



Wiwynn Corporation

Agenda of

2021 General Shareholders' Meeting

(Translation)

Meeting Time : 9:00 a.m., Wednesday, June 16, 2021

Place : The Chang Yung-Fa Foundation International Convention Center

(No.11, Zhongshan S. Rd., Zhongzheng Dist., Taipei City, Taiwan, R.O.C.)

Disclaimer

This is a translation of the 2021 General Shareholders' Meeting Agenda of Wiwynn 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.

The essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the Company, and such website shall be indicated in the above notice.

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. 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. Votes shall be cast on each separate proposal in the agenda. For each proposal (including extemporaneous 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 extemporaneous 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.

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.

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 Time : 9:00 a.m., Wednesday, June 16, 2021

Place : The Chang Yung-Fa Foundation International Convention Center
(No.11, Zhongshan S. Rd., Zhongzheng Dist., Taipei City, Taiwan, R.O.C.)

1. Report Items

- (1) Report the business of 2020.
- (2) Audit Committee's review report.
- (3) Report 2020 employees' profit sharing and directors' compensation.
- (4) Report the status of domestic unsecured corporate bonds.

2. Ratification Items and Discussion Items

- (1) Ratification of the Business Report and Financial Statements of 2020.
- (2) Ratification of the proposal for distribution of 2020 profits.
- (3) Discussion of amendments to the "Rules and Procedures of Shareholders' Meeting."
- (4) Discussion of amendments to the "The Election Regulations of Directors."
- (5) 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 2020.** (Please refer to Attachment 1, pages 12-14)
2. **Audit Committee’s review report.** (Please refer to Attachment 2, pages 31)
3. **Report 2020 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 fourth Compensation Committee Meeting and the second Board Meeting of 2021 approved the proposal of 2020 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’ 2020 profit sharing is NT\$571,500,000, distributed in cash.
 - B. The total amount of Board Directors’ 2020 compensation is NT\$25,025,040, 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 2020
Date of Approval	2020.10.08
Date of Issuance	2020.10.20
Date of Expiration	2025.10.20
Total issuance Amount	NTD 5 billion
Face value	NTD 1 million
Issue price	100% of par value
Issuance Period	5 years ; From 2020.10.20 to 2025.10.20
Coupon rate	Fixed rate at 0.83%
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 Q4 2020

Ratification Items and Discussion Items

Item 1

Proposal : Ratification of the Business Report and Financial Statements of 2020.

(Proposed by the Board of Directors)

Explanation :

1. The Company's business report and financial statements for 2020 (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 12-30)
2. Submission for ratification.

Item 2

Proposal : Ratification of the proposal for distribution of 2020 profits.

(Proposed by the Board of Directors)

Explanation :

1. The unappropriated retained earnings at the beginning of the year is NT\$4,211,387,617 in 2020. After adding up the 2020 net income of NT\$8,609,657,363, then deducting the legal reserve of NT\$860,476,056 and special reserve retained for the net debit balance of other equity interest in this year of NT\$237,894,491 and remeasurements of defined benefit obligation of NT\$4,896,800, therefore the total amount of retained earnings available for distribution is NT\$11,717,777,633. It is proposed to distribute NT\$5,594,905,312 as the dividends to the shareholders in cash. (NT\$32 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 or cancellation, capital increase by cash and executing the employee stock warrants to issuance new shares etc.), which results in changes in shareholders' allotment of cash dividend, the Chairman is to be authorized to adjust accordingly.
4. 2020 Statements of Profit Appropriation, please refer to Attachment 3, pages 32.
5. Submission for ratification.

Item 3

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 and the operational needs of the Company, it is proposed to make amendments to the “Rules and Procedures of Shareholders’ Meeting.” Please refer to Attachment 4, pages 33-34 for the before and after revision chart.
2. Please discuss.

Item 4

Proposal : Discussion of amendments to the “The Election Regulations of Directors.”
(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 “The Election Regulations of Directors.” Please refer to Attachment 5, pages 35-36 for the before and after revision chart.
2. Please discuss.

Item 5

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. The concurrent position of director is shown as follows:

Title	Name	Company Name and Concurrent Position	The Business Which is similar to the Company’s	
			Business Category Code	Business Item
Chairman	Wistron Corporation Representative : Simon Lin	Independent Director of Powerchip Semiconductor Manufacturing Corp.	CC01080	Electronics Components Manufacturing
			F401010	International Trade
			I599990	Other Designing

4. Please discuss.

Voting by Poll

Extemporaneous Motion

Adjournment

Wiwynn Corporation Business Report

1. Management Policy and Implementation Overview

The whole world was under the threat of COVID-19 pandemic in 2020. After Chinese New Year in 2020, the first challenge encountered was the shortage of part of materials due to the shutdown of supply chains in China. It then followed by the outbreak of epidemic in Europe and America. Many countries implemented measures of lockdown, and it further led to difficulties in operations and logistics. Fortunately, Wiwynn was able to present our value as a professional system integrator with the efforts from all the employees.

Other than the threat of COVID-19, climate change has caused extreme climate all over the world in 2020. As a citizen of the earth, Wiwynn has signed the purchase contract of green power with electricity retailer. Wiwynn became the first information service industry in Taiwan to directly purchase green power from electricity retailer through the Renewable Power Purchase Agreement (PPA) to achieve complete environmental benefits after the amendment of The Electricity Act. Wiwynn plans to use 10% green power at the headquarters in Taipei from 2021 as well as to devote more resources in the future in order to enhance the overall percentage of green power utilization. Along with our customers with hyperscale data center announce one after another their goal of achieving carbon neutrality or using 100% renewable energy, Wiwynn also starts from the operation to promote energy saving and carbon reduction step by step. The Company also obtained outstanding performance of A- (top 24 among enterprises in Taiwan) for the topic of climate change in Carbon Disclosure Project (CDP).

Not long after the establishment in 2019, Wiwynn Tainan Factory started to introduce authorized economic operator (AEO) system actively. Under the full promotion and participation of all the employees, Wiwynn was successfully awarded the certificate of authorized economic operator in March 2020. Other than continuing advancing each security policy of AEO in the future to focus on maintaining global supply chain security as our corporate social responsibility, we will work with reliable business partners to provide our customers safe and convenient service quality.

Wiwynn published the first “Corporate Sustainability Report” in 2020 and is committed to sustainable operation and corporate social responsibility. Besides, we assigned a corporate governance director in August as well as started to publish important messages in English on Market Observation Post System in order to respond to the increasing shareholding ratio of foreign investment. Moreover, we disclosed the 2020 financial self-assessed value early in January 2021 to enhance transparency to stakeholders and meet the blueprint towards corporate governance required by the competent authority as early as possible. Environment, society, and corporate governance (ESG) are our priority targets as well as the maintenance of long-term stable profiting to protect the best interest of the shareholders.

2. Business Results

The consolidated operating revenue at the Company in 2020 was NT\$186,927,647,000, and it increased 14.26% compared to that in the previous year. The net profit after tax was \$8,609,657,000 with huge increase of 39.56% compared to that in the previous year. The net profit margin after tax was 4.61%, and it also enhanced 0.83% from the previous year. The basic earnings per share (EPS) was \$49.25, and the return on equity (ROE) achieved 38.49%. Other than the enhancement of net profit after tax, the overall financial structure was improving gradually. For example, the current ratio enhanced from 168.58% in 2019 to 212.77% in 2020 while the quick ratio also enhanced from 104.97% in 2019 to 132.38% in 2020. The above operational performance still

【Attachment 1】

remains the trend of growth especially under the situation of strong appreciation on New Taiwan Dollar (NTD) towards United States Dollar (USD) in 2020; it was an extraordinary achievement.

3. Technology Development

Under the raging epidemic all over the world in 2020, lifestyle of human beings has been changed and stay-at-home economy has been booming, like work from home, distance learning, online or conference meeting, virtual exhibition, online shopping, and streaming media. Wiwynn focuses on the cloud infrastructure of the above application. We have a series of cloud servers and latest technology of two-phase immersion liquid cooling as well as continue developing power converter and cooling solution with high efficiency of energy saving and carbon reduction. We aim to speed up the change of energy-saving ecology with innovative technology to enhance the efficiency of energy used by data centers. Meanwhile, it can also satisfy the demands from data centers in the future on workload optimization and advanced cooling technology.

We are also optimistic about the business opportunity combining with edge computing after entering the era of 5G. In November 2020, Wiwynn EP100 products cooperated with leading 5G software solution manufacturers and completed the 2nd global O-RAN ALLIANCE Plugfest test to accelerate the development of product interoperability among manufacturers in the industrial ecological chain. Wiwynn currently concentrates on the telecom operators in Europe and in America to expand the business and targets on 5G public network projects to carry out the communication of initial product specification demand and product PoC (proof of concept), which expect to accelerate growth momentum in the further.

In terms of improvement of internal operating process, Wiwynn was the first in the manufacturing industry in Taiwan to introduce cloud ERP in 2020 to strengthen the agility of supply chain deployment in order to comprehensively integrate enterprise resources and keep the process of cross-departmental collaboration open as well as control the progress of global supply chain in a smarter way. Through this, the operational pace during the turbulence of epidemic can still be adjusted flexibly to maintain production capacity. It not only can save management costs and enhance operational efficiency but also make the system deployment more agile and system expansion more flexible through the backup and disaster recovery done by the built-in service that the cloud supplier provided. Moreover, using cloud as the data center for the enterprise can speed up application innovation. With various services in cloud ERP, Wiwynn handles cross-area and cross-departmental data via intelligent analysis provided by the cloud provider to control the progress of global supply chain, promote production, and implement smart customer service.

In addition, Wiwynn responds to the biggest software company in the world to introduce blockchain technology and jointly establishes cloud service supply chain innovative platform. Through shared distributed database structure, the traceability of end-to-end goods and materials is hugely improved, the turnover and circulation cycles are shortened, and profit maximization is achieved. The revolutionary change not only brings transparent and reliable data exchange but also achieves the function of tracking materials. It fulfills active dynamic supply chain management and benefits the whole supply chain ecological system.

In addition to satisfying various different specification demands at the current stage from our existing customer, our company also continues developing new customers and optimizes customer portfolio. Moreover, we also work with suppliers, partners of key technology and customers to develop more products. In the meantime, we also carry out continuous training and recruiting excellent R&D talents. With the consistent advancement in product development done by the growing and strong R&D team, we are able to provide IT solutions containing the best total cost of ownership (TCO) and the optimal workload to data centers.

【 Attachment 1 】

4. Outlook and Prospect

Looking into the future, cloud industry, 5G, edge computing, AI, and big data analysis will be the main trends. In the future, there will be more and more applications and services. In addition to continue enhancing product competitiveness, strengthening R&D strength, investing key core technology, implementing smart factory, and presenting the value of system integration supplier, we plan to introduce Taiwan Intellectual Property Management System (TIPS) and establish the protection awareness among employees towards intellectual property rights. Besides, we will also enhance the rigor of information security management and automatic protection.

“Forward-looking adventure”, “efficient implementation”, “extraordinary quality”, and “teamwork” are the four beliefs in Wiwynn. We are still advancing bravely with our beliefs and continue leading the company moving forward to the future and creating unlimited possibilities. We are marching in stable pace and work with our employees for the long-term future with our quality and policy of non-hazardous substance, making good use of resources to protect environment, caring for people, and providing a safe and healthy working environment to our employees in order to devote ourselves to sustainable operation.

Chairman:
Simon Lin

President:
Emily Hong

Accounting Officer:
Wenifred Wen

Independent Auditors' Report

To the Board of Directors of Wiyynn Corporation:

Opinion

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

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

Basis for Opinion

We conducted our audit of the financial statements as of and for the year ended December 31, 2020 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. Furthermore, we conducted our audit of the financial statements as of and for the year ended December 31, 2019 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Rule No. 1090360805 issued by the Financial Supervisory Commission, 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(m) "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, 2020 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)

March 8, 2021

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

Balance Sheets

December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2020		December 31, 2019		December 31, 2020		December 31, 2019		
	Amount	%	Amount	%	Amount	%	Amount	%	
Assets									
Current assets:									
1100 Cash and cash equivalents (note 6(a))	\$ 22,200,585	45	7,810,888	20	2100 Short-term borrowings (note 6(j))	3,107,372	6	3,670,098	9
1170 Accounts receivable, net (notes 6(b)(r))	5,880,759	11	5,166,681	13	2130 Contract liabilities-current (note 6(r))	2,297,417	5	861,503	2
1180 Accounts receivable - related parties, net (notes 6(b)(r) and 7)	12,260,466	25	15,121,332	39	2170 Notes payable and accounts payable	1,010,184	2	3,606,202	9
1200 Other receivables (note 6(c))	2,927	-	3,099	-	2180 Accounts payable - related parties (note 7)	9,725,040	20	7,065,132	18
1210 Other receivables-related parties (notes 6(c) and 7)	528,215	1	2,299,124	6	2200 Other payables (note 6(s))	2,090,622	4	1,811,270	5
130X Inventories (note 6(d))	1,790,168	3	1,559,129	4	2220 Other payables-related parties (note 7)	273,442	-	483,457	1
1470 Other current assets (note 6(i))	906,431	2	429,429	1	2230 Current tax liabilities	1,480,400	3	998,421	3
Total current assets	<u>43,569,551</u>	<u>87</u>	<u>32,389,682</u>	<u>83</u>	2280 Lease liabilities-current (notes 6(l) and 7)	54,801	-	56,407	-
Non-current assets:					2300 Other current liabilities	51,523	-	53,892	-
1550 Investments accounted for using equity method (note 6(c))	4,704,417	10	5,195,685	13	Current liabilities	<u>20,090,801</u>	<u>40</u>	<u>18,606,382</u>	<u>47</u>
1600 Property, plant and equipment (note 6(f))	851,999	2	685,791	2	Non-current liabilities:				
1755 Right-of-use assets (note 6(g))	158,867	-	204,045	1	Bonds payable (note 6(k))	4,991,783	11	-	-
1780 Intangible assets (note 6(h))	64,602	-	19,106	-	Deferred tax liabilities (note 6(n))	134,642	-	104,534	-
1840 Deferred tax assets (note 6(n))	407,467	1	494,398	1	Lease liabilities-non-current (notes 6(l) and 7)	108,835	-	153,566	-
1990 Other non-current assets (notes 6(i) and 8)	91,988	-	97,510	-	Net defined benefit liabilities (note 6(m))	8,907	-	2,870	-
Total non-current assets	<u>6,279,340</u>	<u>13</u>	<u>6,696,535</u>	<u>17</u>	Non-current liabilities	<u>5,244,167</u>	<u>11</u>	<u>260,970</u>	<u>-</u>
					Total liabilities	<u>25,334,968</u>	<u>51</u>	<u>18,867,352</u>	<u>47</u>
					Equity (notes 6(m)(o)(p)):				
					Common shares	1,748,408	3	1,746,368	4
					Capital surplus	8,817,380	18	8,816,183	23
					Retained earnings	14,186,029	28	9,602,400	26
					Other equity	(237,894)	-	53,914	-
					Total equity	<u>24,513,923</u>	<u>49</u>	<u>20,218,865</u>	<u>53</u>
Total assets	<u>\$ 49,848,891</u>	<u>100</u>	<u>\$ 39,086,217</u>	<u>100</u>	Total liabilities and equity	<u>\$ 49,848,891</u>	<u>100</u>	<u>\$ 39,086,217</u>	<u>100</u>

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

Statements of Comprehensive Income

For the years ended December 31, 2020 and 2019

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

		<u>2020</u>		<u>2019</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenue (notes 6(r) and 7)	\$ 79,017,070	100	74,884,945	100
5000	Operating costs (notes 6(d)(f)(g)(h)(l)(m)(s), 7 and 12)	<u>64,533,782</u>	<u>82</u>	<u>64,333,399</u>	<u>86</u>
	Gross profit	14,483,288	18	10,551,546	14
5910	Less: unrealized profit from sales	<u>(350,000)</u>	<u>-</u>	<u>(177,845)</u>	<u>-</u>
	Net gross profit	<u>14,133,288</u>	<u>18</u>	<u>10,373,701</u>	<u>14</u>
	Operating expenses (notes 6(b)(f)(g)(h)(l)(m)(p)(s), 7 and 12):				
6100	Selling expenses	613,040	1	523,100	1
6200	Administrative expenses	579,743	1	714,213	1
6300	Research and development expenses	2,136,829	2	1,414,283	2
6450	Expected credit loss (gain)	<u>1,807</u>	<u>-</u>	<u>(10,046)</u>	<u>-</u>
	Total operating expenses	<u>3,331,419</u>	<u>4</u>	<u>2,641,550</u>	<u>4</u>
	Net operating income	<u>10,801,869</u>	<u>14</u>	<u>7,732,151</u>	<u>10</u>
	Non-operating income and expenses (notes 6(k)(l)(t) and 7):				
7100	Interest income	33,527	-	55,828	-
7010	Other income	76	-	79	-
7020	Other gains and losses	(98,187)	-	(146,466)	-
7050	Finance costs	(64,339)	-	(105,206)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	<u>150,540</u>	<u>-</u>	<u>170,759</u>	<u>-</u>
	Total non-operating income and expenses	<u>21,617</u>	<u>-</u>	<u>(25,006)</u>	<u>-</u>
7900	Income before tax	10,823,486	14	7,707,145	10
7950	Income tax expense (note 6(n))	<u>2,213,829</u>	<u>3</u>	<u>1,537,891</u>	<u>2</u>
	Net income	<u>8,609,657</u>	<u>11</u>	<u>6,169,254</u>	<u>8</u>
8300	Other comprehensive income (notes 6(m)(n)(o)):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Losses on remeasurements of defined benefit plans	(6,121)	-	(2,322)	-
8349	Income tax related to items that may not be reclassified subsequently to profit or loss	<u>1,224</u>	<u>-</u>	<u>464</u>	<u>-</u>
	Total Items that may not be reclassified subsequently profit or loss	<u>(4,897)</u>	<u>-</u>	<u>(1,858)</u>	<u>-</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(291,808)	-	(118,936)	-
8399	Income tax related to items that may be reclassified subsequently to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total items that may be reclassified subsequently to profit or loss	<u>(291,808)</u>	<u>-</u>	<u>(118,936)</u>	<u>-</u>
8300	Other comprehensive income	<u>(296,705)</u>	<u>-</u>	<u>(120,794)</u>	<u>-</u>
8500	Total comprehensive income	<u>\$ 8,312,952</u>	<u>11</u>	<u>6,048,460</u>	<u>8</u>
	Earnings per share (expressed in New Taiwan dollars) (note 6(q))				
9750	Basic earnings per share	<u>\$ 49.25</u>		<u>36.42</u>	
9850	Diluted earnings per share	<u>\$ 48.98</u>		<u>36.23</u>	

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

Statements of Changes in Equity

For the years ended December 31, 2020 and 2019

(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	
Balance on January 1, 2019	\$ 1,520,288	2,853,756	195,198	8,137	6,026,558	6,229,893	172,850	10,776,787
Effects of retrospective application	-	-	-	(2,204)	(2,204)	(2,204)	-	(2,204)
Balance on January 1, 2019 after adjustments	1,520,288	2,853,756	195,198	8,137	6,024,354	6,227,689	172,850	10,774,583
Appropriation and distribution of retain earnings:								
Legal reserve	-	-	557,758	-	(557,758)	-	-	-
Special reserve	-	-	-	8,137	8,137	-	-	-
Cash dividends	-	-	-	(8,137)	(2,792,685)	(2,792,685)	-	(2,792,685)
Net income	-	-	-	-	6,169,254	6,169,254	-	6,169,254
Other comprehensive income	-	-	-	-	(1,858)	(1,858)	(118,936)	(120,794)
Total comprehensive income	-	-	-	-	6,167,396	6,167,396	(118,936)	6,048,460
Cash subscription	188,100	5,769,888	-	-	-	-	-	5,957,988
Issue of common shares-employee stock options	37,980	28,577	-	-	-	-	-	66,557
Share-based payments	-	163,962	-	-	-	-	-	163,962
Balance on December 31, 2019	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)	-	(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

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

Wiwynn Corporation

Statements of Cash Flows

For the years ended December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

	2020	2019
Cash flows from (used in) operating activities:		
Income before tax	\$ 10,823,486	7,707,145
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	286,415	179,437
Amortization expense	19,350	5,935
Expected credit loss (gain)	1,807	(10,046)
Net losses (profit) on financial assets or liabilities at fair value through profit or loss	(436,049)	44,269
Interest expense	64,339	105,206
Interest income	(33,527)	(55,828)
Share-based payments	-	163,962
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	(150,540)	(170,759)
Losses on disposal of property, plant and equipment	95	6
Unrealized profit from sales	350,000	177,845
Prepayments for equipment reclassified as expenses	186	-
Total adjustments to reconcile profit	<u>102,076</u>	<u>440,027</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in financial assets mandatorily measured at fair value through profit or loss-current	436,049	(44,269)
Increase in accounts receivable, net	(715,885)	(1,169,847)
Decrease (increase) in accounts receivable-related parties, net	2,860,866	(7,204,331)
Decrease (increase) in other receivable	172	(199)
Decrease in other receivable-related parties	1,770,909	2,274,422
Increase in inventories	(231,039)	(423,516)
Decrease (increase) in other current assets	(475,359)	2,248,942
Total changes in operating assets	<u>3,645,713</u>	<u>(4,318,798)</u>
Changes in operating liabilities:		
Increase in contract liabilities-current	1,435,914	479,689
Increase (decrease) in notes and accounts payable	(2,596,018)	3,584,772
Increase in accounts payable-related parties	2,659,908	3,267,203
Increase in other payable	277,578	545,861
Decrease in other payable-related parties	(210,015)	(266,939)
Increase (decrease) in other current liabilities	(2,369)	22,251
Decrease in net defined benefit liabilities	(84)	(77)
Total changes in operating liabilities	<u>1,564,914</u>	<u>7,632,760</u>
Total changes in operating assets and liabilities	<u>5,210,627</u>	<u>3,313,962</u>
Total adjustments	<u>5,312,703</u>	<u>3,753,989</u>
Cash inflow generated from operations	16,136,189	11,461,134
Interest received	31,884	57,604
Interest paid	(58,093)	(108,181)
Income taxes paid	(1,617,776)	(2,056,982)
Net cash flows from operating activities	<u>14,492,204</u>	<u>9,353,575</u>
Cash flows from investing activities:		
Acquisition of investments accounted for using equity method	-	(49,285)
Acquisition of property, plant and equipment	(295,457)	(629,050)
Acquisition of intangible assets	(64,846)	(17,799)
Decrease in other financial assets	1,107	96,473
Increase in prepayments for equipment	(98,720)	(85,938)
Net cash flows used in investing activities	<u>(457,916)</u>	<u>(685,599)</u>
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	70,744,296	18,236,013
Decrease in short-term borrowings	(71,307,022)	(17,067,581)
Proceeds from issuing bonds	4,991,500	-
Decrease in long-term borrowings	-	(5,522,236)
Payment of lease liabilities	(55,471)	(42,143)
Cash dividends paid	(4,021,131)	(2,792,685)
Cash subscription	-	5,957,988
Exercise of employee stock options	3,237	66,557
Net cash flows from (used in) financing activities	<u>355,409</u>	<u>(1,164,087)</u>
Net increase in cash and cash equivalents	<u>14,389,697</u>	<u>7,503,889</u>
Cash and cash equivalents at beginning of period	<u>7,810,888</u>	<u>306,999</u>
Cash and cash equivalents at end of period	<u>\$ 22,200,585</u>	<u>7,810,888</u>

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, 2020 and 2019, the consolidated statement 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, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit of the consolidated financial statements as of and for the year ended December 31, 2020 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. Furthermore, we conducted our audit of the financial statements as of and for the year ended December 31, 2019 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Rule No. 1090360805 issued by the Financial Supervisory Commission, 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(m) "Revenue" and note 6(q) 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, 2020 and 2019, 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)

March 8, 2021

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 Balance Sheets

December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2020		December 31, 2019		December 31, 2020		December 31, 2019		
	Amount	%	Amount	%	Amount	%	Amount	%	
Assets									
Current assets:									
1100 Cash and cash equivalents (note 6(a))	\$ 23,169,231	42	11,992,139	25	2100 Short-term borrowings (note 6(i))	5,359,504	10	8,638,393	18
1170 Accounts receivable, net (notes 6(b)(q))	7,827,082	14	13,655,018	28	2130 Contract liabilities-current (note 6(q))	2,297,417	4	861,503	2
1180 Accounts receivable-related parties, net (notes 6(b)(q) and 7)	340,218	1	415,932	1	2170 Notes payable and accounts payable	2,761,327	5	6,974,206	14
1200 Other receivables (note 6(c))	3,166	-	5,927	-	2180 Accounts payable-related parties (note 7)	9,758,171	18	7,253,909	15
1210 Other receivables-related parties (notes 6(c) and 7)	588,047	1	2,363,013	5	Other payables (note 6(r))	2,516,597	4	2,209,050	5
130X Inventories (note 6(d))	19,827,729	36	17,442,078	36	Other payables-related parties (note 7)	148,666	-	207,888	-
1479 Other current assets (note 6(h))	1,011,905	2	539,289	1	Current tax liabilities	1,509,458	3	1,017,329	2
Total current assets	52,767,378	96	46,413,396	96	Lease liabilities-current (notes 6(k) and 7)	105,132	-	109,708	-
Non-current assets:					Other current liabilities	343,433	1	260,144	1
1600 Property, plant and equipment (note 6(e))	951,781	2	718,167	2	Total current liabilities	24,799,705	45	27,532,130	57
1755 Right-of-use assets (notes 6(f) and 7)	377,227	1	388,815	1	Non-current liabilities:				
1780 Intangible assets (note 6(g))	64,602	-	19,106	-	Bonds payable (note 6(i))	4,991,783	9	-	-
1840 Deferred tax assets (note 6(m))	419,083	1	494,398	1	Deferred tax liabilities (note 6(m))	134,642	-	104,534	-
1990 Other non-current assets (notes 6(l) and 8)	144,094	-	113,344	-	Lease liabilities-non-current (notes 6(k) and 7)	275,205	1	288,827	1
Total non-current assets	1,956,787	4	1,733,830	4	Net defined benefit liabilities-non-current (note 6(l))	8,907	-	2,870	-
					Total non-current liabilities	5,410,537	10	396,231	1
					Total liabilities	30,210,242	55	27,928,361	58
					Equity (notes 6(l)(m)(o)(o)):				
					Common shares	1,748,408	3	1,746,368	4
					Capital surplus	8,817,380	16	8,816,183	18
					Retained earnings	14,186,029	26	9,602,400	20
					Other equity	(237,894)	-	53,914	-
					Total equity	24,513,923	45	20,218,865	42
Total assets	\$ 54,724,165	100	48,147,226	100	Total liabilities and equity	\$ 54,724,165	100	48,147,226	100

(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, 2020 and 2019

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

		2020		2019	
		Amount	%	Amount	%
4000	Operating revenue (notes 6(q) and 7)	\$ 186,927,647	100	163,600,423	100
5000	Operating costs (notes 6(d)(e)(f)(g)(k)(l)(r), 7 and 12)	171,626,518	92	152,251,871	93
	Gross profit from operations	15,301,129	8	11,348,552	7
	Operating expenses (notes 6(b)(e)(f)(k)(l)(o)(r), 7 and 12):				
6100	Selling expenses	1,228,494	1	961,081	1
6200	Administrative expenses	658,157	-	786,932	-
6300	Research and development expenses	2,179,233	1	1,442,091	1
6450	Expected credit loss (gain)	(6,609)	-	(1,630)	-
	Total operating expenses	4,059,275	2	3,188,474	2
	Net operating income	11,241,854	6	8,160,078	5
	Non-operating income and expenses (notes 6(j)(k)(s) and 7):				
7100	Interest income	38,984	-	72,195	-
7010	Other income	76	-	79	-
7020	Other gains and losses	(89,179)	-	(150,600)	-
7050	Finance costs	(304,316)	-	(323,482)	-
	Total non-operating income and expenses	(354,435)	-	(401,808)	-
7900	Income before tax	10,887,419	6	7,758,270	5
7950	Income tax expense (note 6(m))	2,277,762	1	1,589,016	1
	Net income	8,609,657	5	6,169,254	4
8300	Other comprehensive income (notes 6(l)(m)(n)):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Losses on remeasurements of defined benefit plans	(6,121)	-	(2,322)	-
8349	Income tax related to components of other comprehensive income that may not be reclassified to profit or loss	1,224	-	464	-
	Total Items that may not be reclassified subsequently profit or loss	(4,897)	-	(1,858)	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(291,808)	-	(118,936)	-
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	(291,808)	-	(118,936)	-
8300	Other comprehensive income (net of tax)	(296,705)	-	(120,794)	-
8500	Total comprehensive income	\$ 8,312,952	5	6,048,460	4
	Profit attributable to:				
8610	Owners of parent	\$ 8,609,657	5	6,169,254	4
	Comprehensive income attributable to:				
8710	Owners of parent	\$ 8,312,952	5	6,048,460	4
	Earnings per share (expressed in New Taiwan dollars) (note 6(p))				
9750	Basic earnings per share	\$ 49.25		36.42	
9850	Diluted earnings per share	\$ 48.98		36.23	

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

Consolidated Statements of Changes in Equity
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

	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	
Balance on January 1, 2019	\$ 1,520,288	2,853,756	195,198	8,137	6,026,558	6,229,893	172,850	10,776,787
Effects of retrospective application	-	-	-	-	(2,204)	(2,204)	-	(2,204)
Balance on January 1, 2019 after adjustments	1,520,288	2,853,756	195,198	8,137	6,024,354	6,227,689	172,850	10,774,583
Appropriation and distribution of retain earnings:								
Legal reserve	-	-	557,758	-	(557,758)	-	-	-
Special reserve	-	-	-	(8,137)	8,137	-	-	-
Cash dividends	-	-	-	-	(2,792,685)	(2,792,685)	-	(2,792,685)
Net income	-	-	-	-	6,169,254	6,169,254	-	6,169,254
Other comprehensive income	-	-	-	-	(1,858)	(1,858)	-	(1,858)
Total comprehensive income	-	-	-	-	6,167,396	6,167,396	(118,936)	6,048,460
Cash subscription	188,100	5,769,888	-	-	-	-	-	5,957,988
Issue of common shares-employee stock options	37,980	28,577	-	-	-	-	-	66,557
Share-based payments	-	163,962	-	-	-	-	-	163,962
Balance on December 31, 2019	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 other 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	14,186,079	(237,894)	24,513,923

(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, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

	2020	2019
Cash flows from (used in) operating activities:		
Income before tax	\$ 10,887,419	7,758,270
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	371,292	204,024
Amortization expense	19,350	5,935
Expected credit loss (gain)	(6,609)	(1,630)
Net loss (profit) on financial assets or liabilities at fair value through profit or loss	(436,049)	44,269
Interest expense	304,316	323,482
Interest income	(38,984)	(72,195)
Share-based payments	-	163,962
Losses on disposal of property, plant and equipment	95	17
Prepayments for equipment reclassified as expenses	186	-
Losses from lease modification	313	-
Total adjustments to reconcile profit	<u>213,910</u>	<u>667,864</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in financial assets mandatorily measured at fair value through profit or loss-current	436,049	(44,269)
Decrease (increase) in accounts receivable, net	5,628,430	(4,392,272)
Decrease (increase) in accounts receivable-related parties, net	75,714	(391,736)
Decrease in other receivable	2,634	4,779
Decrease (increase) in other receivable-related parties	1,734,239	(2,283,222)
Increase in inventories	(3,394,994)	(3,946,077)
Decrease (increase) in other current assets	(498,840)	2,224,935
Total changes in operating assets	<u>3,983,232</u>	<u>(8,827,862)</u>
Changes in operating liabilities:		
Increase in contract liabilities-current	1,435,914	479,689
Increase (decrease) in notes and accounts payable	(4,086,436)	5,937,713
Increase in accounts payable-related parties	3,105,001	3,411,246
Increase in other payable	440,006	1,065,957
Decrease in other payable-related parties	(59,222)	(145,199)
Increase in other current liabilities	96,938	31,705
Decrease in net defined benefit liabilities-non-current	(84)	(77)
Total changes in operating liabilities	<u>932,117</u>	<u>10,781,034</u>
Total changes in operating assets and liabilities	<u>4,915,349</u>	<u>1,953,172</u>
Total adjustments	<u>5,129,259</u>	<u>2,621,036</u>
Cash inflow generated from operations	16,016,678	10,379,306
Interest received	37,341	73,971
Interest paid	(303,088)	(317,775)
Income taxes paid	(1,658,747)	(2,230,323)
Net cash flows from operating activities	<u>14,092,184</u>	<u>7,905,179</u>
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(387,276)	(647,667)
Acquisition of intangible assets	(64,846)	(17,799)
Decrease (increase) in other non-current assets	(1,136)	92,884
Increase in prepayments for equipment	(165,402)	(98,986)
Net cash used in investing activities	<u>(618,660)</u>	<u>(671,568)</u>
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	99,065,137	34,837,120
Decrease in short-term borrowings	(102,169,488)	(29,030,912)
Proceeds from issuing bonds	4,991,500	-
Decrease in long-term borrowings	-	(5,522,236)
Cash dividends paid	(4,021,131)	(2,792,685)
Cash subscription	-	5,957,988
Exercise of employee stock options	3,237	66,557
Payment of lease liabilities	(94,946)	(56,220)
Net cash from (used in) financing activities	<u>(2,225,691)</u>	<u>3,459,612</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(70,741)</u>	<u>(104,676)</u>
Net increase in cash and cash equivalents	11,177,092	10,588,547
Cash and cash equivalents at beginning of period	11,992,139	1,403,592
Cash and cash equivalents at end of period	<u>\$ 23,169,231</u>	<u>11,992,139</u>

【Attachment 2】

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2020 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 Dzung

March 08, 2021

Wiwynn Corporation
Profit Appropriation Statement for 2020

Unit : NTD\$

Unappropriated Retained Earnings at beginning of the year	4,211,387,617
Plus :	
Net Income of 2020	8,609,657,363
Less :	
Legal Reserve	(860,476,056)
Special Reserve retained for the net debit balance of other equity interest in this year	(237,894,491)
Remeasurements of defined benefit obligation	(4,896,800)
Retained Earnings Available for Distribution	11,717,777,633
Distribution Items :	
Stock Dividends to Common Shareholders	0
Cash Dividends to Common Shareholders	(5,594,905,312)
Unappropriated Retained Earnings at the end of the year	6,122,872,321

Note: Profit appropriation for 2020 is calculated based on 174,840,791 shares, the number of shares outstanding on the Company's second board resolution day in 2021 (March 08, 2021). Cash dividends distribute to common shareholders is NT\$32 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
Rules and Procedures of Shareholders' Meeting
 (Before and After Revision Chart)

Before Revision	After Revision	Reason
<p>Article 2 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. The essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the Company, and such website shall be indicated in the above notice. </p>	<p>Article 2 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. The essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the Company, and such website shall be indicated in the above notice. </p>	<p>To comply with the updated regulation.</p>
<p>Article 10 The chairman shall call the meeting to order at the time scheduled for the meeting time. 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. </p>	<p>Article 10 The chairman shall call the meeting to order at the time scheduled for the meeting time- <u>and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.</u> 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. </p>	<p>To comply with the updated regulation</p>
<p>Article 11 If a shareholders meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on each separate proposal in the agenda. For each proposal (including extemporaneous 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.</p>	<p>Article 11 If a shareholders meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on each separate proposal in the agenda. For each proposal (including extemporaneous 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.</p>	<p>Revision according to the actual practice</p>

【 Attachment 4 】

Before Revision	After Revision	Reason
<p>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.</p>	<p>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, <u>and the list of directors and independent directors not elected and numbers of votes they received.</u></p>	<p>To comply with the updated regulation</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. 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.</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. 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. <u>The 4th amendment was made on June 16, 2021.</u></p>	<p>Correspondence to the amendment date.</p>

Wiwynn Corporation
The Election Regulations of Directors
 (Before and After Revision Chart)

Items	Before Revision	Items	After Revision	Reason
Article 9	If a candidate is a shareholder of this Company, voters shall fill in the “candidate” column of the ballot with the candidate’s account name and shareholder account number; if a candidate is not a shareholder, the voter shall fill in the column with the candidate’s full name and identity card number, and then voters shall drop the ballots into the ballot box. If the candidate is a government agency or a legal entity, the full name of the government agency or legal entity or the name(s) of their representative(s) should be filled in the column. In the event of multiple representatives, the names of each respective representative shall be separately filled in the column.	Article 9	If a candidate is a shareholder of this Company, voters shall fill in the “candidate” column of the ballot with the candidate’s account name and shareholder account number; if a candidate is not a shareholder, the voter shall fill in the column with the candidate’s full name and identity card number, and then voters shall drop the ballots into the ballot box. If the candidate is a government agency or a legal entity, the full name of the government agency or legal entity or the name(s) of their representative(s) should be filled in the column. In the event of multiple representatives, the names of each respective representative shall be separately filled in the column.	To comply with the updated regulation
Article 10	A ballot shall be null and void if such ballot: 1. Is not dropped into the ballot box; 2. Was not prepared by the Board of Directors; 3. Is not filled out by a voter or is blank; 4. Was filled with the name or shareholder’s number of the candidate inconsistent with the shareholders’ register, where the candidate is a shareholder of the Company; or was filled with the incorrect name or identity card number of the candidate, where the candidate is not a shareholder of the Company; 5. Contains any words or notations other than the candidate’s name or the shareholder’s account number, (or identity card number) and the number of voting rights allotted; 6. Contains any alteration to the candidate’s name, shareholder’s account number (or identity card number), or voting power; 7. Contains words or marks which are illegible or unrecognizable; or 8. Contains the name of a candidate, but fails to list the shareholder’s account number, or his or her identity card number so as to identify such person.	Article 9	A ballot shall be null and void if such ballot: 1. Is not dropped into the ballot box; 2. <u>The ballot was not prepared by a person with the right to convene the Board of Directors;</u> 3. Is not filled out by a voter or is blank; 4. <u>The candidate whose name is entered in the ballot does not conform to the director candidate list. Was filled with the name or shareholder’s number of the candidate inconsistent with the shareholders’ register, where the candidate is a shareholder of the Company; or was filled with the incorrect name or identity card number of the candidate, where the candidate is not a shareholder of the Company;</u> 5. <u>Other words or mark are entered in addition to the number of voting rights allotted. Contains any words or notations other than the candidate’s name or the shareholder’s account number, (or identity card number) and the number of voting rights allotted;</u> 6. <u>Contains any alteration to the candidate’s name, shareholder’s account number (or identity card number), or voting power;</u> 6.7. <u>Contains words or marks which are illegible or unrecognizable; or has been altered.</u> 8. <u>Contains the name of a candidate, but fails to list the shareholder’s account number, or his or her identity card number so as to identify such person.</u>	1. Amending article number 2. To comply with the updated regulation

【 Attachment 5 】

Items	Before Revision	Items	After Revision	Reason
Article 11	Article <u>10</u>	Amending article number
Article 12	Article <u>11</u>	Amending article number
Article 13	This Procedure was enacted on May 22, 2015. The 1st amendment was made on January 17, 2018.	Article <u>12</u>	This Procedure was enacted on May 22, 2015. The 1st amendment was made on January 17, 2018. The 2nd amendment was made on June 15, 2020. <u>The 3rd amendment was made on June 16, 2021.</u>	1. Amending article number 2. Correspondence to the amendment date.

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.

【Appendix 1】

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 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. The aforesaid meeting notice may be prepared in either written or electronic format.

Article 17 : 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.

【Appendix 1】

- 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 previous 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.

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.

【Appendix 2】

Wiwynn Corporation The Election Regulations of Directors

- Article 1 : Unless otherwise prescribed by relevant rules, the Company Act or the Articles of Incorporation of the Company, these Regulations shall govern the election of the directors of the Company.
- Article 2 : Directors of the Company shall be elected by a candidate nomination system whereby the shareholders elect directors from the nominees listed in the roster of director candidates published by the Company.
- Article 3 : The qualifications and election of the independent directors of the Company shall comply with the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and relevant practices shall be implemented pursuant to Article 24 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
- Article 4 : The directors of the Company shall be elected through the single recorded cumulative voting. Each share shall have voting rights equal to the number of directors to be elected by the holder. The holder of the shares may cast all of such votes for one candidate, or may distribute them among several candidates.
- Article 5 : The Company will calculate separately voting rights to elect independent directors and non-independent directors based on the number of seats specified, the candidates receiving the highest number of affirmative votes sequentially shall be elected. When two or more persons receive the same number of votes and the specified number of seats is exceeded, the two persons receiving the same number of votes shall draw lots to decide who shall serve; the chair shall draw lots on behalf of a non-attendee. The calculation of number of votes referred to in the preceding paragraph is based on the shareholders vote by an electronic voting system and written ballots.
- Article 6 : The Board of Directors shall prepare the ballots equal to the number of directors to be elected and note the number of voting rights, which then to be distributed to shareholders who attend the shareholders' meeting. However, the Company is not required to provide a ballot to the shareholder who exercise their voting power by the electronic voting system. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 7 : During the election, the chairman shall appoint vote counters and vote inspectors, while such vote inspectors shall be with shareholder status, to take charge of inspecting and counting the votes.
- Article 8 : A ballot box shall be provided by the Board of Directors and shall be kept in public view by the monitor before the vote.
- Article 9 : If a candidate is a shareholder of this Company, voters shall fill in the "candidate" column of the ballot with the candidate's account name and shareholder account number; if a candidate is not a shareholder, the voter shall fill in the column with the candidate's full name and identity card number, and then voters shall drop the ballots into the ballot box. If the candidate is a government agency or a legal entity, the full name of the government agency or legal entity or the name(s) of their representative(s) should be filled in the column. In the event of multiple representatives, the names of each respective representative shall be separately filled in the column.
- Article 10 : A ballot shall be null and void if such ballot:
1. Is not dropped into the ballot box;
 2. Was not prepared by the Board of Directors;
 3. Is not filled out by a voter or is blank;
 4. Was filled with the name or shareholder's number of the candidate inconsistent with the shareholders' register, where the candidate is a shareholder of the Company; or was filled with the incorrect name or identity card number of the candidate, where the candidate is not a shareholder of the Company;
 5. Contains any words or notations other than the candidate's name or the shareholder's account number (or identity card number) and the number of voting rights allotted;
 6. Contains any alteration to the candidate's name, shareholder's account number (or identity card number), or voting power;
 7. Contains words or marks which are illegible or unrecognizable; or
 8. Contains the name of a candidate, but fails to list the shareholder's account number, or his or her identity card number so as to identify such person.
- Article 11 : The inspector of election shall monitor the course of counting all ballots, and the chairman or a person designated by the chairman shall announce the voting results immediately thereafter, including the list of directors and independent directors elected and the numbers of votes such directors received.
The ballots for the election of directors 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 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the legal proceedings of the foregoing lawsuit have been concluded.
- Article 12 : These Regulations and any amendments hereto shall enter into force when approved by a resolution at a Shareholders' Meeting.
- Article 13 : This Procedure was enacted on May 22, 2015.
The 1st amendment was made on January 17, 2018.
The 2nd amendment was made on June 15, 2020.

【Appendix 3】

Wiwynn Corporation
Shareholdings of Directors

(Shareholdings as of April 17, 2021)

Title	Name	Number of Shares (Note)
Chairman	Wistron Corporation Representative: Simon Lin	78,418,129
Vice Chairman	Emily Hong	2,613,624
Director	Wistron Corporation Representative: Frank Lin	78,418,129
Director	Sunlai Chang	738,235
Director	Steven Lu	340,455
Independent Director	Charles Kau	0
Independent Director	Simon Dzeng	0
Independent Director	Cathy Han	0
Independent Director	Victor Cheng	0
Total		82,110,443

1. The current number of issued shares in the Company as of April 17, 2021 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.