquired for non-business use.
 - (2) Total investment in securities shall not exceed the equity attributable to owners of the Company

【Appendix 2】

as the most recent financial report audited or reviewed by the accountant.

- (3) Investment in a single security shall not exceed 20% of the equity attributable to owners of the Company as the most recent financial report audited or reviewed by the accountant.

Article 8

Control Management Process for Subsidiaries' Acquisition or Disposition of Assets

1. For the acquisition or disposition of assets by subsidiaries reinvested by the Company, the "Procedures for Acquiring or Disposing of Assets" shall be enacted in accordance to regulations, and after the approval of the Board of Directors of the subsidiaries, shall be submitted to each supervisor and reported to the shareholders' meeting for approval. After approval at the shareholders' meeting, it shall be filed to the Board of Director of the Company. The same procedures shall apply with any amendment.
2. For situations in which the acquisition or disposition of assets by subsidiaries not categorized as domestic public companies reaches the standards of announcement and filing set forth herein, it shall be announced and filed by the Company with copies to relevant authorities-in-charge in accordance to procedures set forth herein.
3. The Company's paid-in capital or total assets, audited by public accountants, shall be the standard for determining whether or not a subsidiary is subject to Article 6, paragraph 1, requiring a public announcement and regulatory filing in the event the type of transaction specified therein reaches paid-in capital or the total assets.
4. The Company shall supervise subsidiaries' compliance with the "Procedures of Assets Acquisition and Disposition," and monitor their implementation.

Article 9

Punishment for Violation of the Procedure When the Company's employees or personnel violate the Procedure, they will be punished according to the "Personnel Administration Regulation."

Article 10

Appraisal Report from Professional Appraisal Institutions

In acquiring or disposing of real estates, equipment or right-of-use assets by the Company, unless otherwise transacting with a domestic government agency, commissioning others to build on its own land, leased land by appointing a constructor, or acquiring or disposing the equipment or right-of-use assets for business use, and the transaction amount reaches 20% of the Company's paid-in capital or exceeds NT\$300 million, the Company shall, prior to the date of occurrence of the event, obtain an appraisal report issued by a professional appraisal institutions, and comply with the following provisions:

1. Due to special circumstances, where a limited price, specified price or special price is deemed as the reference basis of the transaction price, this transaction shall be reported and decided by the Board of Directors for approval. If there is any change of the transaction conditions, the procedures herein above shall apply.
2. If the transaction amount is more than NT\$ 1 billion, two or more professional appraisal institutions must be retained for the appraisal.
3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
 - (1) the difference between the appraisal amount of the appraisal institutions and transaction amount is 20% of transaction amount or more;
 - (2) the difference between the appraisal amounts of two or more appraisal institutions reaches 10% of transaction amount or more.
4. The dates between the appraisal report issued by the professional appraisers and the contract executed shall be more than three months, however, if the announced present value of the same period is applicable and is not more than six months, the original appraisal institution may issue the opinion.

Article 11

Certified Accountant's Opinions

1. The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC). According to FSC letter No. 1070331908 and the exception rule provided in the first paragraph of Article 10 the regulations

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Governing the Acquisition and Disposition of Assets by Public Company. Following times the Company is to proceed free from the aforementioned accountant checking procedure for acquiring or disposing securities.

- (1) Securities acquired through cash contribution in an incorporation by promotion or by public offering in accordance with the law, with the further requirement that the rights represented by the acquired securities be commensurate with the proportion of capital contributed.
- (2) Participation in subscription to an issue of securities issued at face value by an issuing company.
- (3) Participation in subscription to securities with cash capital increase issued by a direct or indirect 100% owned subsidiary, or 100% owned subsidiaries participate in subscribing cash capital increase to issue securities with each other.
- (4) Securities listed and traded on the Taiwan Stock Exchange or the Taipei Exchange or emerging stocks.
- (5) Domestic government bonds, or bonds under repurchase or reverse purchase agreements.
- (6) Publicly offered funds.
- (7) TWSE or TPEX listed stocks acquired or disposed of in accordance with the TWSE or TPEX rules governing the purchase of listed securities by reverse auction or rules governing the auction of listed securities.
- (8) Participation in subscription to shares issued by a domestic public company for a cash capital increase or domestic subscription to corporate bonds (including financial debentures), with the further requirement that the securities acquired are not privately placed securities.
- (9) Subscription to a domestic privately placed fund before the establishment of the fund in accordance with Article 11, paragraph 1 of the Securities Investment Trust and Consulting Act, or subscription to or redemption of a domestic privately placed fund, provided that the trust agreement for the fund specifies an investment strategy in which, aside from securities margin transactions and open positions held in securities-related products, the investment scope of the remaining portion is the same as that of a publicly offered fund.

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

3. If the Company acquired or disposed assets through court auction procedures, they may replace the appraisal report or accountant opinions with the certified documents issued by the court.

Article 11-1 The calculation of the transaction amounts referred to in the preceding two articles shall be done in accordance with Article 6, paragraph 2 herein, and “within the preceding year” as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or an accountant’s opinion has been obtained need not be counted toward the transaction amount.

Article 12 Related Party Transactions

When the Company engages in any acquisition or disposition of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the Company’s total assets, the Company shall also obtain an appraisal report from a professional appraiser or an accountant’s opinion in compliance with the provisions of the Procedures.

The Company must submit the information provided below to the Board of Directors for approval, upon first obtaining a consent from the Audit Committee, before its execution of the acquisition or disposition of real estate or right-of-use assets from related parties, or acquisition or disposition of assets other than real property or right-of-use assets from or to related parties where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company’s total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises. The Company may not proceed to enter into a transaction contract or make a payment until receiving approval as discussed herein from the Board of Directors, including:

1. The reasons, necessity and the anticipated benefit of assets purchase or disposed;
2. The reasons for selecting the related persons as the transaction party;
3. With respect to the acquisition of real property or right-of-use assets from a related party, relevant information for evaluating the reasonableness of the anticipated transaction conditions pursuant to provisions of Articles 13 and 14;
4. Items such as the date and price originally acquired by the related party, transaction counterparty and its relations between the Company and the related party;

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5. The forecasting chart for cash received in each month for one year in the future from the anticipated month of contract execution, with an evaluation of the necessity of the transaction and the reasonableness of the fund usage;
6. An appraisal report from a professional appraiser or an accountant's opinion obtained in compliance with this Article;
7. Conditions and other important agreed items of the transaction.

The calculation of the transaction amounts referred to in this Article shall be made in accordance with Article 6, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Audit Committee and the Board of Directors need not be counted toward the transaction amount. With respect to the types of transactions listed below when to be conducted between the Company and its parent and subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital and when the transaction is within the authorized amount, the Chairman of the Board may, pursuant to the item 3 of paragraph 2 of Article 5, decide such matters and have the decisions subsequently submitted to and ratified at the next Board of Directors meeting:

1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
2. Acquisition or disposal of real property right-of-use assets held for business use.

Article 13

The Company's acquisition of real estate or right-of-use assets from a related party shall comply with methods provided below to evaluate the reasonableness of the transaction cost:

1. Based upon the related party's transaction price plus necessary interest on funding and the cost to be borne by the buyer according to law. The "necessary interest on funding" is imputed as the weighted average interest rate of the fund borrowed by the Company in the year of purchase of the asset; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
2. Total loan value appraised by a financial institution if such object has been mortgaged to the financial institution for a loan; provided that the actual cumulative amount loaned by the financial institution for the object shall reach 70% or more of the appraised total value and the loan period is more than one year. However, this shall not apply if the financial institution and either party of the transaction are related persons.
3. Where the land and the buildings on the property are combined for the purchase or lease, the cost of the transaction may be reached by respectively evaluating such land and building based on either method described above.
4. The Company's acquisition of real estate or right-of-use assets from the related party, in addition to evaluating the cost of the cost of real estate or right-of-use assets pursuant to provisions prescribed in the preceding three paragraphs, an accountant shall be retained to check and provide specific opinion.
5. Where one of the following occurrence exists in the Company's acquisition of the real estate or right-of-use assets from the related party, the transaction is exempt from the application of the preceding four paragraphs; however, the Article 12 shall still apply:
 - (1) The related party acquired real estate or right-of-use assets by inheritance or as a gift.
 - (2) Between the signing date of the related party's receipt of the real estate or right-of-use assets and the signing date of the current transaction, 5 years has passed.
 - (3) Acquiring real estate by a joint construction contract executed with the related party, or through engaging a related party to build real property, either on the company's own land or on rented land.
 - (4) The real property right-of-use assets for business use are acquired by the Company with its parent and subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.

Article 14

Where the evaluations reached by the Company pursuant to the first to third paragraphs in preceding Article are consonantly lower than the transaction price, the provisions of Article 15 apply; however, if any of the circumstances below exists, accompanied by objective evidence provided by a professional real property appraiser's reasonableness opinion obtained and an accountant's specific opinion rendered, the restriction shall not apply:

1. Where the related party purchased a piece of undeveloped land or leased land for construction, and the evidence provided meets one of the following conditions:
 - (1) The total value of the undeveloped land, evaluated based on the methods referred to in the preceding paragraph, and the building, calculated based on the related party's construction cost plus reasonable construction profit, is more than the actual transaction price. The stated "reasonable construction profit" shall be the average operating gross profit ratio of the construction department of the related party within the last three years or the most recent gross profit ratio of the construction industry published by the Ministry of Finance, whichever is lower.
 - (2) The transaction of the other floors/levels on the same property of nearby region consummated

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within one year by non-related parties, the area being similar and the transaction conditions being reasonable after reasonable appraisal of the price difference of floor/level or region in accordance with real estate sale or leasing transaction practice.

2. The Company provides evidence to prove that the transaction conditions for purchase of the real estate or obtaining real property right-of-use assets through leasing from the related party correspond with those of other transactions of non-related parties in the neighborhood and within one year, with a similar size.

The transaction in the neighborhood in the preceding paragraph shall mean the transaction of the real estate on the same or nearby street with a distance of less than 500 meters from the estate in question. The term “similar size” means that in the case of transaction of non-related party, the size is not less than 50% of the estate in question. The “within one year” means dating back for one year from the date of acquiring this real estate or right-of-use assets.

Article 15 When the Company acquires real estate or right-of-use assets from the related party and the evaluations reached pursuant to the Articles 13 and 14 are consonantly lower than the transaction price, below items shall be followed:

1. Allocate the difference between the real estate or right-of-use assets transaction price and the evaluated cost as special reserve.
2. The independent director members of the Audit Committee handle the matter pursuant to Article 218 of the Company Act.
3. Report the handling condition of the preceding two subparagraphs to the shareholders’ meeting and disclose the detailed transaction content in the annual report and the prospectus.

Where the Company allocates a special reserve in accordance to the preceding paragraph, it shall not use such special reserve until and unless a devaluation loss on the asset purchased or leased at high price has been rendered, or such asset has been disposed of, or the leasing contract has been terminated, or proper compensation had been received, or the original status has been restored, or has been acquitted of the unreasonableness by other evidence and has been approved by the competent authorities. When the Company obtains real property or right-of-use assets thereof from a related party, it shall also comply with the preceding two paragraphs if there is other evidence indicating that the acquisition was not an arm’s-length transaction.

Article 16 Transaction of Derivative Products The Company engages in the transaction of derivative products shall heed to the control of the following important matters for risk management and auditing purposes in the Procedures:

1. Trading principles and policies: shall include the types of derivative product transactions that can be made, operation or hedge strategies, responsibility division, main points for evaluating performance, total amount of contracts which can be engaged in the transaction of derivative products and the upper limit of loss for all and individual contracts.
2. Risk management measures.
3. Internal auditing system.
4. Method of periodic evaluation and management of abnormal conditions.

Article 17 Where the Company engages in the transaction of derivative products, it shall perform the following risk management measures:

1. The scope of risk management shall include the risk management of credit, market price, liquidity, cash flows, operation and law.
2. Dealing persons, confirming persons and settling persons for the derivative products transactions shall not be the same.
3. The persons in charge of the evaluation, supervision and control of risk-related matters shall respectively belong to the different departments as those in the preceding item and shall make a report to the Board of Directors or to the high-level managers who are not responsible for setting policies for transactions or positions to be engaged.
4. The positions held in the trading of derivative products shall be evaluated at least once a week, the hedging transaction made for business purposes shall be evaluated at least twice a month, and the evaluation reports shall be submitted to high-level managers authorized by the Board of Directors.
5. Other important risk management measures.

Article 18 Principles of Supervision and Management of the Board of Directors

1. Assign high-level managers to oversee the supervision and the control of the risk of derivative transactions at all times.
2. Periodically evaluate whether the results of the derivative transactions conform to the formulated operational policies and whether the attendant risk of these transactions is within the capability of the Company.

The Principles of Supervision and Control of the High-Level Managers Authorized by the Board of Directors:

1. Periodically evaluate whether the risk management measures currently being used are suitable and

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- whether they conform with these Procedures and the “Rules and Procedures of Derivative Transactions” formulated by the Company.
2. Supervise the transactions and loss-and-profit status, if there are any abnormal situations, the high-level manager shall report to the Board of Directors; where the Company has independent directors, an independent director shall present on behalf of the Board of Directors and express opinions.
- Article 19 The Company shall prepare a registry with the type, amount, date passed by the Board of Directors for the engagement of the transaction of derivative products and the items shall be carefully evaluated in accordance to the item 4 of the Articles 17, the item 2 of paragraph 1 and the item 1 of paragraph 2 of Article 18, and publish in detail in registry.
The Company’s internal auditors shall check the suitability of internal control of derivative transactions periodically and inspect monthly the compliance of the trading departments with “Rules and Procedures of Derivative Transactions” in order to make the auditing report. If there are any severe breach matters, these shall be notified to Audit Committee in writing.
- Article 20 Mergers, Splits, Acquisitions and Shares Transference
Prior to convening the Board of Directors for a resolution, the Company engaging in a merger, split, acquisition or share transference shall retain accountants, attorneys or securities underwriters for opinions on the reasonableness of the share conversion rates, acquisition price or the cash or other assets distributed to shareholders, and submit the opinions at the shareholders’ meeting for discussion and approval.
However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by the Company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the Company directly or indirectly holds 100 percent of the respective subsidiaries’ issued shares or authorized capital.
- Article 21 Prior to convening the shareholders’ meeting, the Company participating in a merger, split or acquisition shall prepare a public document addressed to the shareholders stating the significant stipulations of the merger, split or acquisition plan and related matters, and deliver it to the shareholders along with the expert opinions of the preceding Article and the notice of the shareholders’ meeting to provide the shareholders with a basis of reference for deciding whether to agree to the merger, split or acquisition plan; however, not including conditions exempt from convening the shareholders’ meeting for a resolution of matters of mergers, splits or acquisitions pursuant to other laws.
If the shareholders’ meeting of any Company (including the Company) participating in the merger, split or acquisition is unable to convene or to pass such a resolution because of inability to achieve a quorum or sufficient voting shares or because of other legal restrictions, or the plan is rejected at the shareholders’ meeting, the Company shall immediately make a public announcement of the reasons for such occurrence, the follow-up measures to be taken, and the anticipated date for convening of the shareholders’ meeting(s).
- Article 22 Except as provided by laws or under special circumstances where advance permission has been obtained from the FSC, the Company shall convene the board meetings and shareholders’ meetings and pass resolutions regarding the merger, split or acquisition and relevant matters on the same day along with other participating companies in the merger, split, acquisition or share transference. The Company shall prepare the following information in a written form and retain the records for 5 years:
1. Basic identification data for personnel, including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, split, acquisition, or transfer of another company’s shares prior to disclosure of the information.
2. Dates of material events, including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting.
3. Important documents and minutes, including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of board of directors meetings.
The Company shall, within two days commencing immediately from the date of passage of a resolution by the Board of Directors, report (in the prescribed format and via the Internet-based information system) the information set out in subparagraphs 1 and 2 of the preceding paragraph to the FSC for recordation.
- Article 23 All persons participating in or knowing of the Company’s merger, split, acquisition or share transference plan shall submit a written undertaking of nondisclosure. Prior to public disclosure of the merger, split, acquisition or share transference information, such persons may not externally divulge any content of the merger, split, acquisition or share transference plan, nor may they purchase or sell in their own capacity or in the name of another person any shares, or any other equity securities of any Company connected with the merger, split, acquisition or share transference plan.
- Article 24 In the Company’s participating in a merger, split, acquisition or share transference, the share conversion

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rates or the acquisition price may not be arbitrarily changed except under the conditions provided below, and the conditions for change shall be provided in the merger, split, acquisition or share transference contract:

1. Cash capital increase, issuance of convertible corporate bonds, distribution of stock dividends, and issuance of corporate bonds with warrants, preferred shares with warrants, subscription warrants, and other equity securities.
2. Acts affecting Company finances or operations, such as disposition of major assets.
3. Occurrence of major disasters, major technological transformations, or other events affecting Company shareholder equity or Company securities prices.
4. Adjustment of treasury shares duly redeemed by any Company participating in the merger, split, acquisition or share transference.
5. Increase, decrease, or change in the entities, or number thereof, participating in the merger, split, acquisition or share transference.
6. Other conditions for change have been provided in the contract and publicly disclosed.

Article 25 In the Company's participating in a merger, split, acquisition or share transference, the contract shall specify the rights and obligations of the companies participating in the merger, split, acquisition or share transference and shall also specify the following particulars:

1. Handling of breach of agreement.
2. Principles for handling of equity securities already issued by, or treasury stock already redeemed by, the Company (Companies) extinguished in the merger of the split Company.
3. The quantity of treasury stock that a participating Company may redeem after the record date of calculation of the share conversion ratio, and relevant handling principles.
4. The handling methods of which there is an increase, decrease, or change in the entities, or number thereof, participating.
5. The scheduled timetable for execution of the plan, and scheduled timeframe for completion.
6. The relevant procedures for handling failure to complete within such timeframe, such as the anticipated date for convening of the shareholders' meeting(s) pursuant to laws.

Article 26 Following public disclosure of information about the Company's participating in merger, split, acquisition or share transference, if the Company has an intention to undergo a further merger, split, acquisition or share transference with another Company, any procedures or legal actions already carried out by the Company under the original merger, split, acquisition or share transference plan shall be carried out anew except under the conditions that the number of the participating companies decreases and the companies' shareholders' meeting has made a resolution and authorized the Board of Directors the right for modification, the Company is exempt from convening the shareholders' meeting for another resolution.

Article 27 If the companies participating in the merger, split, acquisition or share transference are categorized as non-public companies, the Company shall enter into an agreement with them in accordance to provisions provided by the Articles 22, 23 and 26.

Article 28 Other Items

1. Matters not provided herein shall be governed by the relevant laws and regulations and the relevant regulations of the Company. If the Procedures of Acquisition or Disposition of Assets in the original order are amended by the competent authority, the Company shall apply the provisions in the new order.
2. The Procedures shall be approved by the Audit Committee and submitted to the Board of Directors for resolution and later be effective after approved by the shareholders meeting; the same applies when the procedures are amended. If a director holds dissenting opinions and there were records for it or in written stating, the Company shall submit materials of the director's dissenting opinions to Audit Committee.
3. When the Procedures are submitted to the Board of Directors for discussion, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.
4. With respect to the Company's acquisition or disposal of assets that is subject to the approval of the Board of Directors under the procedures or other laws or regulations, if a director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to Audit Committee.
5. when a transaction involving the acquisition or disposal of assets is submitted for discussion by the Board of Directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.
6. Any transaction involving major assets or derivatives shall be approved by more than half of all Audit Committee members and submitted to the Board of Directors for a resolution.
7. If approval of one-half or more of all Audit Committee members as required in the provisions of

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Article 28 paragraphs 2 and 6 is not obtained, the procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting. The terms "all Audit Committee members" and "all directors" shall be counted as the actual number of persons currently holding those positions

Article 29 The Procedures were enacted on August 20, 2012. The 1st amendment was made on May 22, 2015. The 2nd amendment was made on May 31, 2017. The 3rd amendment was made on June 25, 2019.

**Wiwynn Corporation
Shareholdings of Directors**

(Shareholdings as of April 1, 2022)

Title	Name	Number of Shares (Note)
Chairman	Wistron Corporation Representative: Simon Lin	65,895,129
Vice Chairman	Emily Hong	3,138,624
Director	Wistron Corporation Representative: Frank Lin	65,895,129
Director	Sunlai Chang	538,235
Director	Steven Lu	340,455
Independent Director	Charles Kau	0
Independent Director	Simon Dzung	0
Independent Director	Cathy Han	0
Independent Director	Victor Cheng	0
Total		69,912,443

1. The current number of issued shares in the Company as of April 1, 2022 is 174,840,791 common shares.
2. The Company's directors shall hold at least 10,490,447 shares in accordance with "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies."
3. The Company has set up the Audit Committee, the provisions on the minimum percentage requirements for the shareholding of supervisors shall not apply.