

Stock Code : 6271

Tong Hsing Electronic Ind., Ltd.

**Handbook for the 2022
Annual Meeting of Shareholders**
(Translation)

Date : JUN 8, 2022

Location : No. 200, Sec. 1, Daxing W. Rd., Taoyuan Dist., Taoyuan City

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TONG HSING ELECTRONIC INDUSTRIES, LTD.
Meeting Procedure of 2022 Annual Shareholders' Meeting

- I. Meeting Called to Order
- II. Chairman's Remarks
- III. Announcements
- IV. Proposed Resolutions
- V. Discussions
- VI. Election
- VII. Other Matters
- VIII. Extempore Motions
- IX. Adjournment

TONG HSING ELECTRONIC INDUSTRIES, LTD.

Agenda of 2022 Annual Shareholders' Meeting

Time: 9 am (Wednesday), June 8, 2022

Venue: No. 200, Sec. 1, Daxing W. Rd., Taoyuan Dist., Taoyuan City (Hibiscus Hall, 3/F, Fullon Hotel)

Meeting method: Physical Shareholders' Meeting

I. Meeting Called to Order:

II. Chairman's Remarks:

III. Announcements

- (I) 2021 Business Report.
- (II) 2021 Employees' Compensation and Directors' Remuneration Distribution.
- (III) Audit Committee's Review Report for 2021.
- (IV) Short-form Merger with Kingpak Technology Inc.

IV. Proposed Resolutions:

- (I) 2021 Business Report and Financial Statements.
- (II) 2021 Earning Distribution.

V. Discussion:

- (I) Capital Reconstruction of the Company.
- (II) Amendments to the "Articles of Association".
- (III) Amendments to the "Procedures for Acquisition and Disposal of Assets".
- (IV) Amendments to the "Rules of Procedure for Shareholders' Meetings".

VI. Election:

- (I) Re-election of Directors.

VII. Other Matters:

- (I) Lifting the competition restrictions on new directors and their representatives.

VIII. Extempore Motions

IX. Adjournment

Announcements

Case 1:

Subject: Presenting the Company's 2021 Business Report.

Explanatory Notes: Please refer to Attachment I (Page 11 to 12) for the Company's 2021 Business Report.

Case 2:

Subject: Presenting the 2021 Employees' Compensation and Directors' Remuneration Distribution.

Explanatory Notes:

- I. According to the Article 19 or the Articles of Association, the Company shall set aside not less than 5% of its annual profit (profit means profit before tax, less employee compensation and director's remuneration) as employee compensation and not more than 2% as director's remuneration. However, if there are accumulated losses, the Company shall retain a sufficient amount to offset its accumulated losses in advance.
- II. In accordance with the Company's Articles of Association and the recommendation of Compensation Committee on March 17, 2022, it is proposed to distribute employees' compensation in the amount of NT\$170,600 thousand and directors' remuneration in the amount of NT\$68,200 thousand in cash.

Case 3:

Subject: Presenting the Audit Committee's Review Report for 2021.

Explanatory Notes:

Please refer to Attachment II (Page 13) for the Audit Committee's Review Report.

Case 4:

Subject: Presenting the Short-form Merger with Kingpak Technology Inc.

Explanatory Notes:

- I. In accordance with Article of the Business and Acquisitions Act and other related regulations, it is proposed that the Company will enter into a short-form merger with Kingpak Technology Inc. (Kingpak Technology).

- II. In accordance with Article 19 of the Business Mergers and Acquisitions Act and related regulations, a short-form merger will be conducted and a merger contract will be drawn up for the relevant matters.
- III. Regarding to the conversion ratio, it is not applicable because the Company merges its 100%-owned subsidiary and no new shares will be issued.
- IV. The proposed base date for the merger is June 30, 2022.
- V. Matters related to the surviving company's obligation to assume the rights and obligations of the dissolved company: With effect from the merger date, the Company (the surviving company) shall assume all the rights and obligations of Kingpak (the dissolved company) in general.
- VI. If this resolution requires a change of the base date due to the provisions of laws and regulations, administrative guidance from the competent authorities, or the factual need to change the content of this resolution, it is intended that the Chairman of the Board of Directors be authorized to handle the relevant procedures and sign the relevant documents in accordance with the Merger Agreement and relevant laws and regulations.

Proposed Resolutions

Case 1: Presenting 2021 Business Report and Financial Statements. (Proposed by the Board of Directors)

Explanatory Notes:

- I. The 2021 financial statements (including individual and consolidated statements) have been audited and cleared by KPMG and the Audit Committee of the Company, together with the Business Report.
- II. Please refer to Attachment III (pages 17-32) for the aforesaid balance sheet, consolidated statement of income, statement on change in equity, statement of cash flows and the auditors' report.
- III. Please refer to Attachment I (Page 11 to 12) for the Business Report.
- IV. Please proceed to accept

Resolution:

Case 2: Presenting the 2021 Earning Distribution. (Proposed by the Board of Directors)

Explanatory Notes:

- I. In accordance with the Company Act and the Company's Articles of Association, it is proposed to distribute cash dividends of NT\$9 per share and shareholders' bonuses of NT\$1,608,213,825. Please refer to Attachment IV (page 33) for the 2021 Earnings Distribution Proposal.
- II. The distribution ratio of this cash dividend case is calculated up to NT\$1, and those below NT\$1 are rounded down. The total amount of fractional cash dividends less than NT\$1 shall be included in other income of the Company.
- III. After the resolution of the shareholders' meeting, the chairman of the Board of Directors shall be authorized to set another ex-dividend date, payment date and other related matters. In the event that the number of outstanding shares of the Company as of the ex-dividend date is subsequently affected by the repurchase of the Company's shares or the transfer, conversion and cancellation of repurchased shares, the execution of employee stock options, the cancellation of new shares with restricted employee rights, changes in laws and regulations, approvals by the competent authorities, or other objective environmental amendments. If there is a need to revise the ratio of cash allotted to shareholders as a result of such changes, the Company shall authorize the chairman of the Board of Directors to handle the matter at his full discretion.
- IV. Please proceed to accept

Resolution:

Discussions

Case 1: Capital Reconstruction of the Company. (Proposed by the Board of Directors)

Explanatory Notes:

- I. In order to consider the overall operation and financial structure of the Company in the future, and to enhance the return on investment for shareholders and the Company's profitability per share, it is proposed to return the capital to shareholders through a cash capital reduction.
- II. Amount of capital reduction in cash: The actual total number of issued shares of the Company as of March 17, 2021 was 178,690,425 ordinary shares. The amount of cash capital reduction is set at NT\$178,690,420 and 17,869,042 shares will be eliminated, and the estimated number of ordinary shares after the capital reduction is 160,821,383. Based on the aforesaid capital reduction, the estimated capital reduction ratio is approximately 10% and the cash refund of NT\$1 per share shall be based on each shareholder's shareholding. However, the amount of paid-in capital after the capital reduction and the actual capital reduction ratio shall be calculated based on the total number of issued and outstanding shares as of the base date of the capital reduction and share exchange.
- III. Shares eliminated: Based on the calculation of each shareholder's shareholding as recorded in the shareholders' register on the base date of the capital reduction and conversion, each thousand shares shall be reduced by 100 shares (i.e., 900 shares per thousand shares). The total number of shares eliminated is 17,869,042 shares.
 - (1) After the capital reduction, the Company shall pay cash at par value for each fractional share up to NT\$ (unconditionally rounded down to the nearest NT\$), and the Chairman of the Company shall be authorized to purchase such shares at par value for each fractional share. If a shareholder has less than one fractional share of ordinary shares after the capital reduction, the shareholder may, from five days prior to the date of cessation of capital reduction and transfer to the day prior to the date of cessation of capital reduction and

transfer, apply to the Company's stock exchange agent for consolidation into whole shares, and the fractional shares of ordinary shares that are still less than one share after consolidation shall be paid in cash at the closing price on the last trading day of the public centralized stock exchange prior to the date of capital reduction and transfer, calculated up to NT\$ (unconditionally rounded down to the nearest NT\$). The Chairman of the Board of Directors shall be authorized to negotiate with a specific person to purchase the shares at that closing price.

- (2) The new shares to be issued under the cash capital reduction are intended to be issued without entities, and their rights and obligations are the same. After the approval at the shareholders' meeting and reporting to the competent authorities, the Chairman is authorized to set another "capital reduction base date" and "base date of capital reduction and share exchange" and other related matters.
- (3) If, due to amendments to laws and regulations, approvals by competent authorities, or amendments to other objective circumstances, the number of outstanding shares is affected and the cash reduction ratio and the refund amount per share are changed as a result of the capital reduction, the capital reduction and share exchange plan, the capital reduction and share exchange base date and the listing date of the new shares, it is proposed to authorize the Chairman of the Board of Directors to handle the matter at his full discretion.

IV. Please proceed to discuss.

Resolution:

Case 2: Amendments to the “Articles of Association”. (Proposed by the Board of Directors)

Explanatory Notes:

- I. In accordance with the amendment to Article 172-2 of the Company Act and the actual operational needs of the Company, it is proposed to amend certain provisions of the Company's "Articles of Association".
- II. Please refer to Attachment V (pages 34 to 36) for the comparison table of the “Articles of Association”.
- III. Please proceed to discuss.

Resolution:

Case 3: Amendments to the “Procedures for Acquisition and Disposal of Assets” (Proposed by the Board of Directors)

Explanatory Notes:

- I. Subject to FSC No. 1110380465 issued by the FSC on January 28, 2022, it is proposed to amend certain provisions of the Company's “Procedures for the Acquisition and Disposal of Assets”.
- II. Please refer to Attachment VII (pages 43 to 55) for the comparison table of the “Procedures for the Acquisition and Disposal of Assets”.
- III. Please proceed to discuss.

Resolution:

Case 4: Amendments to the “Rules of Procedure for Shareholders’ Meetings”. (Proposed by the Board of Directors)

Explanatory Notes:

- I. Subject to FSC No. 1110133385 issued by the FSC on March 7, 2022, it is proposed to amend certain provisions of the Company's “Rules of Procedure for Shareholders’ Meetings”.
- II. Please refer to Attachment IX (pages 71 to 86) for the comparison table of the “Rules of Procedure for Shareholders' Meetings”.
- III. Please proceed to discuss.

Resolution:

Election Matters

Case 1: Re-election of Directors. (Proposed by the Board of Directors)

Explanatory Notes:

- I. The term of office of the 17th Board of Directors of the Company will expire on June 20, 2022, and it is proposed to conduct a re-election at the 2022 Annual Shareholders' Meeting.
- II. In accordance with Article 13 of the Company's Articles of Association, the Audit Committee shall consist of all independent directors. Nine directors shall be elected for the 18th term, including three independent directors. The election of directors shall be based on a candidate nomination system. The list of director candidates has been approved by the Board of Directors on March 17, 2022, and the shareholders shall elect the candidates from the list of director candidates in accordance with Article 192-1 of the Company Act.
- III. The original 17th Board of Directors will be dismissed after the current election of new directors. The term of office of the new Board of Directors shall be three years from the date of election at the shareholders' meeting and shall commence on June 8, 2022 and end on June 7, 2025.
- IV. Please refer to Attachment XI (pages 90 to 93) for the list of director candidates.
- V. Please proceed to elect.

Election results:

Other Matters

Case 1: Lifting the competition restrictions on new directors and their representatives. (Proposed by the Board of Directors)

Explanatory Notes:

- I. In accordance with 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.
- II. If the Company's newly elected directors and their representatives invest in other companies with the same or similar business scope as the Company, without prejudice to the Company's interests, it is proposed to lift the competition restrictions on new directors and their representatives.
- III. The details of the positions held by the 18th Board of Directors elected at the Annual Shareholders' Meeting are listed below.
- IV. Please proceed to discuss.

Title	Name	Current position in other companies
Director	Tie-Min Chen	Chairman, Yageo Corporation Chairman, Kuo Hsin Investment Co.
Director	Huan Tai Co., Ltd. Representative: Chia-Shuai Chang	President, Xsemi Corporation
Director	Huan Tai Co., Ltd. Representative: Pen-Chi Chen	Vice President, Kaimei Electronic Corporation Director Representative, Kaimei Electronic (Hong Kong) Limited Director Representative, Kaijet Technology International Corporation Director Representative, Kaimei Electronic (Suzhou) Limited Director Representative, Ralec Co., Ltd. Director Representative, Ralec Technology (Hong Kong) Limited Supervisor, Ralec Trading (Kunshan) Co., Ltd. Supervisor, Ralec Technology (Kunshan) Co., Ltd. Supervisor, Ralec Electronic Technology (Hunan) Co., Ltd. Director Representative, ASJ Holdings Pte Limited Director Representative, ASJ Pte . Limited Director Representative, ASJ (Hong Kong) Limited

Title	Name	Current position in other companies
Director	Shi Hen Enterprise Limited Representative: Shu-Chen Tsai	Chairman, Hsin Bung International Co., Ltd.
Director	Kaimei Electronic Corporation Representative: Shu-Hui Chen	Accounting Officer, Kaimei Electronic Corporation Director Representative, Teapo (Dongguan) Electronic Corporation Director Representative, Teapo (Hong Kong) Electronic Corporation Director Representative, Kaimei Electronic (Hong Kong) Limited Director Representative, Teapo (Bermuda) Holdings Limited Director Representative, Kaijet Technology International Corporation Director Representative, Kaimei Electronic (Suzhou) Limited
Independent Director	Chin-Tsai Chen	Vice Chairman, HIWIN Technologies Corporation Chairman, Win Semiconductors Corporation Independent Director/ Committee Member of Compensation Committee/ Committee Member of Audit Committee, Kinsus Interconnect Technology Corporation Corporate Supervisor Representative, Infotel Inc. Corporate Director Representative, Xin Sheng San Chairman, Win Semi USA Chairman, Win Cayman Chairman, ITEQ Corporation Corporate Director Representative, Mercuries Life Insurance Co., Ltd. Independent Director/ Committee Member of Compensation Committee/ Committee Member of Audit Committee, Inventec Besta Co., Ltd.
Independent Director	Ta-Sheng Chiu	President, Moldavit International Co., Ltd.
Independent Director	Yueh-Hsiang Tsai	Director, NEUCHIPS INC. Director, TIA CAPITAL ADVISORS INC.

Resolution:

Extempore Motions

Adjournment

Attachment I

TONG HSING ELECTRONIC INDUSTRIES, LTD. 2021 Business Report

I. 2021 Business Report:

(I) Operating Policies

1. Continuously improve the quality of the products and services to enhance customer satisfaction.
2. Continuously improve processes, increase yields and implement automated systems to reduce production costs.
3. Strengthen the cooperation with suppliers to build long-term partnership.
4. Continuously invest in innovation and R&D to develop new materials, equipment and process technology applications to provide differentiated products and services.
5. Integrate process technologies of substrates fabrication, packaging and testing to provide customers with complete turnkey solutions.

(II) Implementation Overview and Operation Plan Implementation Results, Profitability Analysis:

1. Comparison of Consolidated Statement of Comprehensive Income for 2021 and 2020

Unit: NT\$ thousands

Item	Audited Financial Statement				Differences	
	2021		2020		Amount	%
	Amount	%	Amount	%		
Net Operating Income	13,860,114	100	10,178,002	100	3,682,112	36
Realized Gross Operating Profit	4,614,796	33	2,895,796	28	1,719,000	59
Operating Expenses	1,218,430	8	890,349	8	328,081	37
Net Operating Income	3,396,366	25	2,005,447	20	1,390,919	69
Non-operating Income and Expense	(14,441)	(1)	(156,642)	(2)	142,201	91
Net Profit Before Tax	3,381,925	24	1,848,805	18	1,533,120	83
Net Profit After Tax	2,764,692	20	1,450,675	14	1,314,017	91

2. Operating Performance Analysis

(1) Consolidated Net Operating Income:

In 2021, including the effect of the profit from the consolidated subsidiary Kingpak, the consolidated net operating revenue reached NT\$13,860,114 thousand, a 36% increase of NT\$3,682,112 thousand compared to the consolidated net operating revenue of NT\$10,178,002 thousand in 2020.

(2) Profitability:

Consolidated net income of NT\$2,764,692 thousand in 2021 increased by NT\$1,314,017 thousand, or 91%, from NT\$1,450,675 thousand in 2020, and earnings per share were NT\$15.49.

(3) Budget implementation:

The Company has not made any financial projections for 2021 and therefore does not need to disclose its budgetary performance.

(4) Research and Development:

With the efforts of our R&D team, the Company has achieved good results in the development of high frequency communication, high power semiconductor components and image sensor packaging technologies in fiscal 2021, which contributes to the Company's revenue and profit growth.

I. 2022 Business Plan

(I) Expected Sales Volume and Significant Production and Sales Basis

The Company is engaged in the manufacture and sale of high frequency wireless communications, hybrid integrated circuit module assembly, image sensor packaging and testing services, and ceramic circuit boards.

The main growth factors in 2022 shall come from:

- 1.The trend of demand for self-driving functions in automobiles will continue for years and boost the high growth demand for automotive image sensors.
- 2.Demand for high-power LEDs and high-power semiconductors, driven by trends in clean energy and electric vehicles, will also continue to boost the breakthrough growth of ceramic circuit boards and module assembly services.
- 3.The emergence of new networked communication applications, new business models and the concept of metaverse will also accelerate the development of new wireless communication industry and image sensor applications.
- 4.As rocket launch and satellite transmission technologies become more mature, the low-orbit satellite communication industry will continue to grow.

(II) The Impact of External Competitive Environment, Legal Regulations, and Overall Business Environment

Looking forward to 2022, the COVID-19 epidemic has not yet subsided, the U.S.-China trade conflict continues, and customers' demand and emphasis on ESG, resulting in the global energy and raw material costs continue to rise, supply chain and logistics supply continue to be tight, competition for talent and labor costs continue to rise, and other business pressure. The Company will focus on growth industries, improve production efficiency, integrate corporate resources to respond to changes in the external environment, and be cautiously optimistic about the Company's future performance and business outlook.

(III) Future Development Strategy

1. Continuous Investment in Taiwan:

The Company will keep its roots in Taiwan. In addition to the opening of the Bade plant, the Company will also expand its production capacity in New Taipei City, Taoyuan and Hsinchu to increase production scale and efficiency.

2. Adjusting Customer and Product Portfolio:

We focus on the growth industries of communications and metaverse, automotive, energy, and biomedical to develop high value-added products.

3. Developing Long-Term Partnerships:

We are committed to developing long-term partnerships with global strategic customers and suppliers to explore new growth opportunities through collaboration.

4. Organizational Management and Intergroup Cooperation:

We strengthen the cooperation between production and sales of each business unit, share resources and integrate information systems among the group, in order to continuously improve quality and production processes, enhance cost competitiveness, improve operational efficiency and build a responsible corporate culture.

I wish to thank all our shareholders for your attendance, long-term support, and encouragement. I wish you all health, peace, and happiness.

Tie-Min Chen, Chairman of the Board

Shao-Pin Ru, CEO

Chia-Li Huang, Finance Director

Attachment II

TONG HSING ELECTRONIC INDUSTRIES, LTD.

Audit Committee's Review Report

Hereby

The Board of Directors has prepared and submitted the 2021 financial statements (including individual and consolidated statements) of the Company, which have been audited and certified as complete by CPAs Szu-Chuan Chien and Ms. Jui-Lan, Lo from KPMG. We have audited the aforesaid financial statements, business report and earning distributions and found that there are no discrepancies. We hereby respectfully prepare and present this report in accordance with Article 14-4 of Securities and Exchange Act and Article 210 of the Company Act for your review.

To:

2022 Annual Shareholders' Meeting

TONG HSING ELECTRONIC INDUSTRIES, LTD.

Convener of the Audit Committee: Tun-Son Lin

Date: March 17, 2022

Independent Auditors' Report

To the Board of Directors of Tong Hsing Electronic Industries, Ltd.:

Opinion

We have audited the parent company only financial statements of Tong Hsing Electronic Industries, Ltd. which comprise the parent company only balance sheets as of December 31, 2021 and 2020, the parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2021 and 2020, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of other auditor (please refer to Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of Tong Hsing Electronic Industries, Ltd. as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the parent company only Financial Statements section of our report. We are independent of Tong Hsing Electronic Industries, Ltd. 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. Based on our audits and the report of other auditor, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Other Matter

We did not audit the financial statements of KINGPAK Technology Inc. ("KINGPAK"), which represented investment in other entity accounted for using the equity method of the Company. Those financial statements were audited by other auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for KINGPAK, is based solely on the report of other auditor. The Investment of KINGPAK accounted for using the equity method constituting 44.62% of the total assets as of December 31, 2020; and the related share of profit of subsidiaries, associates and joint ventures accounted for the using equity method from the date of merger to December 31, 2020, constituting 5.61% of the total profit before tax for the year ended December 31, 2020.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements of the current period. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters we judged shall be presented in the financial report as follows:

1. Valuation of inventories

Please refer to Note (4)(g) and Note (5)(a) of the parent company only financial statements for inventories accounting policy, and accounting assumptions and estimation uncertainty of inventory valuation, respectively. Information regarding inventory and related expenses are shown in Note (6)(f) of the parent company only financial statements.

Explanation to key audit matter:

Due to the impact of product life cycle and industrial competition in electronics industry, the price variability for the inventory of Tong Hsing Electronic Industries, Ltd. is expected. Therefore, the inventory valuation is one of the key audit matters in our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: testing control of inventory usage and storage management; inspecting the inventory aging statement, and analyzing the change of aging for different periods; performing sampling procedures and inspecting the rationality in order to verify the correctness of inventories aging statement; performing a retrospective review of historical accuracy of inventory valuation, considering the impact of COVID-19 pandemic, and reviewing the adequacy of the accounting policies.

2. Impairment of investments accounted for using equity method-subsiary

Please refer to Note (4)(l) “Impairment of non-financial assets” of the parent company only financial statements for the accounting policy related to the impairment of investments accounted for using equity method; Note (5)(b) for the uncertainty of accounting estimations and assumptions for goodwill impairment; Note (6)(g) “Investments accounted for using equity method” for details related to impairment and investment of investments accounted for using equity method.

Explanation to key audit matter:

Tong Hsing Electronic Industries, Ltd. fully acquired KINGPAK Technology Inc. by stock exchange on June 19, 2020 (the effective date). Management periodically assesses if there is any indication of impairment. The amounts of investments accounted for using the equity method are significant, and assessing intangible assets such as goodwill involves complex calculations. Thus, the investment impairment assessment under the equity method is one of the most important evaluations in performing our audit procedures of Tong Hsing Electronic Industries, Ltd.

How the matter was addressed in our audit:

Our principal audit procedures included the following:

- Understand and assess the cash-generating unit that the management has identified to impair and any indication of impairment, the reasonableness of the management's method of measuring the recoverable amount, and the accuracy of management's past forecasts.
- Evaluate the professional competence, objectivity, experience, and valuation of external experts.
- Reviewing the appropriateness and correctness of the variables from the external professional' s appraisal pertaining to the testing of the impairment of KINGPAK Technology Inc.

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

Management is responsible for the preparation and fair presentation of the parent company only 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 the parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing Tong Hsing Electronic Industries, Ltd.'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 the management either intends to liquidate Tong Hsing Electronic Industries, Ltd. or to cease its operations, or there is no realistic alternative but to do so.

Those charged with governance (including the audit committee) are responsible for overseeing Tong Hsing Electronic Industries, Ltd.'s financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 parent company only financial statements.

As part of an audit in accordance with the 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 parent company only 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 Tong Hsing Electronic Industries, Ltd.'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 Tong Hsing Electronic Industries, Ltd.'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 parent company only 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 auditors' report. However, future events or conditions may cause Tong Hsing Electronic Industries, Ltd. to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only 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 the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Szu-Chuan Chien and Jui-Lan Lo.

KPMG

Taipei, Taiwan (Republic of China)

March 17, 2022

Notes to Readers

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

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

(English Translation of Financial Statements Originally Issued in Chinese.)
TONG HSING ELECTRONIC INDUSTRIES, LTD.

Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

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

		<u>2021</u>		<u>2020</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Sales revenue	\$ 10,455,050	101	8,812,211	101
4170	Less: sales returns and allowances	<u>66,399</u>	<u>1</u>	<u>50,316</u>	<u>1</u>
4100	Net sales revenue	10,388,651	100	8,761,895	100
5110	Cost of sales	<u>7,450,707</u>	<u>72</u>	<u>6,378,646</u>	<u>73</u>
5900	Gross profit	<u>2,937,944</u>	<u>28</u>	<u>2,383,249</u>	<u>27</u>
6000	Operating expenses:				
6100	Selling expenses	176,232	2	149,955	2
6200	Administrative expenses	425,044	4	343,711	4
6300	Research and development expenses	139,938	1	136,039	1
6450	Expected credit losses (gains)	<u>42,336</u>	<u>-</u>	<u>(11,116)</u>	<u>-</u>
		<u>783,550</u>	<u>7</u>	<u>618,589</u>	<u>7</u>
6900	Net operating income	<u>2,154,394</u>	<u>21</u>	<u>1,764,660</u>	<u>20</u>
	Non-operating income and expenses:				
7100	Interest income	18,349	-	10,836	-
7190	Other income	48,455	-	17,094	-
7230	Foreign exchange (losses) gains, net	(80,761)	(1)	(105,598)	(1)
7235	Gains (losses) on current financial assets (liabilities) at fair value through profit or loss	41,637	-	(16,077)	-
7070	Share of profit (loss) of subsidiaries, associates and joint ventures accounted for using equity method	992,937	10	129,395	1
7510	Finance cost—interest expense	(2,261)	-	(2,732)	-
7590	Miscellaneous disbursements	<u>(199)</u>	<u>-</u>	<u>(603)</u>	<u>-</u>
		<u>1,018,157</u>	<u>9</u>	<u>32,315</u>	<u>-</u>
7900	Profit before tax	3,172,551	30	1,796,975	20
7950	Less: tax expenses	<u>407,859</u>	<u>4</u>	<u>346,300</u>	<u>4</u>
	Profit	<u>2,764,692</u>	<u>26</u>	<u>1,450,675</u>	<u>16</u>
	Other comprehensive income:				
	Items that may not be reclassified to profit or loss				
8311	Remeasurements of defined benefit plans	(44,565)	-	(20,891)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	338	-	-	-
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	41,137	-	(11,967)	-
8349	Income tax that may not be reclassified to profit or loss	<u>8,913</u>	<u>-</u>	<u>4,178</u>	<u>-</u>
		<u>5,823</u>	<u>-</u>	<u>(28,680)</u>	<u>-</u>
	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(36,599)	-	(59,433)	-
8399	Income tax that may be reclassified to profit or loss	<u>7,749</u>	<u>-</u>	<u>15,703</u>	<u>-</u>
		<u>(28,850)</u>	<u>-</u>	<u>(43,730)</u>	<u>-</u>
	Other comprehensive income	<u>(23,027)</u>	<u>-</u>	<u>(72,410)</u>	<u>-</u>
8500	Comprehensive income	<u>\$ 2,741,665</u>	<u>26</u>	<u>1,378,265</u>	<u>16</u>
	Earnings per share				
9750	Basic earnings per share	<u>\$ 15.49</u>		<u>7.88</u>	
9850	Diluted earnings per share	<u>\$ 15.40</u>		<u>7.84</u>	

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese.)
TONG HSING ELECTRONIC INDUSTRIES, LTD.

Statements of Changes in Equity

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

	Retained earnings					Other equity interest				
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Total retained earnings	Exchange differences on translation of financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Unearned employee compensation	Total other equity interest	Total equity
Balance on January 1, 2020	\$ 1,653,575	4,997,188	1,335,844	74,592	2,179,238	(63,711)	-	-	(63,711)	10,176,726
Net income for the year ended December 31, 2020	-	-	-	-	1,450,675	-	-	-	-	1,450,675
Other comprehensive income for the year ended December 31, 2020	-	-	-	-	(28,680)	(43,730)	-	-	(43,730)	(72,410)
Total comprehensive income for the year ended December 31, 2020	-	-	-	-	1,421,995	(43,730)	-	-	(43,730)	1,378,265
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	74,300	-	(74,300)	-	-	-	-	-
Special reserve appropriated	-	-	-	22,819	(22,819)	-	-	-	-	-
Cash dividends of ordinary share	(578,751)	-	-	-	(578,751)	-	-	-	-	(578,751)
Capital reduction	712,901	10,144,616	-	-	-	-	-	(57,074)	(57,074)	10,800,443
Shares issued for business combination	(642)	(21,636)	-	-	73	(107,441)	-	33,806	33,806	11,601
Share-based payments	1,787,083	15,120,168	1,410,144	97,411	2,925,436	(107,441)	-	(23,268)	(130,709)	21,209,533
Balance on December 31, 2020	-	-	-	-	2,764,692	-	-	-	-	2,764,692
Net income for the year ended December 31, 2021	-	-	-	-	5,240	(28,850)	583	-	(28,267)	(23,027)
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	2,769,932	(28,850)	583	-	(28,267)	2,741,665
Total comprehensive income for the year ended December 31, 2021	-	-	-	-	2,769,932	(28,850)	583	-	(28,267)	2,741,665
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	142,208	-	(142,208)	-	-	-	-	-
Special reserve appropriated	-	-	-	43,730	(43,730)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(982,896)	-	-	-	-	(982,896)
Share-based payments	(104)	(1,748)	-	-	-	-	-	16,491	16,491	14,639
Balance on December 31, 2021	\$ 1,786,979	15,118,420	1,552,352	141,141	4,526,534	(136,291)	583	(6,777)	(142,485)	22,982,941

(English Translation of Financial Statements Originally Issued in Chinese.)
TONG HSING ELECTRONIC INDUSTRIES, LTD.

Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	2021	2020
Cash flows from (used in) operating activities:		
Profit before tax	\$ 3,172,551	1,796,975
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	1,163,141	752,706
Amortization expense	8,756	10,501
Expected credit losses (gains)	42,336	(11,116)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(41,637)	16,077
Interest expense	2,261	2,732
Interest income	(18,349)	(10,836)
Dividend income	(3,867)	-
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	(992,937)	(129,395)
Loss on disposal of property, plant and equipment	199	32
Other	10,888	(1,277)
Total adjustments to reconcile profit (loss)	170,791	629,424
Changes in operating assets and liabilities:		
(Increase) decrease in current financial assets and liabilities at fair value through profit or loss	401,588	(510,814)
(Increase) decrease in contract assets	44,341	(52,439)
Increase in accounts receivable	(375,190)	(74,596)
(Increase) decrease in other receivables	6,276	(18,833)
Increase in inventories	(126,319)	(118,411)
Increase in prepayments	(13,626)	(2,029)
Decrease in other current assets	264	1,858
Increase (decrease) in contract liabilities – current	28,333	(109)
Increase (decrease) in notes and accounts payable	(41,510)	244,638
Increase in other payables	240,408	296,178
Increase in other current liabilities	22,701	4,128
Decrease in net deferred benefit liabilities	(5,550)	(5,403)
	181,716	(235,832)
Cash inflow generated from operations	3,525,058	2,190,567
Interest received	15,053	11,441
Dividends received	3,867	176,019
Interest paid	(2,209)	(2,732)
Income taxes paid	(367,114)	(190,522)
Net cash flows from operating activities	3,174,655	2,184,773
Cash flows from (used in) investing activities:		
Acquisition of non-current financial assets at fair value through profit or loss	(24,925)	(472,709)
Proceeds from disposal of non-current financial assets at fair value through profit or loss	39,081	-
Acquisition of non-current financial assets at fair value through other comprehensive income	(202,980)	-
Acquisition of non-current financial assets at amortized cost	-	(227,840)
Acquisition of property, plant and equipment	(1,991,082)	(1,597,294)
Proceeds from disposal of property, plant and equipment	28,979	19,901
Increase in refundable deposits	(182)	(1,090)
Acquisition of intangible assets	(1,300)	(6,915)
Increase in other financial assets	-	(405)
Net cash flows used in investing activities	(2,152,409)	(2,286,352)
Cash flows from (used in) financing activities:		
Proceeds from long-term debt	63,000	-
Increase in guarantee deposits received	3,413	-
Payment of lease liabilities	(13,303)	(8,383)
Cash dividends paid	(982,896)	(578,678)
Capital reduction by cash	-	(578,751)
Exercise of employee share options	-	2,814
Net cash flows used in financing activities	(929,786)	(1,162,998)
Net increase(decrease) in cash and cash equivalents	92,460	(1,264,577)
Cash and cash equivalents at beginning of period	2,022,398	3,286,975
Cash and cash equivalents at end of period	\$ 2,114,858	2,022,398

Independent Auditors' Report

To the Board of Directors of Tong Hsing Electronic Industries, Ltd.:

Opinion

We have audited the consolidated financial statements of Tong Hsing Electronic Industries, Ltd. and its subsidiaries which comprise the consolidated balance sheets as of December 31, 2021 and 2020, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of other auditor (please refer to Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Tong Hsing Electronic Industries, Ltd. and its subsidiaries as at December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of Tong Hsing Electronic Industries, Ltd. and its subsidiaries 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. Based on our audits and the report of other auditor, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Other Matter

We did not audit the financial statements of KINGPAK Technology Inc. ("KINGPAK"), a subsidiary of the Group. Those financial statements were audited by other auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for KINGPAK, is based solely on the report of other auditor. The financial statements of KINGPAK reflect the total assets amounting to \$3,200,464 thousand, constituting 12.58% of the consolidated total assets as of December 31, 2020 ; and the total net sales revenue amounting to \$1,358,600 thousand from the date of merger to December 31,2020, constituting 13.35% of the consolidated total net sales for the year ended December 31, 2020.

Tong Hsing Electronic Industries, Ltd. has additionally prepared its parent company only financial statements for the years ended December 31, 2021 and 2020, on which we have issued an unqualified opinion with other matter paragraph.

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. The key audit matters we judged shall be presented in the financial report as follows:

1. Valuation of inventories

Please refer to Note (4)(h) and Note (5)(a) of the consolidated financial statements for inventories accounting policy, and accounting assumptions and estimation uncertainty of inventory valuation, respectively. Information regarding inventory and related expenses are shown in Note (6)(f) of the consolidated financial statements.

Explanation to key audit matter:

Due to the impact of product life cycle and industrial competition in electronics industry, the price variability for the inventory of Tong Hsing Electronic Industries, Ltd. and its subsidiaries is expected. Therefore, the inventory valuation is one of the key audit matters in our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: testing control of inventory usage and storage management; inspecting the inventory aging statement, and analyzing the change of aging for different periods; performing sampling procedures and inspecting the rationality in order to verify the correctness of inventories aging statement; performing a retrospective review of historical accuracy of inventory valuation, considering the impact of COVID-19 pandemic, and reviewing the adequacy of the accounting policies.

2. Impairment evaluation of intangible assets:

Please refer to Note (4)(k) and Note (4)(l) “intangible assets“ and “Impairment of non-financial assets” of the consolidated financial statements for the accounting policy related to the impairment of intangible; Note (5)(b) for the uncertainty of accounting estimations and assumptions for goodwill impairment; Note (6)(j) “intangible assets” for details related to impairment of intangible assets.

Explanation to key audit matter:

Tong Hsing Electronic Industries, Ltd. fully acquired KINGPAK Technology Inc. by stock exchange on June 19,2020 (the effective date). Management periodically assesses if there is any indication of impairment. The amounts of investments are significant, and assessing intangible assets such as goodwill involves complex calculations. Thus, the Impairment evaluation of intangible assets is one of the most important evaluations in performing our audit procedures of Tong Hsing Electronic Industries, Ltd.

How the matter was addressed in our audit:

Our principal audit procedures included the following:

- Understand and assess the cash-generating unit that the management has identified to impair and any indication of impairment, the reasonableness of the management's method of measuring the recoverable amount, and the accuracy of management's past forecasts.
- Evaluate the professional competence, objectivity, experience, and valuation of external experts.
- Reviewing the appropriateness and correctness of the variables from the external professional' s appraisal pertaining to the testing of the impairment of KINGPAK Technology Inc.

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 with the IFRSs, IASs, IFRC, SIC endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing Tong Hsing Electronic Industries, Ltd. and its subsidiaries' ability to continue as a going concern disclosing, as applicable, matters related to going concern and using the going concern basis of accounting. Unless the management either intends to liquidate Tong Hsing Electronic Industries, Ltd. and its subsidiaries or to cease its operations, there is no realistic alternative but to do so.

Those charged with governance (including the audit committee) are responsible for overseeing Tong Hsing Electronic Industries, Ltd. and its subsidiaries' financial reporting process.

Auditors' 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 auditors' 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 the 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 Tong Hsing Electronic Industries, Ltd. and its subsidiaries'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 Tong Hsing Electronic Industries, Ltd. and its subsidiaries' 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 auditors' report. However, future events or conditions may cause Tong Hsing Electronic Industries, Ltd. and its subsidiaries 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 Tong Hsing Electronic Industries, Ltd. and its subsidiaries 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 Szu-Chuan Chien and Jui-Lan Lo.

KPMG

Taipei, Taiwan (Republic of China)
March 17, 2022

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)
TONG HSING ELECTRONIC INDUSTRIES, LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2021		December 31, 2020		December 31, 2021		December 31, 2020		
	Amount	%	Amount	%	Amount	%	Amount	%	
Assets					Liabilities and Equity				
Current assets:					Current liabilities:				
1100 Cash and cash equivalents	\$ 4,383,697	16	3,791,174	15	2100 Short-term borrowings			269,000	1
1110 Current financial assets at fair value through profit or loss	239,277	1	615,940	3	2110 Short-term notes and bills payable			50,000	-
1170 Accounts receivable, net	2,226,478	8	1,820,573	7	2120 Current financial liabilities at fair value through profit or loss				
1200 Other receivables	49,178	-	57,024	-	2130 Contract liabilities—current	4,609	-		-
1310 Inventories	1,830,269	7	1,519,181	6	2170 Notes and accounts payable	365,436	1	339,573	1
1410 Prepayments	49,979	-	38,892	-	2200 Other payables	1,013,128	4	948,815	4
1470 Other current assets	70,913	-	82,892	-	2230 Current tax liabilities	1,784,976	6	1,495,648	6
1476 Other financial assets—current	34,024	-	36,857	-	2250 Current provisions	693,088	3	487,857	2
	8,883,815	32	7,962,533	31	2280 Lease liabilities—current	127,873	1	140,808	1
					2300 Other current liabilities	19,431	-	13,189	-
Non-current assets:								56,760	-
1510 Non-current financial assets at fair value through profit or loss	455,389	2	452,443	2		4,086,887	15	3,801,650	15
1518 Non-current financial assets at fair value through other comprehensive income	350,563	1	-	-	Non-Current liabilities:				
1535 Non-current financial assets at amortized cost	221,440	1	227,840	1	2540 Long-term borrowings	62,500	-		-
1600 Property, plant and equipment	8,740,923	32	7,825,277	31	2570 Deferred tax liabilities	114,939	1	106,398	1
1755 Right-of-use assets	103,487	-	108,648	-	2580 Lease liabilities—non-current	85,416	-	96,175	-
1780 Intangible assets	8,502,072	31	8,614,290	34	Other non-current liabilities	5,546	-	4,130	-
1840 Deferred tax assets	251,510	1	219,233	1	Net defined benefit liability—non-current	199,627	1	219,287	1
1900 Other non-current assets	23,252	-	21,504	-	Total liabilities	468,028	2	425,990	2
1980 Other financial assets—non-current	5,405	-	5,405	-	Equity:	4,554,915	17	4,227,640	17
	18,654,041	68	17,474,640	69	Equity attributable to owners of parent:				
					Ordinary shares			1,786,979	6
					Capital surplus			15,118,420	55
					Legal reserve			1,552,352	6
					Special reserve			141,141	1
					Unappropriated retained earnings			4,526,534	16
					Other equity interest			(142,485)	(1)
					Total equity			22,982,941	83
Total assets	\$ 27,537,856	100	25,437,173	100	Total liabilities and equity			27,537,856	100

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)
TONG HSING ELECTRONIC INDUSTRIES, LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

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

		<u>2021</u>		<u>2020</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Sales revenue	\$ 13,986,645	101	10,259,318	101
4170	Less: sales returns and allowances	<u>126,531</u>	<u>1</u>	<u>81,316</u>	<u>1</u>
4100	Net sales revenue	13,860,114	100	10,178,002	100
5110	Cost of sales	<u>9,245,318</u>	<u>67</u>	<u>7,282,206</u>	<u>72</u>
5900	Gross profit	<u>4,614,796</u>	<u>33</u>	<u>2,895,796</u>	<u>28</u>
6000	Operating expenses:				
6100	Selling expenses	244,602	2	182,048	1
6200	Administrative expenses	648,840	4	517,253	5
6300	Research and development expenses	283,762	2	206,758	2
6450	Expected credit losses (gains)	<u>41,226</u>	<u>-</u>	<u>(15,710)</u>	<u>-</u>
		<u>1,218,430</u>	<u>8</u>	<u>890,349</u>	<u>8</u>
6900	Net operating income	<u>3,396,366</u>	<u>25</u>	<u>2,005,447</u>	<u>20</u>
	Non-operating income and expenses:				
7100	Interest income	21,272	-	13,858	-
7190	Other income	32,372	-	33,795	-
7230	Foreign exchange (losses) gains, net	(92,000)	(1)	(173,916)	(2)
7235	Gains (losses) on current financial assets (liabilities) at fair value through profit or loss	45,799	-	(16,077)	-
7510	Finance cost—interest expense	(3,752)	-	(5,491)	-
7590	Miscellaneous disbursements	<u>(18,132)</u>	<u>-</u>	<u>(8,811)</u>	<u>-</u>
		<u>(14,441)</u>	<u>(1)</u>	<u>(156,642)</u>	<u>(2)</u>
7900	Profit before tax	3,381,925	24	1,848,805	18
7950	Less: tax expenses	<u>617,233</u>	<u>4</u>	<u>398,130</u>	<u>4</u>
	Profit	<u>2,764,692</u>	<u>20</u>	<u>1,450,675</u>	<u>14</u>
	Other comprehensive income:				
	Items that may not be reclassified to profit or loss				
8311	Remeasurements of defined benefit plans	6,174	-	(35,396)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	583	-	-	-
8349	Income tax on items that may not be reclassified to profit or loss	<u>(934)</u>	<u>-</u>	<u>6,716</u>	<u>-</u>
		<u>5,823</u>	<u>-</u>	<u>(28,680)</u>	<u>-</u>
	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(36,599)	-	(59,433)	-
8399	Income tax that may be reclassified to profit or loss	<u>7,749</u>	<u>-</u>	<u>15,703</u>	<u>-</u>
		<u>(28,850)</u>	<u>-</u>	<u>(43,730)</u>	<u>-</u>
	Other comprehensive income	<u>(23,027)</u>	<u>-</u>	<u>(72,410)</u>	<u>-</u>
8500	Comprehensive income	<u>\$ 2,741,665</u>	<u>20</u>	<u>1,378,265</u>	<u>14</u>
	Earnings per share				
9750	Basic earnings per share	<u>\$ 15.49</u>		<u>7.88</u>	
9850	Diluted earnings per share	<u>\$ 15.40</u>		<u>7.84</u>	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)
TONG HSING ELECTRONIC INDUSTRIES, LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	Ordinary shares	Capital surplus	Retained earnings			Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Unearned employee compensation	Total other equity interest	Total equity
			Legal reserve	Special reserve	Unappropriated retained earnings						
Balance on January 1, 2020	\$ 1,653,575	4,997,188	1,335,844	74,592	2,179,238	3,589,674	(63,711)	-	-	10,176,726	
Consolidated net income for the year ended December 31, 2020	-	-	-	-	1,450,675	1,450,675	-	-	-	1,450,675	
Other comprehensive income for the year ended December 31, 2020	-	-	-	-	(28,680)	(28,680)	(43,730)	-	-	(72,410)	
Total comprehensive income for the year ended December 31, 2020	-	-	-	-	1,421,995	1,421,995	(43,730)	-	-	1,378,265	
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	74,300	-	(74,300)	-	-	-	-	-	
Special reserve appropriated	-	-	-	22,819	(22,819)	-	-	-	-	-	
Cash dividends of ordinary share	(578,751)	-	-	-	(578,751)	(578,751)	-	-	-	(578,751)	
Capital reduction	712,901	10,144,616	-	-	-	-	-	(57,074)	(57,074)	10,800,443	
Shares issued for business combination	(642)	(21,636)	-	-	73	73	-	33,806	33,806	11,601	
Share-based payments	1,787,083	15,120,168	1,410,144	97,411	2,925,436	4,432,991	(107,441)	(23,268)	(130,709)	21,209,533	
Balance on December 31, 2020	-	-	-	-	2,764,692	2,764,692	-	-	-	2,764,692	
Consolidated net income for the year ended December 31, 2021	-	-	-	-	5,240	5,240	(28,850)	583	-	(28,267)	
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	-	-	(28,850)	583	-	(28,267)	
Total comprehensive income for the year ended December 31, 2021	-	-	-	-	2,769,932	2,769,932	(28,850)	583	-	(28,267)	
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	142,208	-	(142,208)	-	-	-	-	-	
Special reserve appropriated	-	-	-	43,730	(43,730)	-	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(982,896)	(982,896)	-	-	-	(982,896)	
Share-based payments	(104)	(1,748)	-	-	-	-	-	16,491	16,491	14,639	
Balance on December 31, 2021	\$ 1,786,979	15,118,420	1,552,352	141,141	4,526,534	6,220,027	(136,291)	583	(142,485)	22,982,941	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)
TONG HSING ELECTRONIC INDUSTRIES, LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	2021	2020
Cash flows from (used in) operating activities:		
Profit before tax	\$ 3,381,925	1,848,805
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	1,473,946	968,147
Amortization expense	116,299	67,379
Expected credit losses (gains)	41,226	(15,710)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(45,799)	16,077
Interest expense	3,752	5,491
Interest income	(21,272)	(13,858)
Dividend income	(3,867)	-
Compensation cost of share-based payments	14,639	8,714
Loss (gain) on disposal of property, plant and equipment	(3,762)	1,220
Impairment loss of property, plant and equipment recognized in profit or loss	-	3,380
Gain on disposal of intangible assets	(730)	(2,573)
Other	26,181	(2,238)
Total adjustments to reconcile profit (loss)	1,600,613	1,036,029
Changes in operating assets and liabilities:		
(Increase) decrease in current financial assets and liabilities at fair value through profit or loss	393,754	(510,814)
(Increase) decrease in contract assets	12,723	(52,439)
Increase in accounts receivable	(447,331)	(69,724)
(Increase) decrease in other receivables	11,227	(10,297)
(Increase) decrease in inventories	(311,088)	25,057
Increase in prepayments	(11,087)	(1,646)
(Increase) decrease in other current assets	(744)	2,413
Increase in net deferred benefit assets	(950)	(94)
Increase in notes and accounts payable	64,313	169,569
Increase in other payables	301,139	356,709
Increase (decrease) in provisions	(12,935)	1,684
Increase (decrease) in other current liabilities	21,586	(2,642)
Increase (decrease) in contract liabilities - current	25,863	(15,483)
Increase (decrease) in net deferred benefit liabilities	(11,611)	5,488
	34,859	(102,219)
Cash inflow generated from operations	5,017,397	2,782,615
Interest received	18,091	16,108
Dividends received	3,867	-
Interest paid	(3,814)	(5,579)
Income taxes paid	(428,481)	(265,498)
Net cash flows from operating activities	4,607,060	2,527,646
Cash flows from (used in) investing activities:		
Acquisition of non-current financial assets at fair value through profit or loss	(24,925)	(472,709)
Proceeds from disposal of non-current financial assets at fair value through profit or loss	39,081	-
Acquisition of non-current financial assets at fair value through other comprehensive income	(349,980)	-
Acquisition of non-current financial assets at amortized cost	-	(227,840)
Acquisition of property, plant and equipment	(2,395,437)	(1,754,335)
Proceeds from disposal of property, plant and equipment	1,617	9,004
Increase in refundable deposits	(1,136)	(755)
Acquisition of intangible assets	(5,798)	(8,082)
Proceeds from disposal of intangible assets	837	2,573
Cash inflows due to business combination	-	1,211,838
Decrease in other financial assets	2,833	7,859
Net cash flows from (used in) investing activities	(2,732,908)	(1,232,447)
Cash flows from (used in) financing activities:		
Decrease in short-term borrowings	(269,000)	(11,000)
Decrease in short-term notes and bills payable	(50,000)	-
Proceeds from long-term borrowings	63,000	-
Increase in guarantee deposits received	881	4,130
Payments of lease liabilities	(18,321)	(11,060)
Cash dividends paid	(982,896)	(578,678)
Capital reduction by cash	-	(578,751)
Exercise of employee share options	-	2,814
Net cash flows from (used in) financing activities	(1,256,336)	(1,172,545)
Effect of exchange rate changes on cash and cash equivalents	(25,293)	(35,626)
Net increase in cash and cash equivalents	592,523	87,028
Cash and cash equivalents at beginning of period	3,791,174	3,704,146
Cash and cash equivalents at end of period	\$ 4,383,697	3,791,174

Attachment IV

TONG HSING ELECTRONIC INDUSTRIES, LTD.
2021 Earnings Distribution

	Unit: NT\$
Beginning balance of retained earnings	\$ 1,756,603,309
Add: Net Profit after Tax	2,764,692,126
Less: Special Reserve for the Current Period - Decrease in Shareholders' Equity	(28,266,444)
	5,238,303
Add: Changes in actuarial gains and losses for 2021	<u>(276,993,043)</u>
Less: Statutory surplus reserve	4,221,274,251
Distributable surplus for the period	
 Distribution items:	
Dividends 1,608,213,825	
Cash dividends - NT\$9 per share 1,608,213,825	
Subtotal	<u>1,608,213,825</u>
 Undistributed earnings at the end of the period	<u><u>2,613,060,426</u></u>

Notes:

1. The distribution of earnings for the current year is proposed to be made first from the distributable earnings after tax in 2021.
2. The distribution ratio of this cash dividend case is calculated up to NT\$1, and those below NT\$1 are rounded down. The total amount of fractional cash dividends less than NT\$1 shall be included in other income of the Company.
3. Subject to the approval of the shareholders meeting, the chairman would be authorized to set a record date on which the cash dividends would be distributed.
4. If the distribution of earnings is subsequently revised due to the transfer, conversion and cancellation of bought-back or repurchased shares, the execution of employee stock options, the cancellation of new shares with restricted employee rights, changes in laws and regulations, approvals by competent authorities, or in response to other objective changes in circumstances that affect the number of outstanding shares on the ex-dividend date and the resulting change in the cash distribution ratio to shareholders, the shareholders' meeting shall authorize the chairman of the Board of Directors to exercise his full discretion.

Tie-Min Chen, Chairman of the Board

Shao-Pin Ru, CEO

Chia-Li Huang, Finance Director

Attachment V

TONG HSING ELECTRONIC INDUSTRIES, LTD.
Comparison Table of the “Articles of Association” Amendment

Original Articles	Articles After Amendment	Reasons for Amendments
	<p>Article 9-1: The Company's shareholders' meetings shall be held by video conference or other means as announced by the Ministry of Economic Affairs.</p>	<p>Addition. Addition pursuant to Article 172-2 of the Company Act.</p>
<p>Article 19: If the Company makes a profit (profit is defined as income before tax less distribution of employees' compensation and directors' compensation) in a year, no less than <u>5%</u> shall be set aside as employees' compensation and no more than <u>2%</u> shall be set aside as directors' remuneration. However, if the Company still has accumulated losses, the Company shall retain the amount to offset such losses in advance and then provide for the employees' compensation and directors' remuneration in proportion to the aforementioned amounts. The distribution shall be made in the form of cash or stocks for employees, but only in the form of cash for the directors. Proposals of distributions to employees, directors and supervisors shall be taken to the shareholders' meeting for approval after the resolution is reached by a majority of the Board with two thirds in attendance.</p>	<p>Article 19: If the Company makes a profit (profit is defined as income before tax less distribution of employees' compensation and directors' compensation) in a year, no less than <u>3%</u> shall be set aside as employees' compensation and no more than <u>3%</u> shall be set aside as directors' remuneration. However, if the Company still has accumulated losses, the Company shall retain the amount to offset such losses in advance and then provide for the employees' compensation and directors' remuneration in proportion to the aforementioned amounts. The distribution shall be made in the form of cash or stocks for employees, but only in the form of cash for the directors. Proposals of distributions to employees, directors and supervisors shall be taken to the shareholders' meeting for approval after the resolution is reached by a majority of the Board with two thirds in attendance.</p>	<p>Amendment in accordance with the Company's practical needs.</p>
<p>Article 19-1: When allocating the earnings for each fiscal year, the Company shall first offset its losses in previous years and set aside a legal capital reserve at 10% of the earnings left over, until the accumulated legal capital reserve has equaled the total capital of the Company; then makes any reversal of the balance of other deductions from shareholders' equity, or set aside special capital reserve in accordance with</p>	<p>Article 19-1: When allocating the earnings for each fiscal year, the Company shall first offset its losses in previous years and set aside a legal capital reserve at 10% of the earnings left over, until the accumulated legal capital reserve has equaled the total capital of the Company; then makes any reversal of the balance of other deductions from shareholders' equity, or set aside special capital reserve in accordance with</p>	<p>In accordance with Article 241 of the Company Act, the Board of Directors is authorized to do so.</p>

Original Articles	Articles After Amendment	Reasons for Amendments
<p>relevant laws or regulations or as requested by the authorities in charge. Any remaining earnings shall be added to the accumulated retained earnings and current period's adjustments. The Board of Directors shall prepare the proposal of earning distribution statement and submit it to the shareholders meeting for its ratification and resolution. We intend to distribute dividends no less than 60% of the distributable earnings in current year and composed of no less than 30% of cash dividends, after considering various factors including future development plans, capital market status, funding needs, earning prospects, industry competition and shareholders' benefits.</p>	<p>relevant laws or regulations or as requested by the authorities in charge. Any remaining earnings shall be added to the accumulated retained earnings and current period's adjustments. The Board of Directors shall prepare the proposal of earning distribution statement and submit it to the shareholders meeting for its ratification and resolution. We intend to distribute dividends no less than 60% of the distributable earnings in current year and composed of no less than 30% of cash dividends, after considering various factors including future development plans, capital market status, funding needs, earning prospects, industry competition and shareholders' benefits.</p> <p><u>If the Company has no loss, the Board of Directors, with two-thirds of the directors present and a majority of the directors present, shall issue all or a portion of the legal reserve and the capital surplus as provided in Paragraph 1, Article 241 of the Company Act to the shareholders in cash in proportion to their original shares and report the same to the shareholders' meeting.</u></p>	
	<p><u>Article 19-2:</u> <u>Distributions from the Company's earnings or loss can be made after the end of each semi-annual fiscal year.</u> <u>When the Company distributes earnings for the first half of the fiscal year in accordance with the preceding paragraph, the Company shall estimate and retain the amount of taxable contributions, offsetting losses, compensation to employees, and reserve from earnings. However, this limit does not apply when the legal reserve has reached the amount of paid-in capital.</u> <u>The first proposal for distribution of earnings or offsetting losses should be submitted to the Audit Committee for review and approval, taking into account the current year's operating conditions</u></p>	<p>Addition. Addition pursuant to Article 228-1 of the Company Act.</p>

Original Articles	Articles After Amendment	Reasons for Amendments
	<u>and cash flows, together with the business report and financial statements. If the distribution of earnings is made in the form of new shares, the Board of Directors shall submit a resolution to the shareholders' meeting in accordance with Article 240 of the Company Act.</u>	
<p>Article 21: The Articles of Association were established on July 2, 1974, first amended on December 8, 1976...The thirty-sixth amendment was made on June 18, 2015. The thirty-seventh amendment was made on June 18, 2016. The thirty-eighth amendment was made on June 16, 2017. The thirty-ninth amendment was made on June 15, 2018. The fortieth amendment was made on June 21, 2019. The forty-first amendment was made on February 14, 2020. The forty-second amendment was made on June 5, 2020.</p>	<p>Article 21: The Articles of Association were established on July 2, 1974, first amended on December 8, 1976...The thirty-sixth amendment was made on June 18, 2015. The thirty-seventh amendment was made on June 18, 2016. The thirty-eighth amendment was made on June 16, 2017. The thirty-ninth amendment was made on June 15, 2018. The fortieth amendment was made on June 21, 2019. The forty-first amendment was made on February 14, 2020. The forty-second amendment was made on June 5, 2020. The forty-third amendment was made on June 8, 2022.</p>	<p>Addition of amendment date.</p>

Attachment VI

TONG HSING ELECTRONIC INDUSTRIES, LTD.

Company (Before Amendment)

Chapter 1 General

Article 1: The Company shall be incorporated under the Company Act, and its name shall be Tong Hsing Electronic Industries, Ltd. (hereinafter referred to as Tong Hsing). Chinese name is 同欣電子工業股份有限公司.

Article 2: The scope of business of the Company shall be as follows:

- I. CC01070 Wireless Communication Devices and Equipment Manufacturing Business
- II. F113070 Telecommunication Equipment Wholesale Business
- III. F213060 Telecommunication Equipment Retail Business
- IV. CC01080 Electronic Components Manufacturing
- V. F119010 Electronic Components and Materials Wholesale Business
- VI. F219010 Electronic Components and Materials Retail Business
- VII. F401010 International Trade
- VIII. F601010 Intellectual property Rights
- IX. JE01010 Rental and Leasing
- X. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1: When necessary for its operation, the Company may provide endorsement, guarantee, or re-investment. The total amount of the Company's re-investment shall not be subject to the restriction of not more than forty percent (40%) of the Company's paid-up capital as provided in Article XIII of Company Act.

Article 3: The Company shall have its head office in Taipei City, Taiwan, Republic of China, and shall be free, upon approval of government authorities in charge, to setup representative and branch offices at various locations within and without the territory of the Republic of China, wherever and whenever the Board of Directors deems it necessary or advisable to carry out any or all of its activities, including dissolution of branch offices.

Article 4: Public announcements of the Company shall be made in accordance with the provisions of Article 28 of Company Act.

Chapter 2 Shares

Article 5: The registered capital of the Company shall be NT\$4,000,000,000, divided into 400,000,000 common shares with a par value of NT\$10 per share, and the Board of Directors are authorized to issue by increments.

A total of 100,000,000 shares shall be set aside from the aforementioned common shares for the use as employee Stock Warrants, divided into 10,000,000 shares, and the Board of Directors are authorized to issue by increments.

If the issued subscription price of the Company is lower than the subscription warrant of employees of the closing price of common stock of Japanese companies, they can only be issued after obtaining the consent from more than two thirds of voting power of attending shares at shareholders' meeting to be attended by more than half shareholders representing the total number of issued shares.

Article 6: The shares of the Company are registered shares. The share certificates shall be assigned with serial numbers and affixed with the signature or stamp of the director representing the Company. The share certificates shall be duly certified or authenticated by the bank which is competent to certify shares in accordance with the law before they are issued.

The Company may issue registered shares without certificates, and such shares shall be registered with a central securities depository.

Article 7: The Company's shares shall be handled according to the "Regulations Governing the Administration of Shareholder Service of Public Companies" prescribed by the competent authority.

Article 8: No registration of transfer of shares shall be made within sixty days (60) prior to an annual shareholder meeting, nor within thirty days (30) prior to a special (extraordinary) shareholder meeting, nor within five (5) days prior to the day on which dividend, bonus or other benefits is scheduled to be paid by the Company.

Chapter 3 Shareholders' Meeting

Article 9: Shareholders meetings shall be of two types: General meetings and Extraordinary meetings. General meetings shall be convened annually by the Board within six months of the end of each fiscal year. Extraordinary meetings shall be convened in accordance with the relevant laws, whenever necessary.

Article 10: Except as provided in the Company Act of the Republic of China, shareholders meetings may be held if attended by shareholders in person or by proxy representing more than one half of the total issued and outstanding capital stock of the Company, and resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting.

Article 10-1: The Company shall withdraw public issuance after the proposal is adopted at the shareholders meeting.

Article 11: Unless otherwise specified by the law, each shareholder of the Company shall be entitled to one vote for each share held.

Article 11-1: A shareholder may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney stating therein the scope of power authorized to the proxy. When a person who acts as the proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of the total number of voting shares of the Company, otherwise, the portion of excessive voting power shall not be counted.

Article 12: The Chairman of the Board of Directors shall preside the shareholders meeting. In case the Chairman of the Board of Directors is on leave or absent or cannot exercise his power and authority for any cause, the vice chairman shall act on his behalf. In case

there is no designation by the Chairman, the Directors shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors or the directors shall elect from among themselves an acting Chairman of the Board of Directors. In the absence of such a designation, the directors or the directors shall elect from among themselves an acting Chairman of the Board of Directors. If there are two or more persons having the convening right, the chair of the meeting shall be elected from among themselves.

Article 12-1: Resolutions adopted at a shareholders meeting shall be recorded in the minutes of the meeting in accordance with Article 183 of Company Act.

Chapter 4 Directors and the Audit Committee

Article 13: the Company shall have nine to eleven directors to be elected at the shareholders meeting by the shareholders from any person with legal capacity. The term of office for directors shall be three years. All of the directors are eligible for re-election.

A spousal relationship or a familial relationship within the second degree of kinship may not exist among more than half of the directors.

The Company shall have, among the aforementioned directors, at least three independent directors, and the number of independent directors shall be no less than one-fifth of the total number of the directors.

Article 13-1: The Board of Directors is authorized to determine the salary for the Directors (including independent directors), taking into account the extent and value of the services provided for the Remuneration Committee and the standards of the industry.

The Company shall take out directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of occupancy.

The Company shall establish an Audit Committee in accordance with Article 14, paragraph 4 of the Securities and Exchange Act. The exercise of power by audit committee and independent directors and related matters shall be set forth in accordance with the rules and regulations of the TWSE or TPEX.

Article 13-2: The election of directors (including independent directors) and supervisors at the Company is subject to the provisions of Company Act in that a candidate nomination system for directors and supervisors shall be adopted. Shareholders shall elect directors and supervisors from among the those listed in the slate of independent director candidates. Such system and related announcement shall company with the regulations stated in the Company Act, Securities and Exchange Act.

Article 14: The directors shall organize a Board of Directors, at which at least two-thirds of the directors shall be present, and with the consent of a majority of the directors present, one of them shall be elected from among themselves as the Chairman of the Board of Directors, and if necessary, one of them shall be elected from among themselves in the same manner as the Vice Chairman of the Board of Directors. The Chairman of the Board of Directors shall represent the Company and execute all business of the Company in accordance with the laws, the Articles of Association, and the resolutions of the shareholders' meeting and the Board of Directors.

- Article 14-1: Unless otherwise specified in the Company Act, board meetings shall be convened and chaired by the Chairman of the Board. When the Chairman of the Board is on leave or for any reason unable to exercise the powers of chair, the chair shall appoint one of the directors to act in place of the chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. If no such designation is made by the chair, the directors shall select one person from among themselves to serve as chair. In case a director appoints another director to attend a meeting of the Board of Directors in his/her behalf, he/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting.
- Article 14-2: Article XIV-2: A notice of the reasons, time and place for convening a board meeting shall be given to each director and supervisor before 7 days before the meeting is convened. In emergency circumstances, however, a board meeting may be called on shorter notice. Meeting notices can be faxed or emailed instead of written notices.
- Article 15: The Board of Directors shall set up functional committees for auditing, remuneration, nomination, risk management or any other functions. Functional committees shall adopt an organizational charter to be approved by the Board of Directors.

Chapter 5 Manager

- Article 16: The Company has a general manager who shall be nominated by the Chairman of the Board, and several deputy general managers shall be nominated by the general manager and appointed after approval by more than half of all directors. The appointment, discharge, and remuneration shall comply with Article 29 of the Company Act.

Chapter 6 Accounting

- Article 17: The Company adopts a fiscal year from to on a full-year basis from January 1st to December 31st.
- Article 18: Article 18: At the end of each fiscal year, the Board of Directors prepares the following lists and submits them to the Audit Committee for review, and reports to the general shareholders' meeting for acceptance.
- I. Business report.
 - II. Financial statements.
 - III. Proposals of profit allotment or loss coverage.
- Article 19: Before paying dividends or bonuses to shareholders, the Company shall set aside not less than 5% of its annual profits as compensation to its directors, and not more than 2% as profit sharing bonuses to its employees.
- However, if the Company still has accumulated losses, the Company shall retain the amount to offset such losses in advance and then provide for the employees' compensation and directors' remuneration in proportion to the aforementioned amounts. The distribution can be made in the form of cash or stocks for employees, but only in the form of cash for the directors and supervisors.

Proposals of distributions to employees, directors and supervisors shall be taken to the shareholders' meeting for approval after the resolution is reached by a majority of the Board with two thirds in attendance.

Article 19-1: When allocating the earnings for each fiscal year, the Company shall first offset its losses in previous years and set aside a legal capital reserve at 10% of the earnings left over, until the accumulated legal capital reserve has equaled the total capital of the Company; then makes any reversal of the balance of other deductions from shareholders' equity, or set aside special capital reserve in accordance with relevant laws or regulations or as requested by the authorities in charge. Any remaining earnings shall be added to the accumulated retained earnings and current period's adjustments. The Board of Directors shall prepare the proposal of earning distribution statement and submit it to the shareholders meeting for its ratification and resolution. the Company's dividend policy is based on the current and future development plans, consideration of the investment environment, capital requirements and domestic and international competition, and the interests of shareholders, etc. The amount of dividends to be paid to shareholders shall not be less than 60% of the current year's distributable earnings and the cash dividends shall account for at least 30% of the current year's total dividends. The Board of Directors shall, depending on the actual earnings and capital position, prepare a resolution to be approved by the shareholders in a meeting.

Chapter 7 Supplementary

Article 20: Any other matters not set forth in the Articles of Association shall be dealt with in accordance with the Company Act.

Article 21: The Articles of Association were established on July 2, 1974.

The first amendment was made on December 8, 1976.

The second amendment was made on April 19, 1977.

The third amendment was made on April 15, 1978.

The fourth amendment was made on May 6, 1983.

The fifth amendment was made on July 18, 1984.

The sixth amendment was made on February 27, 1985.

The seventh amendment was made on December 27, 1985.

The eighth amendment was made on April 7, 1986.

The ninth amendment was made on August 7, 1986.

The tenth amendment was made on September 15, 1988.

The eleventh amendment was made on June 3, 1989.

The twelfth amendment was made on December 6, 1989.

The thirteenth amendment was made on September 26, 1990.

The fourteenth amendment was made on January 3, 1991.

The fifteenth amendment was made on December 5, 1991.

The sixteenth amendment was made on June 10, 1992.

The seventeenth amendment was made on May 10, 1994.

The eighteenth amendment was made on June 30, 1995.
The nineteenth amendment was made on May 21, 1996.
Twentieth amendment was made on July 14, 1997.
The twenty-first amendment was made on October 6, 1997.
The twenty-second amendment was made on June 24, 1999.
The twenty-third amendment was made on June 3, 2000.
The twenty-fourth amendment was made on June 26, 2001.
The twenty-fifth amendment was made on June 7, 2002.
The twenty-sixth amendment was made on June 26, 2005.
The twenty-seventh amendment was made on June 26, 2006.
Twenty-eighth amendment was made on December 21, 2006.
The twenty-ninth amendment was made on May 15, 2007.
The thirty amendment was made on May 15, 2007.
The thirty-first amendment was made on June May 19, 2008.
The thirty second amendment was made on June 26, 2009.
The thirty-third amendment was made on April 28, 2010.
The thirty-fourth amendment was made on June 19, 2012.
The thirty-fifth amendment was made on June 19, 2013.
Thirty-sixth amendment was made on June 18, 2015.
The thirty-seventh amendment was made on June 16, 2016.
The thirty-eighth amendment was made on June 16, 2017.
The thirty-ninth amendment was made on June 15, 2018.
The fortieth amendment was made on June 21, 2019.
The forty-first amendment was made on February 14, 2020.
The forty-second amendment was made on June 5, 2020.

TONG HSING ELECTRONIC INDUSTRIES, LTD.

Tie-Min Chen, Chairman of the Board

TONG HSING ELECTRONIC INDUSTRIES, LTD.
Comparison Table of the Procedures for the Acquisition and Disposal of Assets Amendment

Original Articles	Articles After Amendment	Reasons for Amendments
<p>Article 5: Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountants opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <p>I. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of the Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since the completion of service of the sentence, since the expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>II. Not a related party or de facto related party of the transaction counterpart.</p> <p>III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the professional appraisers or appraisers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <p>I. Prior to accepting a case, they shall prudently assess their own</p>	<p>Article 5: Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountants opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <p>I. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of the Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since the completion of service of the sentence, since the expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>II. Not a related party or de facto related party of the transaction counterpart.</p> <p>III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the professional appraisers or appraisers may not be related parties or de facto related parties of each other.</p> <p>When issuing appraisal reports or opinions, the aforesaid officers shall comply with <u>the self-regulatory rules of their respective trade associations</u> and the following matters:</p>	<p>Addition and amendment in accordance with the regulatory amendments.</p>

Original Articles	Articles After Amendment	Reasons for Amendments
<p>professional capabilities, practical experience, and independence.</p> <p>II. When <u>reviewing</u> audit assignments, they shall plan and implement appropriate operating procedures to draw a conclusion as the basis of producing a report or expressing an opinion; and maintain a full record of the implementation procedures, gathered data, and conclusions in the worksheet.</p> <p>III. They shall assess the <u>integrity</u>, <u>correctness</u> and reasonableness of the data sources, parameters and information used on a case-by-case basis as the basis for issuing appraisal reports or written opinions.</p> <p>IV. The declaration shall include the professionalism and independence of the relevant personnel, the assessment of the reasonableness and <u>correctness</u> of the information used and the compliance with the relevant laws and regulations.</p>	<p>I. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>II. When <u>executing</u> audit assignments, they shall plan and implement appropriate operating procedures to draw a conclusion as the basis of producing a report or expressing an opinion; and maintain a full record of the implementation procedures, gathered data, and conclusions in the worksheet.</p> <p>III. They shall assess the <u>appropriateness</u> and reasonableness of the data sources, parameters and information used on a case-by-case basis as the basis for issuing appraisal reports or written opinions.</p> <p>IV. The declaration shall include the professionalism and independence of the relevant personnel, the assessment of the <u>appropriateness</u> and correctness of the information used and the compliance with the relevant laws and regulations.</p>	
<p>Article 9:Acquisition or disposal of properties, equipment or right-of-use assets</p> <p>In acquiring or disposing of properties or other equipment or right-of-use assets thereof where the transaction amount reaches 20% of the Company's paid-in-capital or exceeds NT\$300 million, the Company, unless transacting with a government agency, engaging others to build on the Company's own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof for business use, shall obtain an appraisal report from professional appraisers prior to the date of event and shall further comply with the following provisions:</p> <p>I. If the transaction price is determined by referring to an attributive price, a specific price, or</p>	<p>Article 9: Acquisition or disposal of properties, equipment or right-of-use assets</p> <p>In acquiring or disposing of real estate or other equipment or right-of-use assets thereof where the transaction amount reaches 20% of the Company's paid-in-capital or exceeds NT\$300 million, the Company, unless transacting with a government agency, engaging others to build on the Company's own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof for business use, shall obtain an appraisal report from professional appraisers prior to the date of event and shall further comply with the following provisions:</p> <p>I. If the transaction price is determined by referring to an attributive price, a specific price,</p>	<p>Addition and amendment in accordance with the regulatory amendments.</p>

Original Articles	Articles After Amendment	Reasons for Amendments
<p>a special price for a good cause, the transaction should be presented to the Board of Directors for resolution. Any changes in trading conditions thereafter should be handled in the same manner.</p> <p>II. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>III. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal <u>in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF)</u> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(I) The discrepancy between an appraisal report and the transaction price reaches 20% or more of the transaction price.</p> <p>(II) The discrepancy between the appraisal reports of two or more professional appraisers reaches 10% or more of the transaction price.</p> <p>IV. No more than three months may elapse between the issuance date of the appraisal report by a professional appraiser and the</p>	<p>or a special price for a good cause, the transaction should be presented to the board of directors for resolution. Any changes in trading conditions thereafter should be handled in the same manner.</p> <p>II. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>III. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal reports, unless all the appraisal reports for the assets to be acquired are higher than the transaction price, or all the appraisal reports for the assets to be disposed of are lower than the transaction price, a CPA shall render a specific opinion regarding the reason for the discrepancy and the fairness of the transaction price:</p> <p>(I) The discrepancy between an appraisal report and the transaction price reaches 20% or more of the transaction price.</p> <p>(II) The discrepancy between the appraisal reports of two or more professional appraisers reaches 10% or more of the transaction price.</p> <p>IV. No more than three months may elapse between the issuance date of the appraisal report by a professional appraiser and the contract execution date. However, if it is subject to the announced present value of the same period and that is not more than six months away, an opinion can be issued by the original appraiser.</p>	

Original Articles	Articles After Amendment	Reasons for Amendments
<p>contract execution date. However, if it is subject to the announced present value of the same period and that is not more than six months away, an opinion can be issued by the original appraiser.</p>		
<p>Article 10: Acquisition or Disposal of Marketable Securities:</p> <p>The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u> This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	<p>Article 10: Acquisition or Disposal of Marketable Securities:</p> <p>The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	<p>Addition and amendment in accordance with the regulatory amendments.</p>
<p>Article 11: Acquisition or Disposal of Intangible Assets or Right-to-use Assets or Membership:</p> <p>Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20% or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an</p>	<p>Article 11: Acquisition or Disposal of Intangible Assets or Right-to-use Assets or Membership:</p> <p>Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20% or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an</p>	<p>Addition and amendment in accordance with the regulatory amendments.</p>

Original Articles	Articles After Amendment	Reasons for Amendments
<p>opinion on the reasonableness of the transaction price; the <u>CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u></p>	<p>opinion on the reasonableness of the transaction price.</p>	
<p>Article 15: When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Board of Directors and recognized by the supervisors:</p> <ul style="list-style-type: none"> (I) The purpose, necessity, and expected benefits of the acquisition or disposal of assets. (II) The reasons for selecting the related party as the trading counterpart. (III) With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 16 and Article 17. (IV) The date and price at which the related party originally acquired the real property, the original transaction counterpart, and that transaction counterpart's relationship to the Company and the related party. 	<p>Article 15: When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Board of Directors and recognized by the supervisors:</p> <ul style="list-style-type: none"> (I) The purpose, necessity, and expected benefits of the acquisition or disposal of assets. (II) The reasons for selecting the related party as the trading counterpart. (III) With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 16 and Article 17. (IV) The date and price at which the related party originally acquired the real property, the original transaction counterpart, and that transaction counterpart's relationship to the Company and 	<p>Addition and amendment in accordance with the regulatory amendments.</p>

Original Articles	Articles After Amendment	Reasons for Amendments
<p>(V) The monthly cash income and expense forecast within the year from the month of the contract signed; also, the assessment of the necessity of the trade and the reasonableness of the use of funds.</p> <p>(VI) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>(VII) The restrictions and other important stipulations of the transaction.</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 28- 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Board of Directors and recognized by the supervisors need not be counted toward the transaction amount.</p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Company's Board of Directors may pursuant to Article 6, delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting:</p> <p>(I) Acquisition or disposal of equipment or right-to-use assets for business use.</p> <p>(II) Acquisition or disposal of property right-of-use assets for business use.</p> <p>Where the position of independent director has been created in accordance with the provisions of the Act, when a matter is submitted for discussion by the</p>	<p>the related party.</p> <p>(V) The monthly cash income and expense forecast within the year from the month of the contract signed; also, the assessment of the necessity of the trade and the reasonableness of the use of funds.</p> <p>(VI) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>(VII) The restrictions and other important stipulations of the transaction.</p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Company's Board of Directors may pursuant to Article 6, delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting:</p> <p>(I) Acquisition or disposal of equipment or right-to-use assets for business use.</p> <p>(II) Acquisition or disposal of property right-of-use assets for business use.</p> <p>Where the position of independent director has been created in accordance with the provisions of the Act, when a matter is submitted for discussion by the Board of Directors pursuant to paragraph 1, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.</p> <p>For the first item that shall be</p>	

Original Articles	Articles After Amendment	Reasons for Amendments
<p>Board of Directors pursuant to paragraph 1, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.</p> <p>For the first item that shall be recognized by the Audit Committee, more than one-half of all members of the Audit Committee shall agree and submit a resolution to the Board of Directors, and the provisions of Paragraph 5, Article 6 shall apply.</p>	<p>recognized by the Audit Committee, more than one-half of all members of the Audit Committee shall first agree and submit a resolution to the Board of Directors, and the provisions of Paragraphs 5 and 6, Article 7 shall apply.</p> <p><u>If the Company or a subsidiary of the Company that is not a domestic listed company has the first transaction and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the information listed in the first paragraph to the shareholders' meeting for approval before signing the transaction contract and submitting the payment. However, transactions between the Company and its parent company or subsidiaries, or between subsidiaries of the Company and each other, are not subject to this limitation.</u></p> <p>The calculation of the transaction amounts in the first and preceding items shall be made in accordance with Paragraph 2, Article 28 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been submitted to the shareholders' meeting, the Board of Directors' meeting for approval and the audit committee for acknowledgment in accordance with the provisions of this standard exempted from further calculation.</p>	
<p>Article 16: The Company that acquires real property or right-of-use assets thereof from a related party shall evaluate the reasonableness of the transaction costs by the following means:</p> <p>(I) Based upon the related party's transaction price plus necessary interest on funding and buyer's cost by law. "Necessary interest on funding" is imputed as the</p>	<p>Article 16: The Company that acquires real property or right-of-use assets thereof from a related party shall evaluate the reasonableness of the transaction costs by the following means:</p> <p>(I) Based upon the related party's transaction price plus necessary interest on funding and buyer's cost by law. "Necessary interest on funding" is imputed as the</p>	<p>Addition and amendment in accordance with the regulatory amendments.</p>

Original Articles	Articles After Amendment	Reasons for Amendments
<p>weighted average interest rate on borrowing in the year the Company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.</p> <p>(II) Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have exceeded 70% of the financial institution's appraised total value of the property and the period of the loan shall have exceeded 1 year. However, it is not applicable if the financial institution and the counterparty are related to one another.</p> <p>Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.</p> <p>The Company that acquires real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the preceding two paragraphs shall also engage a CPA to check the appraisal and render a specific opinion.</p> <p>Where the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with the preceding article,</p>	<p>weighted average interest rate on borrowing in the year the Company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.</p> <p>(II) Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have exceeded 70% of the financial institution's appraised total value of the property and the period of the loan shall have exceeded 1 year. However, it is not applicable if the financial institution and the counterparty are related to one another.</p> <p>Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.</p> <p>The Company that acquires real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the preceding two paragraphs shall also engage a CPA to check the appraisal and render a specific opinion.</p> <p>Where the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with the preceding article,</p>	

Original Articles	Articles After Amendment	Reasons for Amendments
<p>and the preceding three paragraphs do not apply:</p> <ul style="list-style-type: none"> (I) The related party acquired the properties or the right-of-use thereof through inheritance or as a gift. (II) More than five years have elapsed from the time the related party signed the contract to obtain the properties or the right-of-use assets thereto to the signing date of the transaction. (III) The property is acquired through signing a joint development contract with the related party, or through engaging a related party to build properties, either on the Company's own land or on rented land. (IV) The real property right-of-use assets for business use are acquired by the <u>public company</u> with <u>its</u> parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital. 	<p>and the preceding three paragraphs do not apply:</p> <ul style="list-style-type: none"> (I) The related party acquired the properties or the right-of-use thereof through inheritance or as a gift. (II) More than five years have elapsed from the time the related party signed the contract to obtain the properties or the right-of-use assets thereto to the signing date of the transaction. (III) The property is acquired through signing a joint development contract with the related party, or through engaging a related party to build properties, either on the Company's own land or on rented land. (IV) The real property right-of-use assets for business use are acquired by the <u>Company</u> with <u>its</u> parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital. 	
<p>Article 28: Information Disclosure Procedures</p> <p>I. Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>(I) Acquisition or disposal of properties or the right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than properties or the right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of the Company's paid-in capital, 10% or</p>	<p>Article 28: Information Disclosure Procedures</p> <p>I. Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>(I) Acquisition or disposal of properties or the right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than properties or the right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of the Company's paid-in capital, 10% or</p>	<p>Addition and amendment in accordance with the regulatory amendments.</p>

Original Articles	Articles After Amendment	Reasons for Amendments
<p>more of the total assets, or NT\$300,000,000 or more, but not subject to the trading of domestic government bonds or RP/RS bonds, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(II) Merger, demerger, acquisition, or transfer of shares.</p> <p>(III) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.</p> <p>(IV) Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:</p> <ol style="list-style-type: none"> 1. For the Company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more. 2. For the Company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more. <p>(V) When property is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the transaction counterparts are not related parties, and the proposed amount of the Company's investment exceeds NT\$500 million.</p> <p>(VI) Where an asset transaction other than any of those referred</p>	<p>more of the total assets, or NT\$300,000,000 or more, but not subject to the trading of domestic government bonds or RP/RS bonds, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(II) Merger, demerger, acquisition, or transfer of shares.</p> <p>(III) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.</p> <p>(IV) Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:</p> <ol style="list-style-type: none"> 1. For the Company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more. 2. For the Company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more. <p>(V) When properties is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the transaction counterparts are not related parties, and the proposed amount of the Company's investment exceeds NT\$500 million.</p> <p>(VI) Where an asset transaction other than any of those referred</p>	

Original Articles	Articles After Amendment	Reasons for Amendments
<p>to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20% or more of paid-in capital or NT\$300 million. However, the following circumstances are not subject to the restrictions:</p> <ol style="list-style-type: none"> 1. Trading of domestic government bonds. 2. Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange. 3. Trading of RP/RS bonds or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. <p>II. The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> (I) Amount of each transaction. (II) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterpart within a year. (III) The cumulative transaction 	<p>to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20% or more of paid-in capital or NT\$300 million. However, the following circumstances are not subject to the restrictions:</p> <ol style="list-style-type: none"> 1. Trading of domestic government bonds <u>or foreign government bonds with a credit rating not lower than the sovereign rating of Taiwan.</u> 2. Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of <u>foreign government bonds</u> or ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, <u>or subscription or resale of index investment securities,</u> or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange. 3. Trading of RP/RS bonds or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. <p>II. The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> (I) Amount of each transaction. 	

Original Articles	Articles After Amendment	Reasons for Amendments
<p>amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.</p> <p>(IV) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</p> <p>"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount.</p> <p>The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and <u>its</u> subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p>When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.</p> <p>The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the Company, where they shall be retained for 5 years except where another act provides otherwise.</p>	<p>(II) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterpart within a year.</p> <p>(III) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.</p> <p>(IV) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</p> <p>"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount.</p> <p>The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and <u>the Company's</u> subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p>When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.</p> <p>The Company acquiring or disposing of</p>	

Original Articles	Articles After Amendment	Reasons for Amendments
	assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the Company, where they shall be retained for 5 years except where another act provides otherwise.	
<p>Article 33: The Procedures have been approved by the Board of Directors, and submitted to each supervisor, and approved at a shareholders meeting. (above omitted) The tenth amendment was made on July 7, 2021.</p>	<p>Article 33: The Procedures have been approved by the Board of Directors, and submitted to each supervisor, and approved at a shareholders meeting. (above omitted) The tenth amendment was made on July 7, 2021. <u>The eleventh amendment was made on June 8, 2022.</u></p>	<p>Add the date of the eighth Amendment</p>

Attachment VIII

TONG HSING ELECTRONIC INDUSTRIES, LTD. Procedures for Acquisition and Disposal of Assets (Before Amendment)

Article 1: Purpose

These key points are enacted for the purpose of protecting investors, fulfilling information disclosure, and enhancing public companies to establish the risk management system for derivative products transaction.

Article 2: General Principles

These Regulations are adopted in accordance with the provisions of Article 36, paragraph 1 of the Securities and Exchange Act ("the Act").

Article 3: Scope of Assets

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

- I. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
- II. Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.
- III. Membership.
- IV. Patents, copyrights, trademarks, licenses and other intangible assets.
- V. Right-of-use assets.
- VI. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
- VII. Derivatives.
- VIII. Assets acquired or disposed of by legal merger, division, acquisition or transfer of shares.
- IX. Other important assets.

Article 4: Terminology

- I. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.
- II. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of

new shares of its own as the consideration there for (hereinafter "transfer of shares") under Article 156, paragraph 8 of Company Act.

- III. Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
 - IV. Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.
 - V. Date of occurrence: It refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, and dates of boards of directors resolutions, or another date that can confirm the transaction counterpart or monetary amount, whichever date is earlier. For investments that are subject to the approval of the competent authorities, one of the dates of event referred to above or the date of approval by the competent authorities whichever is earlier or sooner shall prevail.
 - VI. Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.
 - VII. Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.
 - VIII. Over-the-counter venue ("OTC venue", "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.
- Article 5: Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountants opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:
- I. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of the Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since the completion of service of the sentence, since the expiration of the period of a suspended sentence, or since a pardon was received.
 - II. Not a related party or de facto related party of the transaction counterpart.
 - III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the professional appraisers or appraisers may not be related parties or de facto related parties of each other.

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

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

- II. When reviewing audit assignments, they shall plan and implement appropriate operating procedures to draw a conclusion as the basis of producing a report or expressing an opinion; and maintain a full record of the implementation procedures, gathered data, and conclusions in the worksheet.
- III. They shall assess the integrity, correctness and reasonableness of the data sources, parameters and information used on a case-by-case basis as the basis for issuing appraisal reports or written opinions.
- IV. The declaration shall include the professionalism and independence of the relevant personnel, the assessment of the reasonableness and correctness of the information used and the compliance with the relevant laws and regulations.

Article 6: Scope of Assets and Limits of Amounts

The limits of amounts for the acquisition of properties and right-of-use assets by the Company and its subsidiary for non-operating purpose:

- I. The total amount of properties not for operating use and their right-to-use assets shall not exceed 20% of the Company's paid-in capital as certified by the CPA.
- II. The total amount of the original investment in marketable securities shall not exceed 200% of the Company's most recent net financial position.
- III. The original amount of investment in individual marketable securities shall not exceed 150% of the Company's net worth in the most recent financial statements.
- IV. The amount of the acquisition or disposal of memberships or intangible assets shall not exceed 20% of the Company's paid-in capital in the most recent financial statements.

Article 7: Procedures for evaluating the acquisition or disposal of assets

- I. Acquisition or disposal of non-derivative financial instruments
 - (I) When acquiring or disposing of non-derivative financial instruments in the centralized trading market or securities dealer's business premises, the contractor shall submit the reasons for the proposed acquisition or disposal, the subject matter, and the price reference basis in accordance with the approval authority of the Company's layered responsibility regulations, and submit them to the authority responsible for the decision.
 - (II) When acquiring or disposing of non-derivative financial instruments or private placement of non-derivative financial instruments other than in a centralized trading market or securities dealer's business premises, the contractor shall submit the reasons for the proposed acquisition or disposal, the subject matter, the counterparty, the transfer price, the terms of receipt and payment, and the basis of price reference, etc., to the Board of Directors for approval before proceeding in accordance with the approval authority of the Company's layered responsibility regulations, and submit them to the authority for decision.
- II. When acquiring or disposing of properties, their right-to-use assets or other assets, the contractor shall submit the reasons for the proposed acquisition or disposal, the subject matter, the counterparty, the transfer price, the terms of receipt and payment, and the price reference in accordance with the approval authority of the Company's layered responsibility regulations, and submit them to the authority for judgment.

- III. The Company shall follow the procedures prescribed by the Board of Directors and, after approval by the Board of Directors, send it to the Audit Committee and submit it to the shareholders' meeting for approval. If any director expresses dissenting opinions and there are records or written statements, the Company shall also submit the information on the directors' dissenting opinions to each Audit Committee.
- IV. The Company shall take into full consideration the opinions of the independent directors when submitting the procedures to the Board of Directors for discussion in accordance with the preceding paragraph. Any objection or reservation of the independent directors shall be set forth in the minutes of the Board of Directors' meeting.
- V. The Company shall establish or amend the procedures for disposal of assets with the approval of one-half of the Audit Committee and submit to the Board of Directors for resolution. If not approved by at least one-half of the Audit Committee, the resolution shall be approved by at least two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors' meeting.
- VI. All members of the Audit Committee mentioned in the preceding paragraph and all directors mentioned in the preceding paragraph shall be counted as those who are actually in office.

Article 8: Procedures for Decision on Trading Conditions

- I. The method and reference for determining the price of acquisition or disposal of assets:
 - (I) Acquisition or disposal of non-derivative financial instruments
 1. The price of non-derivative financial instruments traded on the centralized trading market or at securities dealers' offices shall be determined by the prevailing market price of the non-derivative financial instruments.
 2. The price of non-derivative financial instruments not acquired or disposed of in a centralized trading market or on the securities dealer's premises shall be determined by considering the net value per share, profitability, future development potential and reference to the prevailing trading price.
 - (II) The acquisition or disposal of other assets shall be made by comparison, negotiation, tender or other means.
- II. The acquisition or disposal of assets shall be carried out by the responsible unit in accordance with the approval authority of the Company's layered responsibility policy, and the decision shall be submitted to the responsible unit.

Article 9: Acquisition or disposal of properties, equipment or right-of-use assets

In acquiring or disposing of properties or other equipment or right-of-use assets thereof where the transaction amount reaches 20% of the Company's paid-in-capital or exceeds NT\$300 million, the Company, unless transacting with a government agency, engaging others to build on the Company's own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof for business use, shall obtain an appraisal report from professional appraisers prior to the date of event and shall further comply with the following provisions:

- I. If the transaction price is determined by referring to an attributive price, a specific price, or a special price for a good cause, the transaction should be presented to the Board of Directors for resolution. Any changes in trading conditions thereafter should be handled in the same manner.
- II. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
- III. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
 - (I) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.
 - (II) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.
- IV. No more than three months may elapse between the issuance date of the appraisal report by a professional appraiser and the contract execution date. However, if it is subject to the announced present value of the same period and that is not more than six months away, an opinion can be issued by the original appraiser.

Article 10: Acquisition or Disposal of Marketable Securities:

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

Article 11: Memberships or Intangible Assets

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

Article 12: The calculation of the transaction amounts referred to in the preceding three articles shall be done in accordance with Article 18-2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.

Article 13: For the Company's acquisition or disposal of assets through court auction procedures, the documentation issued by the court may be used in place of the appraisal report or CPA opinion.

Article 14: When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10% or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of Article 9-Article 13.. The calculation of the transaction amount referred to a related party shall be made in accordance with Article 12 herein.

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

Article 15: When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Board of Directors and recognized by the supervisors:

- (I) The purpose, necessity, and expected benefits of the acquisition or disposal of assets.
- (II) The reasons for selecting the related party as the trading counterpart.
- (III) With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 16 and Article 17.
- (IV) The date and price at which the related party originally acquired the real property, the original transaction counterpart, and that transaction counterpart's relationship to the Company and the related party.
- (V) The monthly cash income and expense forecast within the year from the month of the contract signed; also, the assessment of the necessity of the trade and the reasonableness of the use of funds.
- (VI) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.
- (VII) The restrictions and other important stipulations of the transaction.

The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 28- 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the

current transaction. Items that have been approved by the Board of Directors and recognized by the supervisors need not be counted toward the transaction amount. With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Company's Board of Directors may pursuant to Article 6, delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting:

- (I) Acquisition or disposal of equipment or right-to-use assets for business use.
- (II) Acquisition or disposal of property right-of-use assets for business use.

Where the position of independent director has been created in accordance with the provisions of the Act, when a matter is submitted for discussion by the Board of Directors pursuant to paragraph 1, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.

For the first item that should be recognized by the Audit Committee, more than one-half of all members of the Audit Committee shall agree and submit a resolution to the Board of Directors, and the provisions of Paragraph 5, Article 6 shall apply.

Article 16: The Company that acquires real property or right-of-use assets thereof from a related party shall evaluate the reasonableness of the transaction costs by the following means:

- (I) Based on the transaction price of the related party plus interest on the necessary capital and the buyer's legal responsibility for the costs. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the Company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
- (II) If a related party has set up a collateralized loan with a financial institution, the financial institution shall assess the total value of the loan on the subject matter, provided that the cumulative value of the actual loan on the subject matter by the financial institution shall be at least 70% of the total assessed value of the loan and the period of the loan has been more than one year. However, it is not applicable if the financial institution and the counterparty are related to one another.

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

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

Where the Company acquires real property or right-of-use assets thereof from a

related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with the preceding article, and the preceding three paragraphs do not apply:

(I)The related party acquired the properties or the right-of-use thereof through inheritance or as a gift.

(II)More than five years have elapsed from the time the related party signed the contract to obtain the properties or the right-of-use assets thereto to the signing date of the transaction.

(III)The properties is acquired through signing a joint development contract with the related party, or through engaging a related party to build properties, either on the Company's own land or on rented land.

(IV)The real property right-of-use assets for business use are acquired by the public company with its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital.

Article 17: When the results of the Company's appraisal conducted in accordance with paragraph 1 and paragraph 2 of the preceding Article are uniformly lower than the transaction price, the matter shall be handled in compliance with Article 18. However, as a result of the following circumstances and with the objective evidence presented and an appraisal report collected from the professional real estate appraiser and a reasonable opinion issued by the CPAs, it is not subject to the limitations:

(I) Related party that has obtained prime land or rental land for construction may submit the proof of compliance with any one of the following conditions:

1. Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.
2. Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.

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

"Completed transactions involving neighboring or closely valued parcels of land" in the preceding paragraph refers to parcels on the same or an adjacent block and within a radius of no more than 500 meters or parcels similar in publicly

announced current value. "Land of a similar size" refers to completed transactions of unrelated parties for parcels with a land area of no less than 50% of the property in the planned transaction. "Within a year" refers to a period of one year calculated retroactively from the date of event of the acquisition of real estate or the right-of-use assets thereto.

Article 18: Where the Company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the preceding two articles are uniformly lower than the transaction price, the following steps shall be taken:

- (I) A special reserve shall be set aside in accordance with Paragraph 1, Article 41 of the Securities and Exchange Act against the difference between the transaction price and appraised cost of the real estate or the right-of-use assets thereof and that amount may not be distributed or used for capital increase or issuance of bonus shares. Where the Company uses the equity method to account for its investment in another company, then the special reserve called for under Article 41, paragraph of the Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company.
- (II) The Audit Committee shall comply with Article 218 of Company Act.
- (III) Actions taken pursuant to the preceding two subparagraphs shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

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

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

Article 19: Engaged in Derivative Trading

- I. The Company has established derivative trading rules to regulate important risk management and audit control.
- II. The Company engaging in derivatives trading shall adopt the following risk management measures:
 - (I) Define Risk management scope.
 - (II) Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.
 - (III) Risk measurement, monitoring, and control personnel shall be assigned to a different department than the personnel in the preceding subparagraph and shall report to the Board of Directors or senior management personnel with no responsibility for trading or position decision-making.
 - (IV) Derivatives trading positions held shall be evaluated at least once per week; however, positions for hedge trades required by business shall be evaluated at

least twice per month. Evaluation reports shall be submitted to senior management personnel authorized by the Board of Directors.

III. the Company engaging in derivatives trading, its Board of Directors shall faithfully supervise and manage such trading in accordance with the following principles:

(I) Designate senior management personnel to pay continuous attention to monitoring and controlling derivatives trading risk.

(II) Periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the Company's permitted scope of tolerance.

Senior management personnel authorized by the Board of Directors shall manage derivatives trading in accordance with the following principles:

(I) Periodically evaluate the risk management measures currently employed are appropriate and are faithfully conducted in accordance with these Regulations and the procedures for engaging in derivatives trading formulated by the Company.

(II) When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, appropriate measures shall be adopted and a report immediately made to the Board of Directors; where a company has independent directors, an independent director shall be present at the meeting and express an opinion.

The Company shall report to the soonest meeting of the Board of Directors after it authorizes the relevant personnel to handle derivatives trading in accordance with its Procedures for Engaging in Derivatives Trading.

IV. The Company engaging in derivatives trading shall establish a log book in which details of the types and amounts of derivatives trading engaged shall be recorded in detail in the log book.

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

Article 20: For the Company's merger, demerger, acquisition, or transfer of shares, the Company shall engage certified public accountants, lawyers or securities underwriters to express their opinions at board meetings regarding the reasonableness of the share exchange ratio, the acquisition price, or the amount of cash or property distributed to shareholders before the proposal is discussed and approved by the Board of Directors. However, the requirement of obtaining the aforementioned opinion on reasonableness issued by an expert may be exempted in the case of a merger between a public company and its subsidiary in which the public company holds directly or indirectly 100% of the subsidiaries' issued shares or capital, or between the subsidiaries of a public company in which public company holds directly or indirectly 100% of the subsidiaries' issued shares or capital.

Article 21: A merger, demerger, acquisition, or transfer of shares of the Company shall prepare a public report to shareholders detailing important contractual contents and matters relevant to the merger, demerger, or acquisition prior to the shareholders' meeting and

include it along with the expert opinion referred to in Paragraph 1 when sending shareholders' meeting notification to the shareholders for reference in deciding whether to approve the merger, demerger, or acquisition. However, this restriction shall not apply in the event that a public company is exempt from convening a shareholders' meeting to approve the merger, demerger, or acquisition under the provision of other laws or regulations. If a shareholders' meeting cannot be convened or resolved due to insufficient number of attendees or voting rights or other legal restrictions, or if a resolution is rejected by the shareholders' meeting, the reasons for the occurrence, the follow-up actions and the expected date of the shareholders' meeting shall be immediately disclosed to the public.

Article 22: The Company participating in a merger, demerger, or acquisition shall convene a Board of Directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

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

When participating in a merger, demerger, acquisition, or transfer of another company's shares, the Company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference:

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

The Company shall, within two days from the date of the Board of Directors' resolution, report the information in the preceding sub-paragraphs 1 and 2 in the prescribed format to the FSC on the Internet information system for record.

The Company shall enter into an agreement with them and shall comply with the provisions of the preceding two paragraphs.

Article 23: Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.

Article 24: The Companies participating in a merger, demerger, acquisition, or transfer of shares may not arbitrarily alter the share exchange ratio or acquisition price unless under the

below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares:

- (I) Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity-based securities.
- (II) The action of disposal of major assets that affects a company's financial operations.
- (III) The occurrence of major disasters and changes in technology that affects a company's shareholders' equity or securities price.
- (IV) The adjustment of treasury stock repurchased lawfully by any company participating in the merger, demerger, acquisition, or transfer of shares.
- (V) Changes in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
- (VI) Other terms or conditions that the contract stipulates may be altered and that have been publicly disclosed.

Article 25: The contract for participation by the Company in a merger, demerger, acquisition, or of shares shall record the rights and obligations of the companies participating in the merger, demerger, acquisition, or transfer of shares, and shall also record the following:

- (I) Handling of breach of contract.
- (II) The principles for the handling of equity-based securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.
- (III) The principles for the handling of the amount treasury stock that the participating is permitted to buy back lawfully after the base date for the calculation of stock swap.
- (IV) The handling of the occurrence of changes in the number of participating entities or companies.
- (V) Preliminary progress schedule for plan execution, and anticipated completion date.
- (VI) The handling of matters regarding the scheduled date for convening the legally mandated shareholders' meeting if the plan exceeds the deadline without completion.

Article 26: After public disclosure of the information, if any company participating in the merger, demerger, acquisition, or share transfer intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the Board of Directors to alter the limits of authority, such participating company may be exempted from calling another shareholders meeting to resolve on the matter anew.

Article 27: The Company shall enter into an agreement with any company involved in a merger, demerger, acquisition or transfer of shares that is not a public company, and shall comply with the provisions of Article 22, Article 23 and the preceding Article.

Article 28: Information Disclosure Procedures

- I. Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:
 - (I) Acquisition or disposal of properties or the right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than properties or the right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of the Company's paid-in capital, 10% or more of the total assets, or NT\$300,000,000 or more. However, there are no restrictions on the purchase or sale of domestic bonds, RP/RS bonds conditions, or the purchase or sale of money market funds issued by domestic securities investment trusts.
 - (II) Merger, demerger, acquisition, or transfer of shares.
 - (III) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.
 - (IV) Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:
 1. For the Company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.
 2. For the Company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.
 - (V) When property is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the transaction counterparts are not related parties, and the proposed amount of the Company's investment exceeds NT\$500 million.
 - (VI) Where an asset transaction other than any of those referred to in the preceding five sub-paragraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20% or more of paid-in capital or NT\$300 million. However, the following circumstances are not subject to the restrictions:
 1. Trading of domestic government bonds.
 2. Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.

3. Trading of RP/RS bonds or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

II. The amount of transactions above shall be calculated as follows:

- (I) Amount of each transaction.
- (II) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterpart within a year.
- (III) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.
- (IV) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount.

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

When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.

The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.

Article 29: Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days counting inclusively from the date of occurrence of the event:

- (I) The originally signed trade contract is modified, terminated, or revoked.
- (II) Merger, demerger, acquisition, or transfer of shares is not completed by the deadline set forth in the contract.
- (III) Changes are made to the content of the original public announcement and regulatory filing.

Article 30: Management of Subsidiaries

- I. The Procedures for Subsidiaries' acquisition and disposal of assets shall be approved by the Board of Directors from subsidiaries. Any amendment is subject to the same procedures.
- II. Information required to be publicly announced and reported in accordance with the provisions of Article 28 on acquisitions and disposals of assets by the Company's subsidiary that is not itself a public company in Taiwan shall be reported by the public company. The paid-in capital or total assets of the public company shall be the standard applicable to a subsidiary referred to in the preceding paragraph in determining whether, relative to paid-in capital or total assets, it reaches 20% or more of paid-in capital, 10% or more of the Company's total assets.
- III. For the calculation of 10% of total assets under the Procedures, the total assets stated in the Company's most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used.

In the case of a company whose shares have no par value or a par value other than NT\$10—for the calculation of transaction amounts of 20% of paid-in capital under these Regulations, 10% of equity attributable to owners of the parent shall be substituted; for calculations under the provisions of these Regulations regarding transaction amounts relative to paid-in capital of NT\$10 billion, NT\$20 billion of equity attributable to owners of the parent shall be substituted.

Article 31: For personnel violating these Regulations or the procedures for the acquisition or disposal of assets, penalties will be imposed, depending on the severity of the offense, including a warning, demerits, demotion, pay cuts, suspension of duty and other penalties. Such violations will be reviewed in the internal control system.

Article 32: Any other matters not set forth in the Procedures shall be dealt with in accordance with the applicable laws and regulations and the relevant rules and regulations of the Company. If the competent authorities revise the procedures for the acquisition or disposal of assets, the Company shall comply with the provisions of the new letter and order.

Article 33: The Procedures have been approved by the Board of Directors, and submitted to each supervisor, and approved at a shareholders meeting.

The Procedures were established on June 24, 1999.

The first amendment was made on June 3, 2000.

The second amendment was made on June 20, 2003.

The third amendment was made on December 21, 2006.

The fourth amendment was made on May 15, 2007.

The fifth amendment was made on June 19, 2012.

The sixth amendment was made on June 19, 2014.

The seventh amendment was made on June 19, 2017.

The eighth amendment was made on June 21, 2019.

The ninth amendment was made on February 14, 2020.

The tenth amendment was made on July 7, 2021.

Attachment IX

TONG HSING ELECTRONIC INDUSTRIES, LTD.
Comparison Table for the Rules of Procedure for Shareholders'
Meetings Amendment

Original Articles	Articles After Amendment	Reasons for Amendments
<p>Article 1: <u>Unless otherwise required by the law, the shareholders' meeting of the Company shall be conducted in accordance with the Rules.</u></p>	<p>Article 1: <u>Unless otherwise required by laws and regulations and the Articles of Association, the convening of shareholders' meetings and the proceedings of the Company shall be governed by these Rules.</u></p>	<p>New Description</p>
<p>Article 2: <u>The shareholders' meeting shall set up a signature book for the attendance register to sign in, or the attending shareholders shall hand in a sign-in card to sign in on their behalf. The calculation of the number of shares present shall be based on the attendance register or sign-in cards.</u></p>	<p>Article 2: <u>The shareholders' meeting shall be held at the Company's location or at a place suitable for the shareholders' meeting; the meeting shall commence no earlier than 9:00 a.m. and no later than 3:00 p.m., and the place and time of the meeting shall be held with due regard to the opinions of the independent directors. When the Company holds a video shareholders' meeting, the Company shall not be restricted from holding the aforementioned meeting.</u></p>	<p>New Descriptions and Amendments to Article 6</p>
<p>Article 3: <u>Voting on the proposals of shareholders' meeting may be based on the appropriateness of the proposals, by voting or by show of hands, and the calculation is based on shares.</u></p>	<p>Article 3: <u>The Company shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention. The registration of shareholders in the preceding paragraph shall be processed at least 30 minutes prior to the commencement of the meeting; the registration desk shall be clearly marked and adequate and appropriate personnel shall be assigned to handle the registration. The video conference of the shareholders' meeting shall be accepted at the video conference</u></p>	<p>New Descriptions and Amendments to Article 11</p>

	<p><u>platform of the shareholders' meeting 30 minutes prior to the commencement of the meeting, and the shareholders who have completed the registration shall be deemed to attend the shareholders' meeting in person.</u></p> <p><u>If a shareholders' meeting is held by video conference, shareholders who wish to attend by video should register with the Company two days prior to the shareholders' meeting. If a shareholders' meeting is held by video conference, the Company shall upload the meeting booklet, annual report and other relevant information to the shareholders' meeting video conference platform at least 30 minutes prior to the start of the meeting and continue to disclose them until the end of the meeting.</u></p>	
<p>Article 4:<u>The shareholders' meeting shall be held at the location of the Company or at a place convenient for shareholders to attend and suitable for the holding of the shareholders' meeting. The meeting shall commence at a time no earlier than 9:00 a.m. and no later than 3:00 p.m.</u></p>	<p>Article 4:<u>If the shareholders' meeting is convened by the Board of Directors, the Chair of the meeting shall be the Chairman of the Board of Directors. If the Chairman of the Board of Directors is absent from office or is unable to exercise his or her duties for any reason, the Vice Chairman of the Board of Directors shall act as the chair of the meeting; if the Vice Chairman of the Board of Directors is also absent from office or is unable to exercise his or her duties for any reason, the Chairman of the Board of Directors shall designate a Director to act as the chair of the meeting. If the Chairman of the Board of Directors has not appointed a proxy, the Board of Directors shall appoint a proxy from among themselves.</u></p> <p><u>The Chairman of the Board of Directors shall preside personally at the shareholders' meetings called by the Board of Directors, and at</u></p>	<p>New Descriptions and Amendments to Article 2</p>

	<p><u>least one representative of a majority of the Board of Directors and at least one member of each functional committee shall be present, and the attendance shall be recorded in the minutes of the shareholders' meetings.</u></p> <p><u>If a meeting is called by a person other than the Board of Directors, the Chairman of the meeting shall be that person. If there are two or more persons having the convening right, the chair of the meeting shall be elected from among themselves.</u></p> <p><u>The Company shall appoint a lawyer, an accountant or a related person to attend the shareholders' meeting.</u></p>	
<p>Article 5:<u>If the shareholders' meeting is convened by the Board of Directors, the Chair of the meeting shall be the Chairman of the Board of Directors. If the Chairman of the Board of Directors is absent from office or is unable to exercise his or her duties for any reason, the Vice Chairman of the Board of Directors shall act as the chair of the meeting; if there is no Vice Chairman or the Vice Chairman of the Board of Directors is also absent from office or is unable to exercise his or her duties for any reason, the Chairman of the Board of Directors shall designate a Director to act as the chair of the meeting. If no such designation is made by the Chairman, the directors shall select one person from among themselves to serve as chair. In the absence of such a designation, the directors or the directors shall elect from among themselves an acting Chairman of the Board of Directors. If there are two or more persons having the convening right, the chair of the meeting shall be elected from among themselves.</u></p>	<p>Article 5: <u>The entire meeting of shareholders shall be continuously recorded and videotaped and shall be kept for at least one year.</u></p> <p><u>However, if a lawsuit is filed by a shareholder in accordance with Article 189 of the Company Act, it shall be kept until the end of the lawsuit.</u></p> <p><u>If a shareholders' meeting is held by video conference, the entire video conference shall be continuously and uninterruptedly recorded and videotaped, and shall be properly preserved during the period of continuity.</u></p>	<p>New Descriptions and Amendments to Article 4</p>

<p>Article 6: <u>Lawyers, accountants, or related personnel appointed by the Company may attend the shareholders' meeting. Staff at the shareholders' meetings shall wear ID badges or arm badges.</u></p>	<p>Article 6: <u>Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares present shall be calculated on the basis of the number of shares reported in the sign-in book or the attendance card and the video conference platform, plus the number of shares for which the voting rights are exercised by written or electronic means. At the appointed meeting time, the chair of the meeting shall immediately announce the meeting in accordance with the legal procedures and announce the number of non-voting shares and the number of shares present at the same time; provided, however, that if the shareholders representing more than half of the total number of issued shares are not present, the chair of the meeting may announce an adjournment of the meeting for a maximum of two times, and the total time of the adjournment shall not exceed one hour. If, after two adjournments, there is still a shortage of shareholders representing more than one-third of the total number of outstanding shares, a fictitious resolution may be made in accordance with Article 175(1) of the Company Act. If, before the end of the meeting, the number of shares represented by the shareholders present reaches more than half of the total number of outstanding shares, the chairman may re-submit the fictitious resolution made</u></p>	<p>New Descriptions and Amendments to Article 4 and 16.</p>
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	<p><u>to the shareholders' meeting for a vote in accordance with Article 174 of the Company Act.</u></p>	
<p>Article 7:<u>The entire meeting of shareholders shall be recorded and videotaped and shall be kept for at least one year.</u></p>	<p>Article 7:<u>If a shareholders' meeting is convened by the Board of Directors, the agenda shall be set by the Board of Directors, and the relevant motions (including temporary motions and amendments to original motions) shall be voted on a case-by-case basis, and the meeting shall proceed in accordance with the scheduled agenda, which cannot be changed without a resolution of the shareholders' meeting.</u></p> <p><u>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.</u></p> <p><u>The chair of the meeting shall not adjourn the meeting without a resolution before the agenda of the shareholders' meeting (including the provisional motion) has been concluded. If the chair of a shareholders' meeting violates the rules of procedure and adjourns the meeting, other members of the Board of Directors shall promptly assist the shareholders present in accordance with the legal procedures and elect a chairman with the consent of a majority of the shareholders present to continue the meeting.</u></p> <p><u>No discussion or vote will be taken on a motion that is not a motion. If the chair believes that the discussion for a proposal has reached a level where a vote may be called the chair may make an announcement to end such discussion and call for a vote.</u></p> <p><u>After the meeting is adjourned, the</u></p>	<p>New Descriptions and Amendments to Article 5</p>

	<p><u>shareholders shall not elect another chair to resume such meeting at the same location or seek an alternative venue.</u></p>	
<p>Article 8:<u>The chair shall call the meeting to order at the time scheduled for the meeting. In the event that the meeting is attended by shareholders representing less than half of the total issued shares, the chair may announce a postponement of the meeting, however, there may not be more than two postponements in total and the total time accumulated in the postponement(s) shall not exceed one hour. If, after two adjournments, there is still a shortage of shareholders representing more than one-third of the total number of outstanding shares, a fictitious resolution may be made in accordance with Article 175(1) of the Company Act. If, before the end of the meeting, the number of shares represented by the shareholders present reaches more than half of the total number of outstanding shares, the chairman may re-submit the fictitious resolution made to the meeting for a vote in accordance with Article 174 of the Company Act.</u></p>	<p>Article 8:<u>Before the attending shareholder speaks, he/she must fill out a speaker's slip with the shareholder's account number (or attendance card number), the account name and the speech subject, and the chair (or his/her designee) shall determine the order of his/her speech and call out his/her names in order before they are allowed to speak.</u> <u>A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</u> <u>Except with the consent of the chair, each shareholder (including natural and legal persons) shall speak once on the same motion, and each time shall not exceed 2 minutes, provided that the Chairman may stop a shareholder from speaking if he/she violates the rules or exceeds the scope of the question. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder who has the floor; the chair shall stop any violation.</u> <u>When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.</u> <u>After an attending shareholder has spoken, the chair may respond in</u></p>	<p>New Descriptions and Amendments to Article 6</p>

	<u>person or direct relevant personnel to respond.</u>	
<p>Article 9:<u>If a shareholders' meeting is convened by the Board of Directors, the agenda of the meeting shall be set by the Board of Directors and the meeting shall be conducted in accordance with the scheduled agenda, which may not be changed without a resolution of the shareholders' meeting. The aforementioned provisions shall apply if the shareholders' meeting is convened by someone other than the Board of Directors who has the right to convene. The chair shall not announce adjournment of the meeting until the agenda in the two preceding paragraphs is completed (including Extemporaneous Motions) unless duly resolved in the meeting. After the meeting is adjourned, the shareholders shall not elect another chair to resume such meeting at the same location or seek an alternative venue.</u></p>	<p>Article 9:<u>If a shareholders' meeting is convened by video conference, shareholders participating by video shall be allowed to ask questions by text on the video conference platform after the chair announces the meeting and before the meeting is adjourned, and the number of questions per motion shall not exceed one, and each time shall be limited to 200 words, not subject to Article 8. If the aforesaid question does not violate the regulations or is within the scope of the motion, it is appropriate to disclose the question on the video conference platform of the shareholders' meeting for public information.</u></p>	<p>New Descriptions and Amendments to Article 7</p>
<p>Article 10:<u>Prior to speaking at the meeting, an attending shareholder shall submit a slip of paper summarizing his/her/its comments and/or questions and specifying his/her/its shareholder account number (or the attendance ID number) and the account name of the shareholder, in order for the chair to determine the speaking order. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they</u></p>	<p>Article 10:<u>The voting of the motion 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. A shareholder shall not vote at a meeting if he/she has an interest in the matter that would be detrimental to the Company's interests, and shall not exercise his/her voting rights on behalf of another 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</u></p>	<p>New Descriptions and Amendments to Article 8</p>

<p><u>have sought and obtained the consent of the chair and the shareholder who has the floor; the chair shall stop any violation.</u></p>	<p><u>attending shareholders.</u> <u>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 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.</u></p>	
<p><u>Article 11:Unless otherwise permitted by the chair, a shareholder may only speak, up to two times, on a single proposal, each time no more than five minutes in length. The chair may stop the speech of any shareholder that is in violation of the preceding paragraph or exceeds the scope of the proposal.</u></p>	<p><u>Article 11:A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed to be non-voting shares pursuant to Paragraph 2 of Article 179 of the Company Act.</u> <u>When the Company calls a shareholders' meeting, the Company shall exercise its voting rights by electronic means and in writing.</u> <u>Shareholders who exercise their voting rights in writing or electronically are considered to be present in person at the shareholders' meeting. However, the extemporaneous motion and the amendment to the original motion at that shareholders' meeting shall be deemed to be abstained. The expression of intent is governed by Article 177-2 of the Company Act. Except as otherwise provided under the Company Act and the Company's Articles of Association, a resolution shall be adopted with the approval of more than one-half of the votes of the shareholders present. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of</u></p>	<p>New Descriptions and Amendments to Article 8</p>

	<p><u>voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS. If a shareholder proposes a motion or an amendment or a substitute to an original motion, the chair shall determine the order of voting together with the original motion. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required. The chair shall designate the person(s) to monitor and count the votes for the motion, provided that the monitoring personnel shall be the 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.</u></p>	
<p><u>Article 12:When a legal person is entrusted to attend the shareholders' meeting, such legal person may only appoint one representative to attend. When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.</u></p>	<p><u>Article 12:When the Company convenes a shareholders' meeting by video conference, the shareholders participating by video shall vote on each motion and election motion through the video conference platform after the chairman announces the opening of the meeting, and shall complete the voting before the chairman announces the closing of the voting, and any delay shall be deemed as abstention. If the shareholders' meeting is</u></p>	<p>New Descriptions and Amendments to Article 8</p>

	<p><u>convened by video conference, the chairman shall announce the close of the voting and announce the voting and election results for a one-time vote count.</u></p> <p><u>When the Company convenes a video-assisted shareholders' meeting, shareholders who have registered to attend the shareholders' meeting by video in accordance with Article 3 and wish to attend the physical shareholders' meeting in person shall deregister in the same manner as they registered two days prior to the shareholders' meeting; if they deregister after that time, they may attend the shareholders' meeting by video only.</u></p> <p><u>Those who exercise their voting rights by written or electronic means without revoking their intention and participate in the shareholders' meeting by video means may not exercise their voting rights on the original motion or propose amendments to the original motion or exercise their voting rights on the amendments to the original motion, except for extemporary motions.</u></p>	
<p><u>Article 13:After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</u></p>	<p><u>Article 13:In the event of an election of directors at the shareholders' meeting, the election results shall be announced on the spot, including the list of elected directors and the number of their election rights, as well as the list of unsuccessful directors and the number of election rights they received.</u></p> <p><u>The election ballot for the preceding election shall be kept in a safe place and preserved for at least one year.</u></p> <p><u>However, if a lawsuit is filed by a shareholder in accordance with Article 189 of the Company Act, it</u></p>	<p>New Descriptions and Amendments to Article 8</p>

	<p><u>shall be kept until the end of the lawsuit.</u></p>	
<p><u>Article 14:If the chair believes that the discussion for a proposal has reached a level where a vote may be called, the chair may make an announcement to end such discussion and call for a vote.</u></p>	<p><u>Article 14:Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The production and distribution of the meeting minutes shall be done electronically, and the distribution of the minutes shall be done by means of announcements entered into the Market Observation Post System and shall be retained permanently for the duration of the Company's existence. If a shareholders' meeting is convened by video conference, the minutes of the meeting shall include, in addition to the matters required to be recorded in the preceding paragraph, the starting and ending time of the shareholders' meeting, the manner in which the meeting is convened, the names of the chairman and the minutes of the meeting, and the manner and circumstances under which the video conference platform or video participation may be obstructed due to natural disasters, events or other force majeure circumstances. In addition to the aforementioned provisions, the Company shall convene a video shareholders' meeting and shall include in the minutes of the meeting alternative measures for shareholders who have difficulties in participating in the shareholders' meeting by means of video.</u></p>	<p>New Descriptions and Amendments to Article 7</p>

<p>Article 15:<u>In the case of a motion to vote by poll, the chair shall designate the person who shall monitor and count the votes, but the monitor shall be a shareholder, and the result of the vote shall be reported on the spot and recorded.</u></p>	<p>Article 15:<u>The number of shares solicited by the requester, the number of shares represented by proxy, and the number of shares attended by shareholders in writing or electronically shall be clearly disclosed in the shareholders' meeting venue on the date of the shareholders' meeting in a statistical form prepared in accordance with the prescribed format; if the shareholders' meeting is held by video conference, the Company shall upload the aforementioned information to the video conference platform of the shareholders' meeting at least 30 minutes before the start of the meeting and continue to disclose it until the end of the meeting. When the Company convenes a video conference for shareholders, the total number of shares of shareholders present shall be disclosed on the video meeting platform when the meeting is announced. The same applies if the total number of shares and voting rights of shareholders present are counted at the meeting.</u></p>	<p>New Descriptions and Amendments to Article 11</p>
<p>Article 16:<u>During the process of the meeting, the chair may announce a recess at an appropriate time.</u></p>	<p>Article 16:<u>Staff at the shareholders' meetings shall wear ID badges or arm badges. The chair may direct the patrol personnel to assist in maintaining order in the meeting for the conduct of business, and the patrol personnel shall wear identification cards or armbands. Shareholders and non-shareholders at the meeting are subject to the chair's direction regarding the maintenance of order and the conduct of business. Any person who disrupts the conduct of the shareholders' meeting and does not comply with the request, shall be asked by the chair or the patrol</u></p>	<p>New Descriptions and Amendments to Article 17</p>

<p>Article 17:<u>Except as otherwise provided under the Company Act and the Company's Articles of Association, a resolution shall be adopted with the approval of more than one-half of the votes of the shareholders present.</u> <u>At the time of voting, if the person who has no objection after consultation by the chair is deemed to be passed, the effect is the same as that of a vote or a show of hands.</u></p>	<p><u>personnel to leave the meeting.</u></p> <p>Article 17:<u>When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.</u></p>	<p>New Descriptions and Amendments to Article 11</p>
<p>Article 18:<u>If there are amendments or substitutions to the same motion, the chair shall determine the order of voting together with the original motion, and if one of the motions has been passed, the other motions shall be deemed to be negated and shall not be voted on again.</u></p>	<p>Article 18:<u>If a shareholders' meeting is held by video conference, the Company shall disclose the voting results of each motion and election results on the video conference platform of the shareholders' meeting immediately after the close of voting in accordance with the regulations, and shall continue to disclose the results for at least 15 minutes after the meeting is adjourned by the chairman.</u> <u>When the Company holds a video shareholders' meeting, the chair and the recorder shall be present at the same location, and the chair shall announce the address of such place at the time of the meeting.</u></p>	<p>New Descriptions and Amendments to Article 11</p>
<p>Article 19:<u>The chair may direct patrol personnel (or security personnel) to assist in maintaining the order of the meeting. Such patrol personnel (or security personnel) shall wear arm badges marked "Patrol Personnel" while assisting in maintaining the order of the meeting.</u></p>	<p>Article 19:<u>If a shareholders' meeting is held by video conference, the Company shall provide a simple connection test for shareholders before the meeting and provide relevant services immediately before and during the meeting to assist in handling technical problems of communication.</u> <u>If a shareholders' meeting is convened by video conference, the chairman shall, at the time of announcing the meeting, separately announce that, except for the circumstances specified in Paragraph 4, Article 44-20 of the Guidelines Governing the</u></p>	<p>New Descriptions and Amendments to Article 16</p>

Handling of Stock Issuances by Public Companies that do not require the adjournment or continuation of the meeting, if, before the chairman announces the adjournment of the meeting, an obstacle to participation on the video conference platform or by video message occurs due to a natural disaster, an event or other force majeure that lasts for more than 30 minutes, the date of the meeting shall be adjourned or renewed within five days, and the provisions of Article 182 of the Company Act shall not apply. In the event of an adjournment or renewal of a meeting, shareholders who have not registered to participate in the original shareholders' meeting by video shall not participate in the adjourned or renewed meeting. The number of shares, voting rights and voting rights exercised at the original shareholders' meeting shall be counted as the total number of shares, voting rights and voting rights of shareholders present at the adjourned or renewed meeting for those shareholders who have registered to attend the original shareholders' meeting by video and have completed reporting for the meeting, but have not attended the adjourned or reconvened meeting. When a shareholders' meeting is adjourned or reconvened in accordance with the second paragraph, there is no need to discuss and resolve again on the motions for which voting and vote counting have been completed and the voting results or the list of directors and supervisors elected have been announced. When the Company holds a video-

	<p><u>assisted shareholders' meeting and the second paragraph cannot be renewed, if the total number of shares present still reaches the legal quota for the shareholders' meeting after deducting the number of shares present by video, the shareholders' meeting shall continue without any adjournment or re-convening in accordance with the second paragraph.</u></p> <p><u>In the event that a meeting shall be continued, the number of shares attended by shareholders participating in the meeting by way of video shall be counted as the total number of shares of shareholders present, but shall be deemed to be abstained for the purpose of all motions at that meeting.</u></p> <p><u>If the Company adjourns or reconvenes a meeting in accordance with the second paragraph, the Company shall comply with the provisions set forth in Paragraph 7, Article 44-20 of the Guidelines Governing the Handling of Stock Issued to Public Companies, and shall complete the relevant preliminaries in accordance with the date of the original shareholders' meeting and the provisions of each such Article. When the Company holds a video shareholders' meeting, the Company shall provide appropriate alternative measures for shareholders who have difficulty attending the shareholders' meeting by video.</u></p>	
<p>Article 20: These rules shall come into effect upon the approval of the shareholders' meeting and shall be amended as well.</p>	<p>Article 20: <u>Any matters not covered by these rules and regulations shall be governed by the Company Law and related laws and regulations and the Company's Articles of Association.</u> These Rules shall</p>	<p>New Descriptions and Additional of Amendment Date</p>

	<p>become effective <u>immediately</u> upon their adoption by the shareholders' meeting and shall be amended as well.</p> <p><u>The first amendment was made on June 8, 2022.</u></p>	
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Attachment X

**TONG HSING ELECTRONIC INDUSTRIES, LTD.
Rules of Procedure for Shareholders' Meetings
(Before Amendment)**

- I. Unless otherwise required by the law, the shareholders' meeting of the Company shall be conducted in accordance with the Rules.
- II. The shareholders' meeting shall set up a signature book for the attending shareholders to sign in, or the attending shareholders shall hand in a sign-in card to sign in on their behalf. The calculation of the number of shares present shall be based on the attendance register or sign-in cards.
- III. Voting on the proposals of shareholders' meeting may be based on the appropriateness of the proposals, by voting or by show of hands, and the calculation is based on shares.
- IV. The shareholders' meeting shall be held at the location of the Company or at a place convenient for shareholders to attend and suitable for the holding of the shareholders' meeting. The meeting shall commence at a time no earlier than 9:00 a.m. and no later than 3:00 p.m.
- V. If shareholders' meeting is convened by the Board of Directors, the chairman shall serve as chair; if there is no vice chairman or the vice chairman is also on leave or for any reason unable to exercise the powers of vice chairman, the chairman shall appoint one of the managing directors to act, or, if there are no directors, one of the directors shall be appointed to act as chair. If no such designation is made by the chairman, the directors shall select one person from among themselves to serve as chair. In the absence of such a designation, the directors or the directors shall elect from among themselves an acting Chairman of the Board of Directors. If there are two or more persons having the convening right, the chair of the meeting shall be elected from among themselves.
- VI. Lawyers, accountants, or related personnel appointed by the Company may attend the shareholders' meeting. Staff at the shareholders' meetings shall wear ID badges or arm badges.
- VII. The whole process of shareholders' meeting should be recorded or recorded and kept for one year.
- VIII. The chair shall call the meeting to order at the time scheduled for the meeting. In the event that the meeting is attended by shareholders representing less than half of the total issued shares, the chair may announce a postponement of the meeting, however, there may not be more than two postponements in total and the total time accumulated in the postponement(s) shall not exceed one hour. If the amount is still insufficient after the second delay and there are shareholders representing more than one-third of the total issued shares, the resolution may be false in accordance with Article 175, Paragraph 1 of the Company Act. If, before the end of the meeting, the number of shares represented by the shareholders present reaches more than half of the total number of outstanding shares, the chairman may re-submit the fictitious resolution made to the meeting for a vote in accordance with Article 174 of the Company Act.

- IX. The agenda for the shareholders' meeting shall be set by the Board of Directors if such meeting is convened by the Board of Directors. Unless otherwise resolved by resolution at the meeting, the meeting shall be carried out in accordance with the scheduled agenda.

The aforementioned provisions shall apply if the shareholders' meeting is convened by someone other than the Board of Directors who has the right to convene.

The chair shall not announce adjournment of the meeting until the agenda in the two preceding paragraphs is completed (including Extemporaneous Motions) unless duly resolved in the meeting.

After the meeting is adjourned, the shareholders shall not elect another chair to resume such meeting at the same location or seek an alternative venue.

- X. Prior to speaking at the meeting, an attending shareholder shall submit a slip of paper summarizing his/her/its comments and/or questions and specifying his/her/its shareholder account number (or the attendance ID number) and the account name of the shareholder, in order for the chair to determine the speaking order.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

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

- XI. Unless otherwise permitted by the chair, a shareholder may only speak, up to two times, on a single proposal, each time no more than five minutes in length. The chair may stop the speech of any shareholder that is in violation of the preceding paragraph or exceeds the scope of the proposal.

- XII. When a legal person is entrusted to attend the shareholders' meeting, such legal person may only appoint one representative to attend.

When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

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

- XIV. If the chair believes that the discussion for a proposal has reached a level where a vote may be called, the chair may make an announcement to end such discussion and call for a vote.

- XV. If a proposal is voted by ballot, the scrutineers and vote-counters for the voting shall be appointed by the chair, but the scrutineers shall be shareholders, and the results of the voting shall be reported and recorded.

XVI. During the process of the meeting, the chair may announce a recess at an appropriate time.

XVII. Except as otherwise provided under the Company Act and the Company's Articles of Incorporation, a resolution shall be adopted with the approval of more than one-half of the votes of the shareholders present.

At the time of voting, if the person who has no objection after consultation by the chair is deemed to be passed, the effect is the same as that of a vote or a show of hands.

XVIII. In the event that there is an amendment to or a replacement for the original proposal, the chair shall decide on the order in which such proposal will be voted along with the original proposal, provided that if one of such proposal has been approved, the other proposals will be deemed to be vetoed and no further action will be necessary.

XIX. The chair may direct patrol personnel (or security personnel) to assist in maintaining the order of the meeting. Such patrol personnel (or security personnel) shall wear arm badges marked "Patrol Personnel" while assisting in maintaining the order of the meeting.

XX. The Rules and any amendments thereafter shall become effective upon resolution at the shareholders' meeting.

Attachment XI

**TONG HSING ELECTRONIC INDUSTRIES, LTD.
List of Candidates for Directors and Independent Directors**

Candidate Categories	Name of Candidate	Education and Working Experience	Current Position	Number of Shares Held	Remark
Director	Tie-Min Chen	B.S. in Engineering Science, National Cheng Kung University Honorary Doctorate in Management, National Sun Yat-sen University Chairman, Yageo Corporation Chairman, Chilisin Electronics Corp.	Chairman, Yageo Corporation Chairman, Tong Hsing Electronic Industries, Ltd. Chairman, Kuo Hsin Investment Co.	8,170,134	None
Director	Multifield Investment Inc. Representative: Hsi-Hu Lai	Department of Economics, Soochow University Finance Department, Far Eastern Group Vice President of Finance Department, Tong Hsing Electronic Industries, Ltd. Chief of Staff, Tong Hsing Electronic Industries, Ltd. Chairman, Tong Hsing Electronic Industries, Ltd. Chairman, Kingpak Technology Inc.	Vice Chairman, Tong Hsing Electronic Industries, Ltd.	62,084	None
Director	Huan Tai Co., Ltd. Representative: Chia-Shuai Chang	Doctor of Physics, National Tsing Hua University Vice President of Business Division, Impac Technology Co., Ltd. Manager of R&D Department, Huaxin Zhaohe Co., Ltd. Manager, Optical Components Division, Optical Systems Group, ITRI Vice President of Marketing Department, Tong Hsing Electronic Industries, Ltd. President, Kingpak Technology Inc.	Chief Operating Officer, Tong Hsing Electronic Industries, Ltd. President, Xsemi Corporation	27,555	None
Director	Huan Tai Co., Ltd. Representative: Pen-Chi Chen	Graduate of the Department of Accounting, Fu Jen Catholic University PwC Taiwan Audit Manager	Vice President, Kaimei Electronic Corporation Director Representative, Kaimei Electronic (Hong Kong) Limited Director Representative, Kaijet Technology International	27,555	None

Candidate Categories	Name of Candidate	Education and Working Experience	Current Position	Number of Shares Held	Remark
			Corporation Director Representative, Kaimei Electronic (Suzhou) Limited Director Representative, Tong Hsing Electronic Industries, Ltd. Director Representative, Ralec Co., Ltd. Director Representative, Ralec Technology (Hong Kong) Limited Supervisor, Ralec Trading (Kunshan) Co., Ltd. Supervisor, Ralec Technology (Kunshan) Co., Ltd. Supervisor, Ralec Electronic Technology (Hunan) Co., Ltd. Director Representative, ASJ Holdings Pte Limited Director Representative, ASJ Pte . Limited Director Representative, ASJ (Hong Kong) Limited		
Director	Shi Hen Enterprise Limited Representative: Shu-Chen Tsai	Sheng Kung Girl's High School Chairman, Hsin Bung International Co., Ltd.	Hsin Bung International Co., Ltd. Chairman and President	7,555	None
Director	Kaimei Electronic Corporation Representative: Shu-Hui Chen	Graduate of the Department of Accounting, Aletheia University Audit Manager. PwC Taiwan	Accounting Officer, Kaimei Electronic Corporation Director Representative, Teapo (Dongguan) Electronic Corporation Director Representative, Teapo (Hong Kong) Electronic Corporation	8,337,414	None

Candidate Categories	Name of Candidate	Education and Working Experience	Current Position	Number of Shares Held	Remark
			<p>Director Representative, Kaimei Electronic (Hong Kong) Limited</p> <p>Director Representative, Teapo (Bermuda) Holdings Limited</p> <p>Director Representative, Kaijet Technology International Corporation</p> <p>Director Representative, Kaimei Electronic (Suzhou) Limited</p> <p>Director Representative, Tong Hsing Electronic Industries, Ltd.</p>		
Independent Director	Chin-Tsai Chen	<p>Department of Accounting and Statistics, Tamkang University</p> <p>Master of Public Administration, University of San Francisco</p> <p>Graduate School of Accounting, Tamkang University</p> <p>Accountant, KPMG Taiwan</p> <p>Vice President and President, Namchow Chemical Industrial Co., Ltd.</p> <p>Adjunct Assistant Professor, Department of Accounting, Tamkang University</p> <p>President, Namchow Chemical Industrial Co., Ltd.</p>	<p>Vice Chairman, HIWIN Technologies Corporation</p> <p>Chairman, Win Semiconductors Corporation</p> <p>Independent Director/ Committee Member of Compensation Committee/ Committee Member of Audit Committee, Kinsus Interconnect Technology Corporation</p> <p>Corporate Supervisor Representative, Infotel Inc.</p> <p>Independent Director/ Committee Member of Compensation Committee, Tong Hsing Electronic Industries, Ltd.</p> <p>Corporate Director Representative, Xin Sheng San</p> <p>Chairman, Win Semi USA</p> <p>Chairman, Win</p>	0	Note 1

Candidate Categories	Name of Candidate	Education and Working Experience	Current Position	Number of Shares Held	Remark
			Cayman Chairman, ITEQ Corporation Corporate Director Representative, Mercuries Life Insurance Co., Ltd. Independent Director/ Committee Member of Compensation Committee/ Committee Member of Audit Committee, Inventec Besta Co., Ltd.		
Independent Director	Ta-Sheng Chiu	Master of Economics, National Chengchi University B.S. in Engineering Science, National Cheng Kung University B.S. in Statistics, National Cheng Kung University Senior Vice President Vice President, Financial Markets Division, Taishin International Commercial Bank Vice President, Financial Transactions Division, Standard Chartered Bank, UK Associate, Foreign Exchange Trading Division, American Express Bank	President, Moldavit International Co., Ltd.	0	None
Independent Director	Yueh-Hsiang Tsai	B.S. Rensselaer Polytechnic Institute TROY, NY Director, NEUCHIPS INC. Director, TIA CAPITAL ADVISORS INC.	Director, NEUCHIPS INC. Director, TIA CAPITAL ADVISORS INC.	0	None

Note 1 * Mr. Chin-Tsai Chen, the candidate for Independent Director, is the current Independent Director of the Company. He has served as an independent director of the Company for three consecutive terms and has been providing important advice and board oversight to the Company's management for many years. In consideration of the fact that the Company still needs to rely on his understanding of 5G and related industries, as well as his ability and experience in running the Company, he is proposed to be nominated as an independent director of the Company in this election.

Attachment XII

**TONG HSING ELECTRONIC INDUSTRIES, LTD.
Rules of Procedures for the Election of Directors**

- Article 1: Unless otherwise provided in the Company Act or the Articles of Association of this Company, the directors (Including independent directors) of this Company shall be elected in accordance with the rules specified herein.
- Article 2: Election of directors(including independent directors) the Company shall be held at the shareholders' meeting. The Company shall prepare ballots and add the number of voting rights.
- Article 3: In the election of the Company's directors (including independent directors), the names of the electors shall be replaced by the shareholder attendance numbers.
- Article 4: The election of the directors(including independent directors) at the Company is subject to the provisions of Article 192-1 of the Company Act in that a candidate nomination system shall be adopted.
- Article 5: In the election of the Company's directors (including independent directors), each share has the same voting rights as the number of persons to be elected, and one person may be elected collectively or several persons may be distributed. The election of independent directors and non-independent directors shall be held concurrently, provided that the number of independent directors and non-independent directors elected are calculated separately.
- Article 6: In the election of the Company's directors (including independent directors), those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- Article 7: Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel.
- Article 8: The ballot cabinets (boxes) used for the election shall be prepared by the Company and shall be publicly checked by the scrutineer before voting commences.

Article 9: A ballot is invalid under any of the following circumstances:

- (I) Ballots not put in the ballot box.
- (II) Those who do not use voting votes prepared by the Company's Board of Directors or those who have the right to convene.
- (III) A blank ballot is placed in the ballot box.
- (IV) Where the candidate's name filled in in the ballot is inconsistent with that on the list of candidates for directors.
- (V) Other words or marks are entered in addition to the candidate's account name and the number of voting rights allotted.
- (VI) The writing is unclear and indecipherable or has been altered.

Article 10: Ballots shall be counted at the spot upon completion of casting the ballots, and the elected directors (including independent directors) shall be announced by the chair.

Article 11: These Rules shall become effective from the date they are approved at the Meeting. The same applies in case of revision.

Article 12: This procedure was established on June 21, 2019.
The first amendment was made on June 7, 2021.

Attachment XIII**TONG HSING ELECTRONIC INDUSTRIES, LTD.
Shareholding of Directors**

- I. The Company's registered capital amount is NT\$1,786,904,250, with a total of 178,690,425 shares.
- II. The rules are implemented pursuant to Article 26 of the Securities and Exchange Act and the number of shares of the directors and supervisors of the Company.
- (1) The total number of shares held by all non-independent directors of the Company shall not be less than 10,721,425 shares of the Company's issued shares.
- (2) The Company has set up an Audit Committee in accordance with the law, so there is no application of the number of shares that should be held by the supervisor.
- III. The number of shares held by the directors of the Company as of the current general meeting of shareholders at the closing date of the transfer of shareholders is as follows:

Titles	Name	Shares held on the ex-dividend date	Ownership (%)	Remark
Chairman	Tie-Min Chen	8,170,134	4.57%	
Director	Tong Hsing Food Ind. Corp. Representative: Hsi-Hu Lai	29,531	0.02%	
Director	Kaimei Electronic Corporation Representative: Shu-Hui Chen	8,337,414	4.67%	
Director	Multifield Investment Inc. Representative: Shao-Pin Ru	62,084	0.03%	
Director	Shi Hen Enterprise Limited Representative: Shu-Chen Tsai	7,555	0.00%	
Director	Mu Yeh Wen Investment Corp. Representative: Pen-Chi Chen	3,777,579	2.11%	
Independent Director	Tun-Son Lin	0	0.00%	
Independent Director	Shih-Chien Yang	0	0.00%	
Independent Director	Chin-Tsai Chen	0	0.00%	
Number of shares held by all directors		20,384,297	11.40%	

Attachment XIV

Acceptance of Proposals by Shareholders and Nominations:

Description:

- I. According to Article 172-1 and 192-1 of the Company Act, a shareholder who holds 1% or more of the total issued and outstanding shares may submit one proposal in writing to the Company to be discussed at the general shareholders meeting;
- II. Proposals are limited to one item and three hundred characters (including text and punctuation). Any proposal with more than one item or three hundred characters will not be included in the proposal. 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.
- III. Shareholder proposals must be submitted during the period from March 22, 2022 to March 31, 2022. As required by law, the Company has published the information regarding shareholder proposals on the MOPS website.
- IV. The number of director candidates nominated shall be limited to nine (9) directors (including three (3) independent directors). If the number of nominees exceeds the number of directors or independent directors to be elected, or if the nominees do not meet the legal requirements, they will not be included in the list of candidates.
- V. During the aforesaid period of receiving shareholders' proposals and nominations, no shareholders' proposals and nominations have been received, except for the nomination of director candidates by the Board.