

Ticker Symbol: 2368



Gold Circuit Electronics Ltd.

2022 General Shareholders' Meeting

Meeting Handbook

Format: Physical Shareholders' Meeting

Date: 9 AM, June 8, 2022

Venue: The Company (No.113, Xiyuan Road, Zhongli District,
Taoyuan City)

Old administration building of Zhongli factory

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Gold Circuit Electronics Ltd.
2022 General Shareholders' Meeting Procedure

- I. Meeting Called to Order
- II. The Chairman in Position
- III. The Chairman Address
- IV. Presentations
- V. Ratifications
- VI. Discussions
- VII. Extraordinary Motions
- VIII. Meeting Adjourned

Gold Circuit Electronics Ltd.
2022 General Shareholders' Meeting Agenda

Time: 9 AM, June 8, 2022

Venue: No.113, Xiyuan Road, Zhongli District, Taoyuan City
Old administration building of Zhongli factory of the
Company

Meeting Agenda

- I. Meeting Called to Order
- II. The Chairman in Position
- III. The Chairman Address
- IV. Presentations
 - (I) Operational Status of 2021
 - (II) Audit Committee's Audit of 2021 Statements and Reports
 - (III) Distribution of Remuneration to Employees and That to Directors for 2021
- V. Ratifications
 - (I) 2021 Statements and Reports.
 - (II) Distribution of 2021 Earnings.
- VI. Discussions:
 - (I) Capital Reduction in Cash
 - (II) Revision of the Articles of Incorporation
 - (III) Revision of the "Procedure for the Acquisition or Disposal of Assets"
- VII. Extraordinary Motions
- VIII. Meeting Adjourned

Report Items

(I). Operational Status of 2021

Clarification:

2021 marked a strange and changeable year where Taiwan was on a pandemic roller coaster ride. The economy recovered somewhat. Businesses wasted no time during the pandemic and continued to seek innovations and change for the better. While taking a break, they were getting ready to take on challenges in the future. Some companies, on the other hand, rode along and saw explosive growths on the basis of the strength built over the years; Gold Circuit Electronics is one of them.

Gold Circuit Electronics was originally a company focusing on consumer electronics such as notebook computers, mobile phones, and displays. In light of the prices getting more and more competitive and the lack of powerful financial support or subsidies from the government, we decided, however, to innovate and change and it helped us survive in the red ocean. Over the past few years, we have been working on cloud processing and storage and internet transmission products. Despite the constantly changing consumer electronic products that are available out there and their piling purchase orders, we remain firm on our path. Currently, the changing pandemic and the slowly popular 5G coverage have enabled more and more people to work from home and contributed to the growth in online classrooms. Gold Circuit Electronics saw unprecedented high revenue and profit last year, which is also good news for our vast base of shareholders.

Operational accomplishments of 2021 and the prospects for 2022 are given below:

I. Operational accomplishments of 2021:

(I) Business operation:

In 2021, the total sales value came to \$25,550,218 thousand in Taiwan, a growth of \$3,684,315 thousand and 16.85% from 2020. The sales volume came to 22,639,436 square feet, a growth of 3,309,532 square feet and 17.12% from 2020.

The total sales amounted to \$26,607,474 thousand in Consolidated, a growth of \$3,209,151 thousand and 13.72% from 2020.

(II) Gains or losses (Taiwan):

Operating gross profit: It climbed 17.95% and showed an increase of 350,646 thousand in 2021 from 2020.

Net profit before tax: It climbed 44.15% and showed an increase of 1,041,500 thousand in 2021 from 2020.

Item	2020	2021	Increase (Decrease)	Growth (%)
Operating income	21,865,903	25,550,218	3,684,315	16.85%
Operating cost	19,912,518	23,246,187	3,333,669	
Gross profit	1,953,385	2,304,031	350,646	17.95%
Operating expenses	1,177,326	1,147,453	(29,873)	
Other income and expense/losses	(41,297)	(2,846)	38,451	
Net operating profit	734,762	1,153,732	418,970	57.01%
Net profit (loss) before tax	2,358,814	3,400,314	1,041,500	44.15%
Net profit (loss) for current term	2,066,612	2,926,854	860,242	41.63%

(III) Gains or losses (consolidated):

Operating gross profit: It climbed 20.42% and showed an increase of 1,080,460 thousand in 2021 from 2020.

Net profit before tax: It climbed 50.06% and showed an increase of 1,350,636 thousand in 2021 from 2020.

Item	2020	2021	Increase (Decrease)	Growth (%)
Operating income	23,398,323	26,607,474	3,209,151	13.72%
Operating cost	18,107,743	20,236,434	2,128,691	
Gross profit	5,290,580	6,371,040	1,080,460	20.42%
Operating expenses	2,172,286	2,245,700	73,414	
Other income and expense/losses	(44,376)	(2,819)	41,557	
Net operating profit	3,073,918	4,122,521	1,048,603	34.11%
Net profit (loss) before tax	2,697,882	4,048,518	1,350,636	50.06%
Net profit (loss) for current term	2,066,612	2,926,854	860,242	41.63%

(IV) 2021 budget implementation: No financial forecast has been prepared

(V) Analysis of financial income and expenditure and profitability:

Item	2020	2021
Net operating gain (loss)	3,073,918	4,122,521
Net gains after tax	2,066,612	2,926,854
Mean value of assets	21,278,940	23,307,907
Mean shareholder's equity	8,215,803	10,333,876
Comparison of profitability:		
1. Return on assets	10.34%	12.79%
2. Return on shareholder equity	25.15%	28.32%
3. Net profit rate	8.83%	11.0%
4. Net profit (loss) per share	\$ 3.82	\$ 5.41

II. 2022 Business Plan

To cope with extreme weather and global warming and also to answer to the government's goal of net zero emissions by 2050, Gold Circuit Electronics started to hire professional consultants in 2022 to help do a good job in terms of energy conservation and carbon reduction. We also asked our suppliers, customers, investors, and banks what were the ESG items that they cared about the most in order to define the short-term, mid-term, and long-term carbon reduction goals of Gold Circuit Electronics.

Despite the Russia-Ukraine war and other unfavorable factors that await us, such as chip shortage, port congestion, inflation, and rising prices of raw materials this year, as working from home, online classrooms, and 5G coverage get more and more popular, we remain optimistic about the purchase orders we will receive. The Company will also continue to adopt robust policies with an emphasis over quality instead of quantity. The throughput is not expanded significantly. Instead, we work primarily to enhance our technical capabilities and devote ourselves to smart data management by introducing more precise and energy-saving and carbon-reducing equipment as well as adjusting our portfolio for increased production value. It is our hope to reduce carbon emissions while at the same time enhancing profits for a win-win situation.

Chairman:
Chen-Tse Yang

Manager:
Chen-Tse Yang

Accounting Supervisor:
Chang-Chin Yang

Report items

(II). Audit Committee's Audit of 2021 Statements and Reports

Clarification:

Gold Circuit Electronics Ltd.

Audit Committee's Audit Report

The 2021 Business Report, financial statements, and proposal on distribution of earnings were prepared and submitted to the Board of Directors. The financial statements, in particular, have been audited by certified public accountants Chao-Ling Chen and Jui-Na Chang of Deloitte Taiwan and an audit report was issued accordingly.

The above-mentioned business report, financial statements and proposal on the distribution of earnings have been audited by the Audit Committee and are determined to be compliant with applicable regulatory requirements of the Company Act. Therefore, presentations are provided above as required by Article 219 of the Company Act.

Please review and approve.

To

2022 General Shareholders' Meeting

Gold Circuit Electronics Ltd.

Jen-Jou Hsieh,
Convener of Audit Committee

March 21, 2022

Report items

(III). Distribution of Remuneration to Employees and That to Directors for 2021

Clarification: As is required by Article 20 of the Company's Articles of Incorporation and upon review and approval by the Compensation and Remuneration Committee, it is intended to distribute the remuneration to employees of NTD 240,000,000 and that to directors of NTD 35,000,000. All will be distributed in cash and it is brought forth during the shareholders' meeting after it was reviewed and finalized by the Board of Directors as required by law.

Recognition Items

[Case 1]: Brought forth by the Board of Directors

Cause: 2021 Statements and Reports, brought forth for ratification.

Clarification:

1. The 2021 financial statements and consolidated statements (balance sheet, comprehensive income statement, statement of changes in equity, and cash flow statement) have been audited by certified public accountants Chao-Ling Chen and Jui-Na Chang of Deloitte Taiwan.
2. Please refer to Pages 3–6 of this handbook for the 2021 Business Report and Pages 29–49 of this handbook for the CPA’s Audit Report and financial statements (Attachment 1).
3. They are brought forth for ratification.

Resolution:

Recognition Items

[Case 2]: Brought forth by the Board of Directors

Cause: Distribution of 2021 Earnings, brought forth for ratification.

Clarification:

1. The 2021 net profit after tax was NTD 2,926,855,403, plus the undistributed earnings at the start of the term NTD 965,483,725, the defined benefit plan re-measurement amount that was recognized under retained earnings NTD 35,328,958, the earnings that could be distributed came to NTD 3,927,668,086. As is required by law, 10%, that is, NTD 296,218,436, was set aside to be the legal reserve. The shareholder bonus to be distributed per share is NTD 2.2. The total of NTD 1,202,273,250 is to be distributed in cash.
2. The earnings distribution table is given below:

Gold Circuit Electronics Ltd.
Earnings Distribution Table
2021

Item	Amount
Undistributed earnings at start of term	\$965,483,725
Defined benefit plan re-measurement amount recognized under retained earnings	35,328,958
Post-adjusted undistributed earnings	1,000,812,683
Net profit after tax for the current term	2,926,855,403
Earnings available for distribution	\$3,927,668,086

Item	Amount
Item of distribution:	
1. Appropriation of legal reserve (10%)	(296,218,436)
2. Shareholder bonus (546,487,841 shares x cash dividend of NTD 2.2)	(1,202,273,250)
Undistributed earnings at end of term	\$2,429,176,400

Chairman:
Chen-Tse Yang

Manager:
Chen-Tse Yang

Accounting
Supervisor:
Chang-Chin Yang

3. The distribution is done in cash up to NTD 1 (chopped off thereafter); odd lots for which less than NTD 1 is distributed are recognized as other income of the Company.
4. The base date for distribution cash dividends and the payout date are to be set by the Chairman as authorized after the proposal is approved through the shareholders' meeting.
5. In the event that the number of outstanding shares changes in the future due to the buyback of the Company's shares or assignment or cancellation of treasury stock shares, the Chairman is authorized to make adjustments.
6. It is hereby brought forth for ratification.

Resolution:

Discussions

[Case 1]: Brought forth by the Board of Directors

Cause: Capital reduction in cash, brought forth for a resolution.

Clarification:

1. In order to adjust the capital structure and to improve the return on shareholder equity, capital reduction in cash with share amount returned to shareholders is intended.
2. The amount of capital reduction in cash is set to be NTD 546,487,840, with 54,648,784 shares to be written off. As of March 21, 2022, the actual number of shares having been issued by the Company came to 546,487,841 shares (common stock), which, when calculated by the reduced capital as mentioned in the foregoing, would render a capital reduction ratio of around 10% and it is expected that NTD 1 is to be returned in cash per share (the actual paid-in capital size from the capital reduction, the capital reduction ratio, and cash to be returned per share, however, are to be calculated with the total number of outstanding shares as of the base date for capital reduction and stock conversion).
3. When calculated by the total number of issued common stock shares as indicated in the preceding paragraph, it is short by around 100 shares out of every 1,000 (that is, every 1,000 shares are converted to about 900 shares) and for odd lots that do not make up one share after capital reduction, shareholders can apply on their own initiative with the Company's stock agency within five days prior to the book-closing date of share transfer for putting them together to make a share. For those remaining as odd lots despite the effort, cash will be paid out with the closing

price on the final date of transaction proportionally on the public centralized stock exchange market to the NTD 1 (chopped off thereafter) and the Chairman is authorized to approach specific people to purchase them at the said closing price.

4. Following capital reduction, the paid-up share capital will be NTD 4,918,390,570 and the paid-up number of shares will be 491,839,057. (The paid-in capital size after actual capital reduction is to be finalized on the base date for capital reduction.)
5. Once it is approved through the shareholders' meeting in 2022 and by the competent authority, the base date for capital reduction, the base date for capital reduction and share conversion, and other pending matters will be determined. It is intended to authorize the Chairman to address them at his/her discretion and such matters may be addressed directly as required by the latest laws and regulations.
6. For the new shares following capital reduction and share conversion, they will be issued without physical certificates. The rights and obligations remain identical to those associated with original shares. If the number of outstanding shares is affected due to amendments by the competent authority or other factors, and the capital reduction ratio and cash returned per share are changed as such, it is intended to authorize the Chairman to address them.
7. The shares hereunder are to be issued without physical certificates.

Resolution:

[Case 2]: Brought forth by the Board of Directors

Cause: Revision of the Articles of Incorporation, brought forth for a resolution.

Clarification: As is needed for operational purposes, the Articles of Incorporation are revised. The Comparison Table of Pre-amended and Post-amended Versions is given below; it is brought forth for a resolution.

Comparison of Revisions Made to the Articles of Incorporation

3/21/2022

Article No.	Before	After	Rationale
Article 13	The Company shall have seven to nine directors, who shall be elected by the shareholders' meeting from people with capacity for conduct. The term in office is three years, and re-election is allowed. The director seats shall include not less than two for independent directors, and the independent director seats shall not be less than one-fifth of the director seats. The candidate nomination system, as stipulated in Article 192-1 of the Company Act, is adopted for the election of directors. The implementation of	The Company shall have seven to ten directors, who shall be elected by the shareholders' meeting from people with capacity for conduct. The term in office is three years, and re-election is allowed. The director seats shall include not less than two for independent directors, and the independent director seats shall not be less than one-fifth of the director seats. The candidate nomination system, as stipulated in Article 192-1 of the Company Act, is adopted for the election of directors. The implementation of	To go with the updated Corporate Governance Blueprint (2018–2020) and to meet the practical demand of the Company during operation, when the Chairman and the President or someone charged with equivalent responsibilities are the same person, are each other's spouse, or are each other's relative of the first degree of kinship, it is required to add the number of independent directors and a majority of the directors shall not

Article No.	Before	After	Rationale
	the system shall be handled in accordance with the Company Act, the Securities and Exchange Act and other relevant laws and regulations. The total number of registered shares of the Company held by all directors shall be handled in accordance with the regulations issued by the securities authority on the shareholdings of directors of public companies.	the system shall be handled in accordance with the Company Act, the Securities and Exchange Act and other relevant laws and regulations. The total number of registered shares of the Company held by all directors may not be less than the ratio specified by the competent authority as required by law. <u>When the Chairman and the President or someone charged with equivalent responsibilities of a public company are the same person, are each other's spouse, or are each other's relative of the first degree of kinship, no fewer than four independent directors shall be available and a majority of the directors may not also be employees or managers.</u>	also be an employee or a manager; therefore, Paragraph II is added.
Article 20-1	If there is a surplus in the Company's annual final accounts, the Company shall first pay taxes and make up for the cumulative loss over the years, and	If there is a surplus in the Company's annual final accounts, the Company shall first pay taxes and make up for the cumulative loss over the years, and	In order to streamline the process for issuance of dividends and bonus in cash in a public offering

Article No.	Before	After	Rationale
	then allocate 10% as the legal reserve and make a provision for or reverse the special reserve in accordance with the law or regulations of the competent authority. If there is still a surplus, the balance shall be added to the accumulated undistributed earnings of the previous year, for the board of directors to draft a distribution proposal and submit it to the shareholders' meeting for a resolution on the distribution.	then allocate 10% as the legal reserve and make a provision for or reverse the special reserve in accordance with the law or regulations of the competent authority. If there is still a surplus, the balance shall be added to the accumulated undistributed earnings of the previous year, for the board of directors to draft a distribution proposal and submit it to the shareholders' meeting for a resolution on the distribution. <u>Once a suitable quota is retained reflective of the operational status, it is to be distributed as required by Paragraph II hereunder and Article 18. The Company authorizes the Board of Directors to approve the distribution of all or part of shareholders' dividends and bonus, capital reserve, or legal reserve in cash with a majority of affirmative votes from attending directors that account for two-thirds or more</u>	company, as required by Article 240 Paragraph 5 of the Company Act, the distribution of dividends and bonus by a public offering company may be done as a whole or in part through a special resolution reached by the Board of Directors as authorized and specified in the Articles of Incorporation in the form of cash and reported through the shareholders' meeting; additional resolution or approval through the shareholders' meeting is not required. In order to reinforce the purpose indicated in Article 41 of the Securities and Exchange Act "to

Article No.	Before	After	Rationale
		<u>of all directors and to report the decision during the shareholders' meeting. When setting aside the special reserve as required by law, for any shortage in "net increase in the fair value of investment-oriented real estate properties accumulated from the preceding term" and "net value of less items for other equities accumulated from the preceding term," prior to distribution of earnings, the same amount shall be set aside from undistributed earnings from the preceding term first to be the special reserve; in case of any remaining shortage, it is to be set aside from undistributed earnings for the current term for items other than net profit after tax for the current term plus the net profit after tax for the current term.</u>	keep the financial structure of a public offering company robust and stable and to avoid false profit," the FSC particularly amended the requirement for setting aside special reserve.
Article 22	The Articles of Incorporation were prepared on August 10, 1981.	The Articles of Incorporation were prepared on August 10, 1981.	The serial number and date for the current amendment are revised.

Article No.	Before	After	Rationale
	 The thirty-sixth amendment occurred on June 12, 2017. The thirty-seventh amendment occurred on June 14, 2019. The thirty-eighth amendment occurred on July 20, 2021.	 The thirty-sixth amendment occurred on June 12, 2017. The thirty-seventh amendment occurred on June 14, 2019. The thirty-eighth amendment occurred on July 20, 2021. The thirty-ninth amendment occurred on June 8, 2022.	

Resolution:

[Case 3]: Brought forth by the Board of Directors

Cause: Revision of the “Procedure for the Acquisition or Disposal of Assets,” brought forth for a resolution.

Clarification: To reflect the revisions made to laws and regulations, the “Procedure for the Acquisition or Disposal of Assets” is revised, with the comparison table given below; it is brought forth for a resolution.

Comparison of revisions made to the articles

Revised on 3/21/2022

Article No.	Before	After	Rationale
Article 7	Procedure for the Acquisition or Disposal of Real Estate Properties and Their Right-of-Use Assets or Other Fixed Assets I. (Omitted) II. (Omitted) III. (Omitted) IV. Appraisal report for real estate properties and their right-of-use assets or other fixed assets When acquiring or disposing of real estate properties or their right-of-use assets or other fixed assets, except for transactions with government agencies, outsourced	Procedure for the Acquisition or Disposal of Real Estate Properties and Their Right-of-Use Assets or Other Fixed Assets I. (Omitted) II. (Omitted) III. (Omitted) IV. Appraisal report for real estate properties and their right-of-use assets or other fixed assets When acquiring or disposing of real estate properties or their right-of-use assets or other fixed assets, except for transactions with government agencies, outsourced	In light of the fact that it is amended to include the requirement for external experts to follow the self-discipline norms of respective associations they belong to and cover the procedure to be followed by CPAs when the latter provide opinions, it is deleted.

Article No.	Before	After	Rationale
	construction on self-owned land, outsourced construction on rented land, or the acquisition or disposal of operating machinery and equipment, as long as the trading value reaches 20% of the Company's paid-in capital size or NTD 300 million and above, the quotation report issued by a professional appraiser shall be obtained prior to the actual date of occurrence and the following requirements shall be fulfilled: (I) When restricted prices or specific prices need to serve as the reference for the transaction price for special reasons, such transaction shall be submitted to the Board of Directors for a decision first. The above procedure shall be followed, too, upon	construction on self-owned land, outsourced construction on rented land, or the acquisition or disposal of operating machinery and equipment, as long as the trading value reaches 20% of the Company's paid-in capital size or NTD 300 million and above, the quotation report issued by a professional appraiser shall be obtained prior to the actual date of occurrence and the following requirements shall be fulfilled: (I) When restricted prices or specific prices need to serve as the reference for the transaction price for special reasons, such transaction shall be submitted to the Board of Directors for a decision first. The above procedure shall be followed, too, upon	

Article No.	Before	After	Rationale
	changes to the transaction conditions in the future. (II) When the trading value reaches NTD 1 billion and above, appraisals shall be provided by at least two professional appraisers. (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 Standard 20 published by the	changes to the transaction conditions in the future. (II) When the trading value reaches NTD 1 billion and above, appraisals shall be provided by at least two professional appraisers. (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 Standard 20 published by the	

Article No.	Before	After	Rationale
	Accounting Research and Development Foundation and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price: 1. The appraisal result is different from the trading value by more than 20% of the trading value. 2. The difference between appraisal results provided by at least two professional appraisers reaches 10% and above of the transaction price. (IV) The date when the report is released by a professional appraiser and the date for the contract to take effect may not be more than three months apart. If the announced current value of the same	Accounting Research and Development Foundation and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price: 1. The appraisal result is different from the trading value by more than 20% of the trading value. 2. The difference between appraisal results provided by at least two professional appraisers reaches 10% and above of the transaction price. (IV) The date when the report is released by a professional appraiser and the date for the contract to take effect may not be more than three months apart. If the announced current value of the same	

Article No.	Before	After	Rationale
	term applies and it is not more than six months past due, the original professional appraiser shall provide the opinions. (V) If the Company acquires or disposes of assets through the court auction procedure, supporting documents issued by the court may be used instead of the appraisal report or CPA opinions.	term applies and it is not more than six months past due, the original professional appraiser shall provide the opinions. (V) If the Company acquires or disposes of assets through the court auction procedure, supporting documents issued by the court may be used instead of the appraisal report or CPA opinions.	
Article 9	Procedure for Transactions with Related Parties I. (Omitted) II. (Omitted) III. (Omitted) The trading value in the preceding paragraph shall be calculated according to the requirements in Article 14 Paragraph I Subparagraph VI and “within a year” as stated is based on the actual date of occurrence of the current transaction, retroactively by one year. It is allowed not to include those	Procedure for Transactions with Related Parties I. (Omitted) II. (Omitted) III. (Omitted)	In order to prevent public offering companies from getting involved in significant transactions with related parties through subsidiaries that are not a domestic public offering company, it is hereby required that the public offering company shall also bring forth related materials during the shareholders’ meeting for approval before

Article No.	Before	After	Rationale
	already submitted to and approved by the Board of Directors and to the Audit Committee for ratification as required herein. For the following transactions between the public offering company and its parent company or its subsidiary, the Board of Directors may authorize the Chairman to go ahead and make a decision when it is within a certain limit and submit it to the most recent Board of Directors' meeting for endorsement: I. Acquisition or disposal of operating equipment or its right-of-use assets. II. Acquisition or disposal of operating real estate properties or their right-of-use assets.	For the following transactions between the public offering company and its parent company or its subsidiary, the Board of Directors may authorize the Chairman to go ahead and make a decision when it is within a certain limit and submit it to the most recent Board of Directors' meeting for endorsement: I. Acquisition or disposal of operating equipment or its right-of-use assets. II. Acquisition or disposal of operating real estate properties or their right-of-use assets. <u>For transactions indicated under Paragraph I between the public offering company or its subsidiary that is not a public offering company in the nation,</u>	such transactions may begin. For a subsidiary that is not a public offering company, matters subject to approval through the shareholders' meeting are to be addressed by the public offering parent company of a level up.

Article No.	Before	After	Rationale
		<u>if the trading value reaches 10% of the public offering company's total assets and above, materials under respective subparagraphs of Paragraph I shall be presented during the shareholders' meeting and approved accordingly before the transaction contract may be entered into and payment may be made. This does not apply, however, to transactions between the public offering company and its parent company or subsidiary or between its subsidiaries.</u> The trading value in Paragraph I and the preceding paragraph shall be calculated according to the requirements in Article 14 Paragraph I Subparagraph VI and "within a year" as stated is based on the actual date of occurrence of the current transaction, retroactively by one year. It is allowed not to include those	

Article No.	Before	After	Rationale
		already brought forth during the shareholders' meeting and submitted to and approved by the Board of Directors and to the Audit Committee for ratification as required herein.	
Article 10	Procedure for the Acquisition or Disposal of Membership Cards or Intangible Assets I. (Omitted) II. (Omitted) III. (Omitted) IV. (Omitted) When acquiring or disposing of membership cards or intangible assets with a trading value reaching 20% of the paid-in capital size or NT\$300 million and above, the Company shall have a CPA to express opinions on the adequacy of the transaction price prior to the actual date of occurrence. The CPA shall also follow the requirements under Auditing Standard 20 released by the Accounting Research and Development Foundation.	Procedure for the Acquisition or Disposal of Membership Cards or Intangible Assets I. (Omitted) II. (Omitted) III. (Omitted) IV. (Omitted) When acquiring or disposing of membership cards or intangible assets with a trading value reaching 20% of the paid-in capital size or NT\$300 million and above, the Company shall have a CPA to express opinions on the adequacy of the transaction price prior to the actual date of occurrence. The CPA shall also follow the requirements under Auditing Standard 20 released by the Accounting Research and Development Foundation.	In light of the fact that it is amended to include the requirement for external experts to follow the self-discipline norms of respective associations they belong to and cover the procedure to be followed by CPAs when the latter provide opinions, it is deleted.

Article No.	Before	After	Rationale
Article 14	Information Disclosure Procedure Items Subject to Announcement / Filing and Announcement / Filing Criteria (I) (Omitted) (II) (Omitted) (III) (Omitted) (IV) (Omitted) (V) (Omitted) (VI) (Omitted) (VII) Transactions of assets other than those in the preceding 6 subparagraphs, disposition of creditor's rights by financial institutions, or investments in Mainland China, with a trading value reaching 20% of the Company's paid-in capital size or NTD 300 million and above. This, however, does not apply to the following circumstances: 1. Trading of <u>domestic government bonds or foreign government</u>	Information Disclosure Procedure Items Subject to Announcement / Filing and Announcement / Filing Criteria (I) (Omitted) (II) (Omitted) (III) (Omitted) (IV) (Omitted) (V) (Omitted) (VI) (Omitted) (VII) Transactions of assets other than those in the preceding 6 subparagraphs, disposition of creditor's rights by financial institutions, or investments in Mainland China, with a trading value reaching 20% of the Company's paid-in capital size or NTD 300 million and above. This, however, does not apply to the following circumstances: 1. Trading of government bonds.	In light of the fact that announcement and filing are already waived for trading of domestic government bonds by public offering companies now, Paragraph I Subparagraph VII Item 1 is amended accordingly to include foreign government bonds with a rating not below the sovereignty rating of our government as part of the bonds available for trading and subject to a waiver of announcement / filing.

Article No.	Before	After	Rationale
	<u>bonds with a credit rating not below the sovereignty rating of our government.</u> 2. (Omitted) 3. (Omitted)	2. (Omitted) 3. (Omitted)	

Extraordinary Motions

Meeting adjourned

[Attachment 1]

2021 Statements and Reports

Audit Report

To Gold Circuit Electronics Ltd.,

Audit opinions

We have audited the Parent Company-only Balance Sheet prepared for Gold Circuit Electronics Ltd. as of December 31, 2021 and 2020, and the Parent Company-Only Statement of Income, Parent Company-only Statement of Changes in Equity, Parent Company-only Statement of Cash Flows, and Notes to the Parent Company-only Financial Reports, including summaries of major accounting policies from January 1 to December 31, 2021 and 2020.

In our opinion, the major issues of said financial reports prove to have been duly worked out in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, presenting fairly the financial position of Gold Circuit Electronics Ltd. on December 31, 2021 and 2020 and the financial performance and cash flows for the periods starting from January 1 till December 31, 2021 and 2020.

Bases for the Audit Opinions

We conducted the audit in accordance with the Regulations Governing Auditing and Attestation of Financial statements by Certified Public Accountants and generally accepted auditing standards. Our responsibilities under those standards are further described in the responsibilities of auditors for the audit of parent company-only financial reports. The personnel of the CPA Firm subject to the independence requirement have acted independently of Gold Circuit Electronics Ltd. in accordance with the Code of Ethics and with other responsibilities of the Code of Ethics performed. We believed that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those determined by us as the CPAs based on our professionalism to be the most important in the audit of the 2021 parent company-only financial reports of Gold Circuit Electronics Ltd. Such matters were addressed throughout the audit of the parent company-only financial reports and during the formation of audit opinions. We do not express separate opinions regarding these matters.

The key audit matters for the 2021 parent company-only financial reports of Gold Circuit Electronics Ltd. are described as follows:

Recognition of Income

When the subsidiary in Mainland China actually ships goods, the inventory control is transferred and the income from the triangle trade of Gold Circuit Electronics Ltd. is recognized. Therefore, it is possible that improper recognition of income exists despite the absence of actual shipment. Therefore, we believe that there might be risk over whether such type of income occurs. Given this, it is classified as a key audit matter. The income recognition policy is disclosed in Note IV herein.

The audit procedure that we performed on the above-mentioned key matters primarily covers the following:

1. Understand and test the design and effectiveness of execution of the major internal control for recognition of income of the Company.
2. Samples were selected from the income statement of the triangle trade to verify how original purchase orders from customers were approved and to verify the shipping receipts and supporting documents from the subsidiary in Mainland China for confirmation over whether the transaction really occurred or not.

Responsibilities of Management and Governance Unit for Parent Company-only Financial Reports

The responsibility of the management is to have the parent company only financial reports prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Firms International Accounting Standards, Interpretations, and also maintain the necessary internal controls related to the parent company only financial reports to ensure that the parent company only financial reports are free of any material misstatement arising from fraud or errors.

While compiling consolidated financial reports, the management is also responsible for evaluating the ability of Gold Circuit Electronics Ltd. to continue with operation, disclosing related matters, and adopting the bases for continued operation and accounting unless the management intends to liquidate Gold Circuit Electronics Ltd. or cease business operation, or no other practically feasible solutions are available except for liquidation or suspension.

The governance unit (including the Audit Committee) of Gold Circuit Electronics Ltd. is responsible for supervising the financial reporting process.

CPA's Responsibilities in Auditing Parent Company-only Financial Reports

We audit the parent company-only financial reports in order to be reasonably convinced as to whether the parent company-only financial reports as a whole contain material misstatements due to frauds or errors and to issue the audit report. Reasonably convinced is highly convinced. There is no guarantee, however, that existence of material misstatements in the parent company-only financial reports will be detected according to generally accepted auditing standards. Misstatements might have been caused by frauds or errors. If respective values or an overview of misstatements can be reasonably expected to affect economic decisions made by users of the parent company-only financial reports, they are considered material.

We, as the CPAs, apply our professional judgment and keep our professional doubts while performing the audit according to generally accepted auditing standards. We also perform the following tasks:

1. Identify and assess the risks of material misstatements in parent company-only financial reports, whether due to fraud or error, design, and perform audit procedures responsive to those risks, and obtain evidence that is sufficient and appropriate to provide a basis of our opinion. Due to the fact that frauds might involve collusion, forging, intentional omission, misstatement, or non-compliance with internal control, the risk associated undetected material misstatements caused by frauds is higher than that caused by errors.
2. Obtain the necessary understanding on the internal control related to the audit in order to design appropriate audit procedures under the circumstances, but the purpose is not to express an opinion on the effectiveness of the internal control of Gold Circuit Electronics Ltd.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
4. Reach a conclusion with regard to the adequacy of the accounting basis adopted by the management to continue with operation and whether significant uncertainties of events or conditions that might result in significant concerns about the ability of Gold Circuit Electronics Ltd. to continue with operation exist or not according to the evidence obtained from the audit. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial reports or, if such disclosure are inappropriate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or circumstances may render Gold Circuit Electronics Ltd. no longer capable of continuing with operation.
5. Evaluate the overall presentation, structure, and contents of the parent company-only reports, including the disclosures, whether the parent company only statements represent the underlying transactions and events in a matter that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence on the financial information of Gold Circuit Electronics Ltd. in order to express an opinion on the parent company only financial reports. We as the CPAs are responsible for guiding, supervising, and implementing the audit of Gold Circuit Electronics Ltd. as well as forming an opinion on the audit.

Matters that we communicated with the governance unit included the planned scope and timing of the audit and significant audit findings (including any significant deficiencies in internal control that we had identified during our audit).

We as the CPAs also provided the governance unit with the declaration on compliance of the staff in the accounting firm that we belong with moral regulations in honor of the profession of CPA and communicated with the governance unit on all relationships and other matters considered to be likely undermining the independence of CPAs (including related safeguard measures).

We decided the key audit matters for the 2021 parent company-only financial reports of Gold Circuit Electronics Ltd. from matters communicated on with the governance unit. We describe these matters in our auditor's 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 communications.

Deloitte & Touche

CPA Chao-Ling Chen

CPA Jui-Nan Chang

Financial Supervisory Commission's
Written Approval No.

JIN-Guan-Zheng-Liu-Zi No.
0930160267

Securities and Futures Commission's
written approval No:

Tai-Cai-Zheng-Liu-Zi No. 0920123784

March 22, 2022

Parent Company-only Balance Sheet of
Gold Circuit Electronics Ltd.
December 31, 2021 and 2020

Unit: NTD thousand

Code	Assets	December 31, 2021		December 31, 2020	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Notes IV and VI)	\$ 1,489,964	7	\$ 2,289,674	13
1110	Financial assets measured at fair value through gains or losses – current (Notes IV and VII)	9,196	-	-	-
1150	Notes receivable (Notes IV and VIII)	-	-	83	-
1180	Accounts receivable – related party (Notes IV, V, VIII and XXVIII)	102,402	1	4,519	-
1170	Accounts receivable – non-related party (Notes IV, V and VIII)	8,630,350	38	6,213,750	35
1210	Other accounts receivable – related parties (Notes IV, VIII and XXVIII)	667,758	3	1,000,265	6
1200	Other accounts receivable – non-related parties (Note IV and VIII)	76,068	-	138,195	1
1220	Income tax assets for the current period (Note XXIII)	-	-	15,670	-
130X	Inventories (Notes IV and IX)	3,193,992	14	2,028,023	11
1410	Prepayments	82,356	-	69,726	-
1470	Other current assets (Note XV)	12,076	-	10,728	-
11XX	Total current assets	<u>14,264,162</u>	<u>63</u>	<u>11,770,633</u>	<u>66</u>
	non-current assets				
1550	Investment under equity method (Notes IV, X, and XXV)	4,873,407	22	2,627,936	15
1600	Property, Plant, and Equipment (Notes IV, XI and XXIX)	2,460,514	11	2,476,950	14
1755	Right-of-use assets (Notes IV and XII)	39,592	-	38,667	-
1760	Investment property (Notes IV and XIII)	577,900	3	577,000	3
1780	Other intangible assets (Notes IV and XIV)	16,394	-	9,238	-
1840	Deferred income tax assets (Notes IV and XXIII)	240,331	1	441,132	2
1900	Other non-current assets (Note XV)	1,415	-	1,415	-
15XX	Total non-current assets	<u>8,209,553</u>	<u>37</u>	<u>6,172,338</u>	<u>34</u>
1XXX	Total assets	<u>\$ 22,473,715</u>	<u>100</u>	<u>\$ 17,942,971</u>	<u>100</u>
	Liabilities and shareholders' equity				
	Current liabilities				
2100	Short-term loan (Notes IV and XVI)	\$ 363,524	2	\$ 14,486	-
2120	Financial liabilities at fair value through gains or losses – current (Notes IV and VII)	-	-	13,804	-
2170	Accounts payable – non-related parties (Note XVII)	1,444,020	7	874,382	5
2180	Accounts payable – related parties (Notes XVII and XXVIII)	4,990,415	22	3,547,183	20
2280	Lease liabilities – current (Notes IV and XII)	13,224	-	12,563	-
2219	Other accounts payable (Note XVIII)	1,352,124	6	1,111,803	6
2230	Income tax liability of current term (Note XXIII)	228,301	1	94,939	-
2250	Provision for liabilities-current (Notes IV and XIX)	167,544	1	137,009	1
2320	Long-term borrowings due within one year (Notes IV and XVI)	53,846	-	687,692	4
2399	Other current liabilities (Note XVIII)	77,032	-	40,663	-
21XX	Total current liabilities	<u>8,690,030</u>	<u>39</u>	<u>6,534,524</u>	<u>36</u>
	Non-current liabilities				
2540	Long-term borrowings (Notes IV and XVI)	826,924	4	1,772,308	10
2542	Long-term notes and bills payable (Note XVI)	1,250,000	5	-	-
2570	Deferred income tax liabilities (Notes IV and XXIII)	90,918	-	84,514	-
2580	Lease liabilities – Non-current (Notes IV and XII)	12,190	-	15,950	-
2640	Net defined benefit liabilities- non-current (Notes IV and XX)	200,680	1	269,180	2
2670	Other non-current liabilities (Note XVIII)	859	-	859	-
25XX	Total non-current liabilities	<u>2,381,571</u>	<u>10</u>	<u>2,142,811</u>	<u>12</u>
2XXX	Total liabilities	<u>11,071,601</u>	<u>49</u>	<u>8,677,335</u>	<u>48</u>
	Equity (Note XXI)				
	Capital stock				
3110	Common shares	5,464,879	24	5,464,879	31
3200	Additional paid-in capital	1,206,574	6	1,471,233	8
	Retained earnings				
3310	Legal reserve	167,997	1	-	-
3320	Special reserve	475,522	2	475,522	3
3350	Undistributed earnings	3,927,668	17	1,679,970	9
3300	Total retained earnings	4,571,187	20	2,155,492	12
3400	Other equity items	257,951	1	272,509	2
3500	Treasury stocks	(98,477)	-	(98,477)	(1)
3XXX	Total equity	<u>11,402,114</u>	<u>51</u>	<u>9,265,636</u>	<u>52</u>
	Total liabilities and equities	<u>\$ 22,473,715</u>	<u>100</u>	<u>\$ 17,942,971</u>	<u>100</u>

Notes to the parent company only financial reports constitute a part of these financial reports.

Parent Company-only Comprehensive Income Statement of
Gold Circuit Electronics Ltd.

January 1 to December 31, 2021 and 2020

Unit: NTD thousand, except for EPS (NT\$)

Code		2021		2020	
		Amount	%	Amount	%
	Operating income (Note IV and XXVIII)				
4100	Sales income	\$ 25,550,218	100	\$ 21,865,903	100
	Operating cost (Notes IX, XX, XXII and XXVIII)				
5110	Sales cost	<u>23,246,187</u>	<u>91</u>	<u>19,912,518</u>	<u>91</u>
5900	Gross profit	<u>2,304,031</u>	<u>9</u>	<u>1,953,385</u>	<u>9</u>
	Operating expenditure (Notes XX, XXII and XXVIII)				
6100	Promotional expenditure	551,272	2	549,209	3
6200	Administration expenditure	371,015	1	314,719	2
6300	R&D expenditure	273,032	1	249,459	1
6450	Expected credit impairment loss (gain)	(<u>47,866</u>)	<u>-</u>	(<u>63,939</u>)	<u>-</u>
6000	Total operating expenditure	<u>1,147,453</u>	<u>4</u>	<u>1,177,326</u>	<u>6</u>
6510	Net amount of other profits and losses (Note XXII)	(<u>2,846</u>)	<u>-</u>	(<u>41,297</u>)	<u>-</u>
6900	Net operating profit	<u>1,153,732</u>	<u>5</u>	<u>734,762</u>	<u>3</u>
	Non-operating income and expenditure (Notes IV , XXII and XXVIII)				
7100	Interest income	26,915	-	62,324	-
7010	Other income	40,898	-	49,796	-
7020	Other gain or loss	(43,534)	-	(122,855)	-
7050	Financial cost	(29,141)	-	(53,799)	-
7070	Amount of profit and/or loss of subsidiaries, affiliates, and joint ventures adopting the equity method	<u>2,251,444</u>	<u>9</u>	<u>1,688,586</u>	<u>8</u>
7000	Total non-operating income and expenditure	<u>2,246,582</u>	<u>9</u>	<u>1,624,052</u>	<u>8</u>
7900	Net profit before tax from continuing operation	\$ 3,400,314	14	\$ 2,358,814	11
7950	Income tax expenses (Notes IV and XXIII)	<u>473,460</u>	<u>2</u>	<u>292,202</u>	<u>1</u>
8000	Continuing operation net profit for the year	<u>2,926,854</u>	<u>12</u>	<u>2,066,612</u>	<u>10</u>

(To be continued)

(Continued)

Code		2021		2020	
		Amount	%	Amount	%
8310	Other combined gains or losses Not reclassified to profit and loss:				
8311	Defined benefit plan re- measurement amount (Note XX)	44,161	-	(11,985)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other combined gains or losses	-	-	(10,000)	-
8349	Incomes tax related to titles not subject to reclassification	(8,832)	-	2,397	-
8360	Items that may be reclassified under gains or losses later:				
8361	Exchange differences from conversion of financial reports of overseas operating entities	(14,558)	-	52,642	-
8300	Other combined gains or losses of current term (after-tax net value)	20,771	-	33,054	-
8500	Total combined gains or losses of the year	<u>\$ 2,947,625</u>	<u>12</u>	<u>\$ 2,099,666</u>	<u>10</u>
	EPS (Note XXIV)				
	From continuing operations				
9710	Basic	<u>\$ 5.41</u>		<u>\$ 3.82</u>	
9810	dilution	<u>\$ 5.38</u>		<u>\$ 3.80</u>	

Notes to the parent company only financial reports constitute a part of these financial reports.

Parent Company-only Statement of Changes in Equity of
Gold Circuit Electronics Ltd.

January 1 to December 31, 2021 and 2020

Unit: NTD thousand

Code		Capital stock	Additional paid-in capital	Legal reserve	Retained earnings		Other equity items		Property upward revaluation	Treasury stocks	Total equities
					Special reserve	Undistributed earnings	Exchange differences from conversion of financial reports of overseas operating entities	Unrealized gains or losses from financial assets measured at fair value through other combined gains or losses			
A1	Balance as of January 1, 2020	\$ 5,464,879	\$ 1,471,233	\$ -	\$ 475,522	(\$ 377,054)	(\$ 65,344)	(\$ 570)	\$ 295,781	(\$ 98,477)	\$ 7,165,970
D1	2020 Net profit	-	-	-	-	2,066,612	-	-	-	-	2,066,612
D3	Other combined gains or losses after tax of 2020	-	-	-	-	(9,588)	52,642	(10,000)	-	-	33,054
D5	Total combined gains or losses of 2020	-	-	-	-	2,057,024	52,642	(10,000)	-	-	2,099,666
Z1	Balance as of December 31, 2020	5,464,879	1,471,233	-	475,522	1,679,970	(12,702)	(10,570)	295,781	(98,477)	9,265,636
	Appropriation and distribution of earnings from 2020										
B1	Legal reserve	-	-	167,997	-	(167,997)	-	-	-	-	-
B5	The Company's shareholder dividend in cash	-	-	-	-	(546,488)	-	-	-	-	(546,488)
	Change in other additional paid-in capital										
C15	Cash dividend assigned with capital reserve	-	(273,244)	-	-	-	-	-	-	-	(273,244)
C17	Capital reserve – transaction of treasury stocks	-	8,585	-	-	-	-	-	-	-	8,585
D1	Net profits of 2021	-	-	-	-	2,926,854	-	-	-	-	2,926,854
D3	Other combined gains or losses after tax of 2021	-	-	-	-	35,329	(14,558)	-	-	-	20,771
D5	Total combined gains or losses of 2021	-	-	-	-	2,962,183	(14,558)	-	-	-	2,947,625
Z1	Balance as of December 31, 2021	\$ 5,464,879	\$ 1,206,574	\$ 167,997	\$ 475,522	\$ 3,927,668	(\$ 27,260)	(\$ 10,570)	\$ 295,781	(\$ 98,477)	\$11,402,114

Notes to the parent company only financial reports constitute a part of these financial reports.

Parent Company-only Statement of Cash Flows of
Gold Circuit Electronics Ltd.

January 1 to December 31, 2021 and 2020

Unit: NTD thousand

Code		2021	2020
	Cash flow from operating activities		
A10000	Net profit before tax for the year	\$ 3,400,314	\$ 2,358,814
A20010	Income charges (credits):		
A20300	Expected credit impairment loss		
	(gain on recovery of impairment)	(47,866)	63,939
A20100	Depreciation expenditure	289,395	282,458
A20200	Amortization expenditure	9,354	10,650
A20900	Financial cost	29,141	53,799
A29900	Provision for liabilities	31,444	25,542
A22400	Amount of profit and/or loss of subsidiaries, affiliates, and joint ventures adopting the equity method	(2,251,444)	(1,688,586)
A21200	Interest income	(26,915)	(62,324)
A23700	Inventory valuation and obsolescence losses	-	17,315
A23800	Gain on price recovery from inventory devaluation and obsolescence	(16,027)	-
A23100	Net gain from the disposal of financial assets	-	(423)
A22500	Loss on disposal of real estate properties, plants, and equipment	8,829	10,937
A20400	Net loss (gain) from financial assets measured at fair value through gains or losses	(9,196)	25,477
A20400	Net (gains) losses from financial liabilities measured at fair value through gains or losses	(13,804)	13,804
A24100	Net loss of exchange in foreign currencies	1,953	52,996
A24600	Gain from fair value adjustment of Investment property	(900)	(2,600)
A30000	Net change in operating assets and liabilities		
A31130	Notes receivable	83	(83)
A31150	Accounts receivable	(2,495,549)	(180,669)
A31180	Other receivables	376,608	659,860
A31200	Inventories	(1,149,942)	(332,175)
A31230	Prepayments	(12,630)	8,249
A31240	Other current assets	(1,348)	(1,824)
A32130	Notes payable	-	(1,565)
A32150	Accounts payable	2,034,806	(87,876)
A32180	Other payables	230,043	491,741
A32230	Other current liabilities	36,369	12,508
A32240	Net defined benefit liabilities	(24,339)	(23,650)
A33000	Cash yielded in business operation	398,379	1,706,314

(To be continued)

(Continued)

Code		2021	2020
A33200	Interest collected	\$ 35,298	\$ 73,512
A33500	Income tax paid	(126,055)	(51,326)
AAAA	Net cash inflow from operating activities	<u>307,622</u>	<u>1,728,500</u>
	Cash flow from investing activities		
B00010	Financial assets measured at fair value through other combined gains or losses	-	(10,000)
B00100	Acquisition of financial assets at fair value through gains or losses	-	(29,000)
B00200	Disposal of financial assets at fair value through gains or losses	-	39,423
B02700	Procurement of real estate properties, plants, and equipment	(245,651)	(335,992)
B04500	Procurement of intangible assets	(16,510)	(8,697)
B02800	Proceeds from disposal of real estate properties, plants, and equipment	2,409	16,129
B03800	Decrease in refundable deposit	-	863
B02200	Net cash outflow from acquisition of subsidiaries	<u>-</u>	(<u>147,450</u>)
BBBB	Net cash outflow from investing activities	(<u>259,752</u>)	(<u>474,724</u>)
	Cash flow from financing activities		
C00100	Increase in short-term loan	424,640	407,574
C00200	Decrease in short-term loan	(75,340)	(615,396)
C00600	Decrease in short-term notes and bills payable	-	(100,000)
C01600	Application for long-term borrowings	7,635,374	4,160,000
C01700	Repayment of long-term borrowings	(9,214,604)	(4,318,333)
C01800	Increase in Long-term notes and bills payable	1,250,000	-
C03000	Collection of guarantee deposits received	-	20
C04020	Repayment of lease liability principal	(16,758)	(14,953)
C05600	Interest paid	(31,112)	(54,525)
C04500	Dividends in cash paid	(<u>819,732</u>)	<u>-</u>
CCCC	Net cash outflow from financing activities	(<u>847,532</u>)	(<u>535,613</u>)
DDDD	Impact of change in exchange rate on cash and cash equivalents	(<u>48</u>)	(<u>5</u>)
EEEE	Increase (decrease) in cash and cash equivalents	(799,710)	718,158
E00100	Balance of cash and cash equivalents-beginning of year	<u>2,289,674</u>	<u>1,571,516</u>
E00200	Balance of cash and cash equivalents-end of year	<u>\$ 1,489,964</u>	<u>\$ 2,289,674</u>

Notes to the parent company only financial reports constitute a part of these financial reports.

Declaration on Consolidated Reports of Affiliates

Companies that should be included in the compiled consolidated financial reports of affiliates for 2021 (from January 1, 2021 to December 31, 2021) in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are identical to those that should be compiled in the consolidated reports of the parent company and its subsidiaries as per International Financial Reporting Standard 10 and all the information that should be disclosed in the consolidated financial reports of affiliates has been disclosed in the consolidated reports of the parent company and its subsidiaries. Therefore, the consolidated financial reports of affiliates is not prepared separately.

Declared by:

Company: Gold Circuit Electronics Ltd.

Responsible Person: Chen-Tse Yang

March 22, 2022

Audit Report

To Gold Circuit Electronics Ltd.

Audit opinions

We have audited the Consolidated Balance Sheet of Gold Circuit Electronics Ltd. and the subsidiaries (Gold Circuit Electronics Group) on December 31, 2021 and 2020 and the Consolidated Comprehensive Income Statement, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows, and Notes to the Consolidated Financial Reports (including summaries of major accounting policies) from January 1 to December 31, 2021 and 2020.

In our opinion, the major issues of said financial reports prove to have been duly worked out in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and International Financial Reporting Standards Interpretations Committee's Interpretations (IFRSIC) and Standing Interpretation Committee's Interpretative Announcement (SIC) recognized and issued into effect by the Financial Supervisory Commission, Executive Yuan (FSC), presenting fairly the consolidated financial position of Gold Circuit Electronics Group on December 31, 2021 and 2020 and the consolidated results of financial performance and consolidated cash flow for the periods starting from January 1 till December 31, 2021 and 2020.

Bases for the Audit Opinions

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial statements by Certified Public Accountants and generally accepted auditing standards. Our responsibilities under those standards are further described in the responsibilities of auditors for the audit of consolidated financial reports. The personnel of the CPA Firm subject to the independence requirement have acted independently of the Gold Circuit Electronics Group in accordance with the Code of Ethics and with other responsibilities of the Code of Ethics performed. We believed that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those determined by us as the CPAs based on our professionalism to be the most important in the audit of the 2021 consolidated financial reports of the Gold Circuit Electronics Group. These matters were addressed in the content of our audit of the consolidated

financial reports as a whole, and in forming our opinion thereon, and we do not provide opinions on those matters separately.

The key audit matters for the 2021 consolidated financial reports of the Gold Circuit Electronics Group are described as follows:

Recognition of Income

When the subsidiary in Mainland China actually ships goods, the inventory control is transferred and the income from the triangle trade of Gold Circuit Electronics Ltd. is recognized. Therefore, it is possible that improper recognition of income exists despite the absence of actual shipment. Therefore, we believe that there might be risk over whether such type of income occurs. Given this, it is classified as a key audit matter. The income recognition policy is disclosed in Note IV herein.

The audit procedure that we performed on the above-mentioned key matters primarily covers the following:

1. Understand and test the design and effectiveness of execution of the major internal control for recognition of income of the Company.
2. Samples were selected from the income statement of the triangle trade to verify how original purchase orders from customers were approved and to verify the shipping receipts and supporting documents from the subsidiary in Mainland China for confirmation over whether the transaction really occurred or not.

Other Matters

Gold Circuit Electronics Ltd. has duly worked out the 2021 and 2020 parent company-only financial reports for which we, as the CPAs, have issued the Audit Report containing unqualified opinions, with records on file, for your reference.

Responsibilities of Management and Governance Unit for Consolidated Financial Reports

The management is responsible for preparing adequately expressed stated financial reports in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and international financial reporting standards, international accounting standards, interpretations, and interpretation announcements approved and released to take effect by the Financial Supervisory Commission and maintaining necessary internal control relevant to the compilation of the consolidated financial reports in order to ensure that no material misstatements caused by frauds or errors exist in consolidated financial reports.

While compiling consolidated financial reports, the management is also responsible for evaluating the ability of Gold Circuit Electronics Group to continue with operation, disclosing related matters, and adopting the bases for continued operation and accounting unless the management intends to liquidate the Gold Circuit Electronics Group or cease business operation, or no other practically feasible solutions are available except for liquidation or suspension.

The governance unit (including the Audit Committee) of the Gold Circuit Electronics Group is responsible for supervising the financial reporting process.

CPA's Responsibilities in Auditing Consolidated Financial Reports

We audit the consolidated financial reports in order to be reasonably convinced as to whether the consolidated financial reports as a whole contain material misstatements due to frauds or errors and to issue the audit report. Reasonably convinced is highly convinced. There is no guarantee, however, that existence of material misstatements in the consolidated financial reports will be detected according to generally accepted auditing standards. Misstatements might have been caused by frauds or errors. If respective values or an overview of misstatements can be reasonably expected to affect economic decisions made by users of the consolidated financial reports, they are considered material.

We, as the CPAs, apply our professional judgment and keep our professional doubts while performing the audit according to generally accepted auditing standards. We also perform the following tasks:

1. Identify and assess the risks of material misstatements in consolidated financial reports, whether due to fraud or error, design, and perform audit procedures responsive to those risks, and obtain evidence that is sufficient and appropriate to provide a basis of our opinion. Due to the fact that frauds might involve collusion, forging, intentional omission, misstatement, or non-compliance with internal control, the risk associated undetected material misstatements caused by frauds is higher than that caused by errors.
2. Obtain the necessary understanding on the internal control related to the audit in order to design appropriate audit procedures under the circumstances, but the purpose is not to express an opinion on the effectiveness of the internal control of the Gold Circuit Electronics Group.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
4. Reach a conclusion with regard to the adequacy of the accounting basis adopted by the management to continue with operation and whether significant uncertainties of events or conditions that might result in significant concerns about the ability of the Gold Circuit Electronics Group to continue with operation exist or not according to the evidence obtained from the audit. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial reports or, if such disclosure is inappropriate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or circumstances may render the Gold Circuit Electronics Group no longer capable of continuing with operation.
5. Evaluate the overall presentation, structure, and content of the consolidated statements, including the disclosures, whether the consolidated statements represent the underlying transactions and events in a matter that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence on the financial information of the Group in order to express opinions about the consolidated financial reports. We as the CPAs are responsible for guiding, supervising, and implementing the audit of the Group as well as forming an opinion on the audit of the Group.

Matters that we communicated with the governance unit included the planned scope and timing of the audit and significant audit findings (including any significant deficiencies in internal control that we had identified during our audit).

We as the CPAs also provided the governance unit with the declaration on compliance of the staff in the accounting firm that we belong with moral regulations in honor of the profession of CPA and communicated with the governance unit on all relationships and other matters considered to be likely undermining the independence of CPAs (including related safeguard measures).

We decided the key audit matters for the 2021 consolidated financial reports of the Gold Circuit Electronics Group from matters communicated on with the governance unit. We describe these matters in our auditor's 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 communications.

Deloitte & Touche

CPA Chao-Ling Chen

CPA Jui-Nan Chang

Financial Supervisory Commission's
Written Approval No.
FSC SFB IV No. 0930160267

Securities and Futures Commission's written
approval No:
Tai-Cai-Zheng-Liu-Zi No. 0920123784

March 22, 2022

Consolidated Balance Sheet of
Gold Circuit Electronics Ltd. and Subsidiaries
December 31, 2021 and 2020

Unit: NTD thousand

Code	Assets	December 31, 2021		December 31, 2020	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Notes IV and VI)	\$ 3,817,107	15	\$ 4,384,959	20
1110	Financial assets measured at fair value through gains or losses – current (Notes IV and VII)	25,691	-	7,423	-
1150	Notes receivable (Notes IV and IX)	17,628	-	63,145	1
1170	Accounts receivable (Notes IV, V and IX)	9,105,664	37	6,710,245	31
1200	Other accounts receivable (Notes IV and IX)	91,204	1	179,264	1
1220	Income tax assets for the current period (Note XXIV)	-	-	15,670	-
130X	Inventories (Notes IV and X)	4,821,750	19	3,078,980	14
1410	Prepayments	267,134	1	270,877	1
1470	Other current assets (Note XVI)	15,899	-	15,844	-
11XX	Total current assets	<u>18,162,077</u>	<u>73</u>	<u>14,726,407</u>	<u>68</u>
	non-current assets				
1535	Financial assets measured at amortized cost – non-current (Note IV and VIII)	31,700	-	23,400	-
1600	Property, Plant, and Equipment (Notes VI, XII and XXX)	5,679,186	23	5,586,368	26
1755	Right-of-use assets (Notes IV, XIII and XXX)	189,143	1	213,119	1
1760	Investment property (Notes IV and XIV)	577,900	2	577,000	3
1780	Other intangible assets (Notes IV and XV)	26,550	-	18,500	-
1840	Deferred income tax assets (Notes IV and XXIV)	298,232	1	488,732	2
1900	Other non-current assets (Note XVI)	15,497	-	15,970	-
15XX	Total non-current assets	<u>6,818,208</u>	<u>27</u>	<u>6,923,089</u>	<u>32</u>
1XXX	Total assets	<u>\$ 24,980,285</u>	<u>100</u>	<u>\$ 21,649,496</u>	<u>100</u>
	Liabilities and shareholders' equity				
	Current liabilities				
2100	Short-term borrowings (Notes IV and XVII)	\$ 1,341,206	5	\$ 2,204,686	10
2120	Financial liabilities measured at fair value through gains or losses – current (Notes IV and VII)	-	-	13,804	-
2170	Accounts payable (Note XVIII)	5,502,050	22	3,841,374	18
2200	Other accounts payable (Note XIX)	2,469,318	10	1,961,369	9
2230	Income tax liability for the year (Note XXIV)	402,785	2	172,865	1
2250	Provision for liabilities-current (Notes IV and XX)	179,552	1	156,064	1
2280	Lease liabilities – current (Notes IV and XIII)	17,246	-	20,477	-
2320	Long-term borrowings due within a year (Notes IV and XVII)	253,142	1	687,692	3
2399	Other current liabilities (Note XIX)	108,933	-	75,300	-
21XX	Total current liabilities	<u>10,274,232</u>	<u>41</u>	<u>9,133,631</u>	<u>42</u>
	Non-current liabilities				
2540	Long-term borrowings (Notes IV and XVII)	1,624,108	6	2,797,588	13
2542	Long-term bills payable (Note IV and XVII)	1,250,000	5	-	-
2570	Deferred income tax liabilities (Notes IV and XXIV)	135,795	1	84,806	1
2580	Lease liabilities – non-current (Notes IV and XIII)	15,300	-	23,121	-
2640	Net defined benefit liabilities- non-current (Notes IV and XXI)	200,680	1	269,180	1
2670	Other non-current liabilities (Note XIX)	78,056	-	75,534	-
25XX	Total non-current liabilities	<u>3,303,939</u>	<u>13</u>	<u>3,250,229</u>	<u>15</u>
2XXX	Total liabilities	<u>13,578,171</u>	<u>54</u>	<u>12,383,860</u>	<u>57</u>
	Equity attributable to owners of the Company (Note XXII)				
	Capital stock				
3110	Common shares	5,464,879	22	5,464,879	25
3200	Additional paid-in capital	1,206,574	5	1,471,233	7
	Retained earnings				
3310	Legal reserve	167,997	-	-	-
3320	Special reserve	475,522	2	475,522	2
3350	Undistributed earnings	3,927,668	16	1,679,970	8
3300	Total retained earnings	4,571,187	18	2,155,492	10
3490	Other equity items	257,951	1	272,509	1
3500	Treasury stocks	(98,477)	-	(98,477)	-
31XX	Total equity attributable to owners of the Company	<u>11,402,114</u>	<u>46</u>	<u>9,265,636</u>	<u>43</u>
3XXX	Total equity	<u>11,402,114</u>	<u>46</u>	<u>9,265,636</u>	<u>43</u>
	Total liabilities and equities	<u>\$ 24,980,285</u>	<u>100</u>	<u>\$ 21,649,496</u>	<u>100</u>

The notes enclosed are part of the consolidated financial reports.

Consolidated Comprehensive Income Statement of
Gold Circuit Electronics Ltd. and Subsidiaries
January 1 to December 31, 2021 and 2020

Unit: NTD thousand,
except for EPS (NT\$)

Code		2021		2020	
		Amount	%	Amount	%
	Operating income				
4100	Sales income (Note IV)	\$ 26,607,474	100	\$ 23,398,323	100
	Operating cost (Notes X, XXI and XXIII)				
5110	Sales cost	<u>20,236,434</u>	<u>76</u>	<u>18,107,743</u>	<u>78</u>
5900	Gross profit	<u>6,371,040</u>	<u>24</u>	<u>5,290,580</u>	<u>22</u>
	Operating expenditure (Notes XXI and XXIII)				
6100	Promotional expenditure	840,157	3	789,095	4
6200	Operating expenditure	832,429	3	785,493	3
6300	R&D expenditure	623,220	3	533,478	2
6450	Expected credit impairment loss (gain)	(<u>50,106</u>)	<u>-</u>	<u>64,220</u>	<u>-</u>
6000	Total operating expenditure	<u>2,245,700</u>	<u>9</u>	<u>2,172,286</u>	<u>9</u>
6500	Other gains, expenses and losses – net (Note XXIII)	(<u>2,819</u>)	<u>-</u>	(<u>44,376</u>)	<u>-</u>
6900	Net operating profit	<u>4,122,521</u>	<u>15</u>	<u>3,073,918</u>	<u>13</u>
	Non-operating income and expenditure (Notes IV and XXIII)				
7100	Interest income	16,385	-	21,362	-
7010	Other income	95,820	-	96,063	1
7020	Other gain or loss	(<u>118,744</u>)	<u>-</u>	(<u>325,493</u>)	(<u>1</u>)
7050	Financial cost	(<u>67,464</u>)	<u>-</u>	(<u>167,968</u>)	(<u>1</u>)
7000	Total non-operating income and expenditure	(<u>74,003</u>)	<u>-</u>	(<u>376,036</u>)	(<u>1</u>)

(To be continued)

(Continued)

Code		2021		2020	
		Amount	%	Amount	%
7900	Net profit before tax from continuing operation	\$ 4,048,518	15	\$ 2,697,882	12
7950	Income tax expenditure (Notes IV and XXIV)	<u>1,121,664</u>	<u>4</u>	<u>631,270</u>	<u>3</u>
8000	Continuing operation net profit for the year	<u>2,926,854</u>	<u>11</u>	<u>2,066,612</u>	<u>9</u>
	Other combined gains or losses				
8310	Not reclassified to profit and loss:				
8311	Defined benefit plan re-measurement amount (Note XXI)	44,161	-	(11,985)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other combined gains or losses	-	-	(10,000)	-
8349	Incomes tax related to titles not subject to reclassification	(8,832)	-	2,397	-
8360	Items that may be reclassified under gains or losses later:				
8361	Exchange differences from conversion of financial reports of overseas operating entities	(<u>14,558</u>)	<u>-</u>	<u>52,642</u>	<u>-</u>
8300	Other combined gains or losses (net amount after tax) of the year	<u>20,771</u>	<u>-</u>	<u>33,054</u>	<u>-</u>
8500	Total combined gains or losses of the year	<u>\$ 2,947,625</u>	<u>11</u>	<u>\$ 2,099,666</u>	<u>9</u>
	The net earnings belong to:				
8610	Owners of the Company	<u>\$ 2,926,854</u>	<u>11</u>	<u>\$ 2,066,612</u>	<u>9</u>
	The total combined gains or losses belong to:				
8710	Owners of the Company	<u>\$ 2,947,625</u>	<u>11</u>	<u>\$ 2,099,666</u>	<u>9</u>
	EPS (Note XXV)				
	From continuing operations				
9710	Basic	<u>\$ 5.41</u>		<u>\$ 3.82</u>	
9810	dilution	<u>\$ 5.38</u>		<u>\$ 3.80</u>	

The notes enclosed are part of the consolidated financial reports.

Consolidated Statement of Changes in Equity of
Gold Circuit Electronics Ltd. and Subsidiaries
January 1 to December 31, 2021 and 2020

Unit: NTD thousand

		Equity attributable to owners of the Company									
							Other equity items				
		Retained earnings					Exchange differences from conversion of financial reports of overseas operating entities	Unrealized gains or losses from financial assets measured at fair value through other combined gains or losses	Real estate properties revaluation surplus	Treasury stocks	Total equities
Code		Capital stock	Additional paid- in capital	Legal reserve	Special reserve	Undistributed earnings					
A1	Balance as of January 1, 2020	\$ 5,464,879	\$ 1,471,233	\$ -	\$ 475,522	(\$ 377,054)	(\$ 65,344)	(\$ 570)	\$ 295,781	(\$ 98,477)	\$ 7,165,970
D1	2020 Net profit	-	-	-	-	2,066,612	-	-	-	-	2,066,612
D3	Other combined gains or losses after tax of 2020	-	-	-	-	(9,588)	52,642	(10,000)	-	-	33,054
D5	Total combined gains or losses of 2020	-	-	-	-	2,057,024	52,642	(10,000)	-	-	2,099,666
Z1	Balance as of December 31, 2020	5,464,879	1,471,233	-	475,522	1,679,970	(12,702)	(10,570)	295,781	(98,477)	9,265,636
	Appropriation and distribution of earnings from 2020										
B1	Legal reserve	-	-	167,997	-	(167,997)	-	-	-	-	-
B5	The Company's shareholder dividend in cash	-	-	-	-	(546,488)	-	-	-	-	(546,488)
	Change in other additional paid-in capital										
C15	Cash dividend assigned with capital reserve	-	(273,244)	-	-	-	-	-	-	-	(273,244)
C17	Capital reserve – transaction of treasury stocks	-	8,585	-	-	-	-	-	-	-	8,585
D1	Net profits of 2021	-	-	-	-	2,926,854	-	-	-	-	2,926,854
D3	Other combined gains or losses after tax of 2021	-	-	-	-	35,329	(14,558)	-	-	-	20,771
D5	Total combined gains or losses of 2021	-	-	-	-	2,962,183	(14,558)	-	-	-	2,947,625
Z1	Balance as of December 31, 2021	\$ 5,464,879	\$ 1,206,574	\$ 167,997	\$ 475,522	\$ 3,927,668	(\$ 27,260)	(\$ 10,570)	\$ 295,781	(\$ 98,477)	\$ 11,402,114

The notes enclosed are part of the consolidated financial reports.

Gold Circuit Electronics Ltd. and Subsidiaries
Consolidated Statement of Cash Flow
January 1 to December 31, 2021 and 2020

Unit: NTD thousand

Code		2021	2020
	Cash flow from operating activities		
A10000	Net profit before tax for the year	\$ 4,048,518	\$ 2,697,882
A20010	Income charges (credits):		
A20300	Expected credit impairment loss		
	(gain on recovery of impairment)	(50,106)	64,220
A20100	Depreciation expenditure	762,815	716,824
A20200	Amortization expenditure	12,901	13,623
A20900	Financial cost	67,464	167,968
A29900	Provision (reversal) for liabilities	23,540	(1,046)
A21200	Interest income	(16,385)	(21,362)
A21300	Dividend income	(54)	-
A23800	Gain on price recovery from inventory devaluation and obsolescence	(9,916)	(11,812)
A22500	Loss on disposal of real estate properties, plants, and equipment	44,197	68,271
A23100	Net gain from the disposal of financial assets	-	(466)
A20400	Net loss (gain) from financial assets measured at fair value through gains or losses	(18,268)	19,469
A20400	Net (gains) losses from financial liabilities measured at fair value through gains or losses	(13,804)	13,804
A24100	Net (gains) losses from foreign currency exchange	(8,237)	4,379
A24600	Gain from fair value adjustment of Investment property	(900)	(2,600)
A30000	Net change in operating assets and liabilities		
A31130	Notes receivable	45,517	(32,456)
A31150	Accounts receivable	(2,344,994)	31,244
A31180	Other receivables	88,045	(118,700)
A31200	Inventories	(1,732,708)	(324,315)
A31230	Prepayments	3,743	2,149
A31240	Other current assets	(55)	4,260
A32130	Notes payable	-	(1,565)
A32150	Accounts payable	1,660,676	(543,064)
A32180	Other payables	440,886	589,990
A32230	Other current liabilities	33,633	18,395
A32240	Net defined benefit liabilities	(24,339)	(23,650)
A33000	Cash yielded in business operation	3,012,169	3,331,442
A33200	Interest collected	16,400	21,348
A33500	Income tax paid	(639,068)	(364,148)
AAAA	Net cash inflow from operating activities	<u>2,389,501</u>	<u>2,988,642</u>

(To be continued)

(Continued)

Code		2021	2020
	Cash flow from investing activities		
B00010	Financial assets measured at fair value through other combined gains or losses	\$ -	(\$ 10,000)
B00050	Disposal of financial assets measured at amortized cost	-	43
B00100	Acquisition of financial assets at fair value through gains or losses	-	(29,000)
B00200	Sale of financial assets at fair value through gains or losses	-	39,423
B07600	Dividends collected	54	-
B02700	Procurement of real estate properties, plants, and equipment	(825,948)	(688,435)
B04500	Procurement of intangible assets	(20,999)	(11,603)
B02800	Proceeds from disposal of real estate properties, plants, and equipment	15,333	26,461
B06000	Reduction in financing lease receivable	-	3,585
B03800	Decrease in refundable deposit	74	2,665
B06700	Decrease in other non-current assets	<u>399</u>	<u>9,449</u>
BBBB	Net cash outflow from investing activities	(<u>831,087</u>)	(<u>657,412</u>)
	Cash flow from financing activities		
C00500	Increase in short-term notes and bills payable	-	200,000
C00600	Decrease in short-term notes and bills payable	-	(300,000)
C00100	Increase in short-term loan	2,868,571	7,812,162
C00200	Decrease in short-term loan	(3,776,689)	(9,184,070)
C01600	Application for long-term borrowings	7,635,374	5,185,280
C01700	Repayment of long-term borrowings	(9,214,604)	(5,138,557)
C01800	Increase in Long-term notes and bills payable	1,250,000	-
C04020	Repayment of lease liability principal	(21,831)	(30,117)
C03000	Collection of guarantee deposits received	2,522	13,053
C05600	Interest paid	(72,512)	(182,216)
C04500	Dividends in cash paid	(<u>819,732</u>)	<u>-</u>
CCCC	Net cash outflow from financing activities	(<u>2,148,901</u>)	(<u>1,624,465</u>)
DDDD	Impact of change in exchange rate on cash and cash equivalents	<u>22,635</u>	(<u>104,935</u>)
EEEE	Increase (decrease) in cash and cash equivalents	(567,852)	601,830
E00100	Balance of cash and cash equivalents-beginning of year	<u>4,384,959</u>	<u>3,783,129</u>
E00200	Balance of cash and cash equivalents-end of year	<u>\$ 3,817,107</u>	<u>\$ 4,384,959</u>

The notes enclosed are part of the consolidated financial reports.

Appendix 1

Gold Circuit Electronics Ltd. Articles of Association

Chapter I General Provisions

Article 1: The Company is organized in accordance with the Company Act and is named Gold Circuit Electronics Ltd.

Article 2: The businesses operated by the Company are as follows:

1. CC01080 Electronic Components Manufacturing.
2. CC01110 Computer and Peripheral Equipment Manufacturing.
3. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing.
4. CA04010 Surface Treatments.
5. F119010 Wholesale of Electronic Materials.
6. F219010 Retail Sale of Electronic Materials.
7. F401010 International Trade.
8. I501010 Product Designing.
9. 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, the Company may provide an investee and an affiliate with guarantee through a resolution reached in a Board of Directors meeting.

Article 2-2: The Company may invest in other businesses through a resolution reached in a Board of Directors meeting; the total amount of all investments may exceed 40% of the Company's paid-in share capital.

Article 3: The Company has established a head office in Taoyuan City, Taiwan. If necessary, branches may be set up at home and abroad through a resolution reached in a Board of Directors meeting.

Article 4: The Company's announcement method shall be handled in accordance with Article 28 of the Company Act.

Chapter II Shares

Article 5: The Company's capital size is rated at seven billion and five hundred million New Taiwan dollars, divided into seven hundred and fifty million shares, with ten dollars per share. The Board of Directors is authorized to issue ordinary shares or special shares in separate efforts as needed for the business operation of the Company.

Forty million shares are reserved within the total capital in the preceding paragraph for the issuance of options, special shares with options, or corporate bonds with options to exercise share options.

Article 5-1: The rights and obligations of the registered Type A special shares issued by the Company are as follows:

1. The dividends of special shares are set at an annual interest rate of 4% plus or minus 1% calculated based on the actual issue price and is paid once a year in cash. After statements and reports are ratified through the annual general shareholders' meeting, the Board of Directors is to set the base date for the

distribution of dividends of special shares and the dividends are to be paid out for the preceding year accordingly. Cash dividends for each year of issuance are to be calculated based on the actual number of issuance days for the specific year. The issuance date is defined as the base date of capital increase.

2. If there is a surplus in the Company's annual final accounts, it shall first make up for previous years' losses after paying all taxes in accordance with the law and adjustments in accordance with financial accounting standards. If there is a balance, a legal reserve shall be set aside in accordance with the articles of association of the Company, and the payment priority of the remaining balance shall be given to the dividends of Type A special shares.
3. If there is no surplus or insufficient surplus for the distribution of the dividends of Type A special shares, the undistributed or under-distributed dividends shall be accumulated for priority payment in the subsequent years when there is a surplus. However, when the Type A special shares are withdrawn, the Company shall make up for all the accumulated undistributed dividends.
4. Other than receiving fixed-rate dividends, Type A special shares shall not participate in the distribution of additional share capital from earnings, additional share capital from the premium of cash capital increase of ordinary shares and cash dividends.
5. On the order of distribution of the remaining assets of the Company, Type A special shares have priority over ordinary shares, but the amount of distribution is limited to the issued amount of Type A special shares.
6. Shareholders of Type A special shares do not have the right to vote or elect in shareholders' meetings, but have the right to be elected as directors or supervisors, and have the right to vote in the shareholders' meetings for Type A special shares.
7. When the Company issues new shares in cash, shareholders of Type A special shares and ordinary shareholders enjoy the same preference for such new shares.
8. Type A special shares expire after five years from the issuance date, and the holder may apply to convert them into ordinary shares from three months before three years of issuance to two months before the expiration date, and the conversion rate is one Type A special share to one ordinary share. However, if Type A special shares are converted into ordinary shares before the ex-right (dividend), such ordinary shares cannot participate in the distribution of special dividends for the year of conversion, but may participate in the distribution of earnings for ordinary shares and the distribution of capital reserve. The rights and obligations of ordinary shares after the conversion of type A special shares are the same as those of the ordinary shares originally issued, unless otherwise restricted by laws and regulations.
9. If the Type A special shares are not converted after maturity, the Company shall withdraw them based on the actual original issuance price plus special dividends not issued in previous years, with the Company's earnings or the proceeds from the issuance of new shares. The Company accepts the request for selling back of special shares, and shall redeem such special shares in cash at least three months after their expiration. If the Company is unable to withdraw all or part of the issued Type A special shares due to objective factors or force majeure, the rights of such Type A special shares not yet withdrawn shall continue according to the issuance conditions in the preceding paragraphs until the Company withdraws all of them. The dividends of such outstanding special shares are also calculated at

a simple interest rate based on the original dividend rate and the actual extension period, and the rights of the shareholders of type A special shares shall continue in accordance with the Company's articles of association without any damage.

10. The capital reserve from the issuance of Type A special shares at a premium shall not be capitalized.

Article 5-2: The counterparts of the Company's acquisition of treasury stock transfers, employee stock option certificates, new shares issuance and new shares with restricted employee rights, include employees of the controlling or subordinate companies that meet certain conditions. The Board of Directors shall decide the specific conditions and the counterparts as required by Article 202 of the Company Act.

Article 6: (deleted)

Article 7: The Company's shares are all registered, signed or stamped by the director who represent the Company, and issued after being certified by the competent authority or its approved issuing and registration agency. The shares issued by the Company may be exempted from certificate printing, but shall be registered with the securities central depository.

Article 7-1: The Company's stock affairs shall be handled in accordance with the Company Act and the "Regulations Governing the Administration of Shareholder Services of Public Companies" and other relevant laws and regulations.

Article 8: Shares shall be blocked from transfer registration within 60 days before the general shareholders' meeting, 30 days before the extraordinary shareholders' meeting, or within 5 days before the ex-date of the Company's distribution of dividends, bonus shares or other benefits.

Chapter III Shareholders' Meeting

Article 9: The Company's shareholders' meeting is divided into two types: general shareholders' meeting and extraordinary shareholders' meeting. The general shareholders' meeting is convened once a year and within six months after the end of each fiscal year, and all shareholders shall be notified of the convening of the meeting 30 days in advance; the extraordinary shareholders' meeting shall be convened as necessary, and all shareholders shall be notified of the convening of the meeting 15 days in advance.

The notice referred to in the preceding paragraph shall specify the date, place and cause of the meeting.

The shareholders' meeting shall be convened by the board of directors unless otherwise provided by the Company Act.

Article 10: A shareholder may appoint a proxy to attend a shareholders' meeting on his/her behalf by signing the power of attorney printed by the Company and stating the scope of powers authorized to the proxy. Other than Article 177 of the Company Act, the method for shareholders to attend by proxy shall be in accordance with the provisions of the "Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies" promulgated by the competent authority.

Article 11: Unless the shareholder has circumstances stipulated in Article 179 of the Company Act, each share shall have one voting right.

Article 12: Unless otherwise provided by the Company Act or the Company's articles of association, the resolutions of a shareholders' meeting shall be adopted by a majority vote of the

shareholders or proxies present, who represent more than half of the total number of the Company's shares.

Article 12-1: The resolutions of the shareholders' meeting of the Company shall be recorded into minutes, signed or stamped by the chairman, and distributed to all shareholders within 20 days after the meeting. The Company Act shall be followed for the distribution of the minutes in the preceding paragraph.

The minutes shall record the year, month, date and place of the meeting, the name of the chairman, the method of resolution, the essentials of the proceedings and the results, and shall be kept permanently during the existence of the Company. The book of signatures of the shareholders attending the meeting and the power of attorney of the proxies attending the meeting shall be kept for at least one year. However, if a lawsuit is filed by a shareholder in accordance with Article 189 of the Company Act, they shall be kept until the end of the lawsuit.

Chapter IV Directors and Supervisors

Article 13: The Company shall have seven to nine directors, who shall be elected by the shareholders' meeting from people with capacity for conduct. The term in office is three years, and re-election is allowed.

The director seats shall include not less than two for independent directors, and the independent director seats shall not be less than one-fifth of the director seats.

The candidate nomination system, as stipulated in Article 192-1 of the Company Act, is adopted for the election of directors. The implementation of the system shall be handled in accordance with the Company Act, the Securities and Exchange Act and other relevant laws and regulations.

The total number of registered shares of the Company held by all directors shall be handled in accordance with the regulations issued by the securities authority on the shareholdings of directors of public companies.

Article 14: The Board of Directors shall be formed by directors with attendance of at least of two-thirds of all directors and upon approval by a majority of attending directors; among them, one is elected to be the Chairman and there may be one Vice Chairman; all of the Company's affairs shall be enforced according to regulatory requirements, by the Articles of Incorporation, or through a resolution reached in the shareholder's meeting or the Board of Directors meeting.

Article 15: The Board of Directors meeting shall be convened by the Chairman. The meeting shall be chaired by the Chairman. When the Chairman is on leave or is unable to fulfill his/her function for some reason, the Vice Chairman shall act on his/her behalf. When there is no Vice Chairman or when the Vice Chairman is also on leave or is unable to fulfill his/her function for some reason, the Chairman shall assign one director to act on his/her behalf; when no one is assigned by the Chairman, the directors shall have one among themselves to act as the chair. If the Board of Directors meeting is held via video conferencing, the directors attending the meeting via video conferencing shall be deemed to attend the meeting in person. If a director is unable to attend for some reason, he/she may issue a power of attorney specifying the scope of authorization and entrust another director to attend on his/her behalf. All directors of the Company shall be informed of the convening of the Board of Directors meeting seven days before it takes place. However, a meeting may be called at any time in case of emergency.

The reason for the meeting shall be stated in the meeting notice referred to in the preceding paragraph, and the meeting notice shall be delivered in writing, by e-mail or via fax.

Article 15-1: Resolutions reached in the Board of Directors meeting shall be kept in the meeting minutes that are to be signed or sealed by the chair and the requirements in Article 207 of the Company Act shall be followed.

Article 15-2: An audit committee is set up under the board of directors of the Company in accordance with Article 14-4 of the Securities and Exchange Act, and is composed of all independent directors. The first term of the audit committee took office on the day when the independent directors were elected by the shareholders' meeting in 2017.

The exercise of powers of the audit committee and its members and related matters shall be handled in accordance with relevant laws and regulations, and shall be separately formulated by the board of directors.

Article 15-3: When a director's term of office expires and there is not sufficient time for a re-election, his execution of duties shall be extended until the re-elected director takes office.

Article 15-4: When the vacancy of directors reaches one-third or all members of the audit committee are dismissed, the board of directors shall convene an extraordinary shareholders' meeting for a by-election within 60 days from the date of the fact. The term is limited to the original term of the directors.

Article 15-5: Resolutions reached in the Board of Directors meeting shall be supported by attendance of a majority of directors and approval by a majority of attending directors, unless specified otherwise by the Company Act. If directors are unable to attend the meeting for some reason, a power of attorney may be issued showing the scope of authorization for the cause of the meeting to authorize another director to act on their behalf; each director, however, may only act as proxy of one other director.

Article 16: The Board of Directors is authorized to determine the remuneration to all directors according to the common industrial practice.

Chapter V Managers

Article 17: The Company may have one president and several vice presidents. The dismissal, appointment and remuneration shall be handled in accordance with Article 29 of the Company Act.

Chapter VI Accounting

Article 18: The Company's fiscal year starts from January 1 to December 31 each year. At the end of each fiscal year, the Board of Directors shall compile the following books and lists, and bring them forth during the shareholders' meeting for ratification in accordance with the statutory procedure.

- I. Business report.
- II. Financial statements.
- III. Proposals for earnings distribution or loss compensation.

Article 19: (Deleted)

Article 20: If the Company makes a profit in the year, it shall allocate 5–10% as employees' remuneration, which shall be distributed in stock or cash by the resolution reached in a

Board of Directors meeting, and the recipients shall include the employees of subordinate companies that meet certain conditions. The Company may allocate no more than 1% of the profit amount above as director's remuneration by the resolution reached in a Board of Directors meeting. The distribution of employees' remuneration and directors' remuneration shall be reported to the shareholders' meeting.

However, when the Company still has a cumulative loss, it shall reserve the compensation amount in advance, and then allocate employees' remuneration and directors' remuneration according to the proportion in the preceding paragraph.

Article 20-1: If the Company's annual settlement shows a surplus, tax withholding shall be done and cumulative deficits over the years shall be made up for first before 10% is set aside to be the legal reserve and a provision for or reversal of the special reserve is made according to laws and regulations or as required by the competent authority. If there is still a surplus, the balance shall be added to the accumulated undistributed earnings of the previous year and the Board of Directors shall prepare the distribution proposal, which is to be brought forth during the shareholders' meeting for a resolution before distribution may take place.

Article 20-2: For the Company's dividend policy, consideration shall be given to the Company's mid and long-term operational growth and investment plan, and the Board of Directors shall prepare the earnings distribution proposal taking care of also the goal to have a sound financial structure. The decision on the distribution of stock or cash dividend shall be made appropriately depending on the Company's future capital needs and how diluted the share capital is. The cash dividend shall not be less than 10% of the total amount to be distributed for the specific year.

Chapter VII Supplementary Provisions

Article 21: Matters not stipulated in the Articles of Association shall be handled in accordance with the provisions of the Company Act.

Article 22: The Articles of Association was established on August 10, 1981.

The first amendment occurred on August 21, 1981.

The second amendment occurred on September 11, 1981.

The third amendment occurred on March 16, 1983.

The fourth amendment occurred on May 26, 1983.

The fifth amendment occurred on May 30, 1984.

The sixth amendment occurred on February 10, 1985.

The seventh amendment occurred on June 30, 1987.

The eighth amendment occurred on September 14, 1988.

The ninth amendment occurred on August 20, 1989.

The tenth amendment occurred on December 5, 1989.

The eleventh amendment occurred on June 14, 1990.

The twelfth amendment occurred on September 3, 1990.

The thirteenth amendment occurred on October 6, 1990.

The fourteenth amendment occurred on May 4, 1991.

The fifteenth amendment occurred on May 10, 1993.

The sixteenth amendment occurred on May 6, 1996.

The seventeenth amendment occurred on September 2, 1996.

The eighteenth amendment occurred on May 2, 1997.

The nineteenth amendment occurred on December 16, 1997.

The twentieth amendment occurred on April 15, 1998.

The twenty-first amendment occurred on May 28, 1999.
The twenty-second amendment occurred on May 18, 2000.
The twenty-third amendment occurred on May 22, 2001.
The twenty-fourth amendment occurred on May 22, 2001.
The twenty-fifth amendment occurred on June 18, 2002.
The twenty-sixth amendment occurred on June 27, 2003.
The twenty-seventh amendment occurred on June 10, 2005.
The twenty-eighth amendment occurred on June 9, 2006.
The twenty-ninth amendment occurred on June 13, 2010.
The thirtieth amendment occurred on June 10, 2009.
The thirty-first amendment occurred on June 17, 2010.
The thirty-second amendment occurred on June 15, 2011.
The thirty-third amendment occurred on June 19, 2012.
The thirty-fourth amendment occurred on June 25, 2014.
The thirty-fifth amendment occurred on June 14, 2016.
The thirty-sixth amendment occurred on June 12, 2017.
The thirty-seventh amendment occurred on June 14, 2019.
The thirty-eighth amendment occurred on July 20, 2021.
The Articles of Association takes effect from the date of resolution of the shareholders' meeting, and the same shall apply to the amendments.

Gold Circuit Electronics Ltd.
Chairman: Chen-Tse Yang

Appendix 2

Gold Circuit Electronics Ltd.

Rules of Procedure for Shareholders' Meetings

Article 1 In order to establish a good governance system for the shareholders' meeting of the Company, improve the supervision function and strengthen the management function, these Rules have been formulated in accordance with Article 5 of the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies.

Article 2 The shareholders' meeting of the Company shall be conducted in accordance with these rules of procedure unless otherwise provided in laws and regulations or the articles of association.

Article 3 The shareholders' meeting of the Company shall be convened by the board of directors unless otherwise provided in laws and regulations.

The Company shall, 30 days before the general shareholders' meeting or 15 days before the extraordinary shareholders' meeting, submit the notice of the shareholders' meeting, the form for the power of attorney, and the contents and explanations of relevant motions for approval, matters for discussion, election or dismissal of directors, etc., and make them into an electronic file and send it to the MOPS. Twenty-one days before the general shareholders' meeting or 15 days before the extraordinary shareholders' meeting, the meeting handbook and supplementary materials of the meeting shall be prepared and sent to the MOPS. Fifteen days before the shareholders' meeting, the handbook of the current shareholders' meeting and supplementary materials of the meeting shall be prepared for the request by shareholders at any time, displayed at the Company and the professional stock agency appointed by the Company, and distributed at the shareholders' meeting.

The reason for convening the meeting shall be specified in the notice and announcement. If the consent of the parties involved is received, the notice and announcement may be given by electronic means.

Election or dismissal of directors, changes to the articles of association, company dissolution, merger, division, or any circumstance in respective subparagraphs of Article 185 Paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act shall be listed and explained in the reason for the convening, and shall not be proposed via an extraordinary motion.

Shareholders who hold more than one percent of the total number of shares in issue may submit a proposal to the Company's general shareholders' meeting. However, the proposal is limited to one item, and any proposal with more than one item shall not be included in the proposal. In addition, the board of directors may not include the proposal if the shareholder's proposal has any of the conditions in respective subparagraphs of Article 172-1 Paragraph 4 of the Company Act.

The Company shall announce the acceptance of shareholders' proposals, the acceptance location and the acceptance period before the book-closing date for the general shareholders' meeting; the acceptance period shall not be less than 10 days.

A proposal by a shareholder shall be limited to 300 characters, and anything exceeding 300 characters shall not be included in the proposal; the proposing

shareholder shall attend the general shareholders' meeting in person or entrust another person to attend, and participate in the discussion of the proposal.

The Company shall notify the proposing shareholder of the result of the decision before the notice day of the shareholders' meeting, and list the proposals that conform to the provisions of this article in the meeting notice. For shareholder proposals that are not included, the board of directors shall explain the reasons for not being included at the shareholders' meeting.

Article 4 At each shareholders' meeting, the shareholder may issue a power of attorney in the format prescribed by the Company specifying the scope of authorization, and appoint a proxy to attend the meeting.

Each shareholder is limited to issuing one power of attorney and entrusting one person. The power of attorney shall be delivered to the Company five days before the shareholders' meeting. If the power of attorney is repeated, the first one that is delivered shall prevail. However, this does not apply to those which declare to revoke the previous entrustment.

After the power of attorney is delivered to the Company, shareholders who wish to attend the shareholders' meeting in person shall give the Company a written notice of the cancellation of the entrustment at least two days before the shareholders' meeting; if the cancellation is overdue, the voting rights of the entrusted proxy shall prevail.

Article 5 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 shareholders' meeting. The meeting start time shall be between 9 am and 3 pm, and the independent directors' opinions shall be fully considered for the meeting place and time.

Article 6 The Company shall furnish the attending shareholders and their proxies (collectively called "shareholders") with an attendance book to sign in, or the attending shareholders may hand in the sign-in card in lieu of signing in.

The Company shall deliver the meeting handbook, annual report, attendance certificate, speech slip, voting ballots and other meeting materials

to shareholders attending the shareholders' meeting; if there is an election of directors, additional election ballots shall be attached.

The shareholder shall present the attendance certificate, sign-in card or other attendance documents to attend the shareholders' meeting. The solicitor of the power of attorney shall bring identification documents for verification.

When the government or a legal person is a shareholder, the number of its representatives present at the shareholders' meeting is not limited to one. When a legal person is entrusted to attend the shareholders' meeting, only one representative may be appointed to attend.

Article 7 If the shareholders' meeting is convened by the board of directors, the chairman shall preside over the meeting. When the chairman is on leave or unable to perform his duties for some reason, the vice chairman shall act as his proxy. When there is no vice chairman or the vice chairman is also on leave or unable to perform his duties for some reason, the chairman shall appoint a standing director to act as his proxy.

If the chairman does not appoint a proxy, the standing directors or directors shall elect one among themselves as the proxy.

For the shareholders' meeting convened by the board of directors, more than half of the members of the board of directors shall attend the meeting.

If the shareholders' meeting is convened by a person with the power to convene other than a member of the board of directors, the convener shall be the chairman of the meeting. If there are two or more conveners, one of them shall be elected to be the chairman.

The Company may appoint its designated lawyers, accountants or related personnel to attend the shareholders' meeting as non-voting delegates.

Article 8 The Company shall audio or video record the entire process of the shareholders' meeting, and the recording shall be kept for at least one year. However, if a shareholder initiates a lawsuit in accordance with Article 189 of the Company Act, the recording shall be kept until the end of the lawsuit.

Article 9 Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of attending shares is calculated based on the number of shares represented on the sign-in cards from the attending shareholders or the shareholders' proxies, plus the number of shares of shareholders exercising their voting rights in writing or electronically.

The chairman shall call the meeting to order at the specified meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairman may announce a meeting postponement, provided that the number of such postponements is no more than two, and the total time no more than one hour. If the attending shareholders still do not represent one third of the total number of issued shares after two postponements, the chairman shall declare the meeting aborted.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175 Paragraph 1 of the Company Act, and all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairman may resubmit the tentative resolution for voting at the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 10 If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors, and the meeting shall proceed in the order set in the agenda which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene but is not a member of the board of directors.

The chairman may not declare the meeting adjourned prior to completion of the meeting agenda (including extraordinary motions) of the preceding two paragraphs except by a resolution of the shareholders' meeting. If the chairman declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chairman in accordance with statutory procedures, and then continue the meeting based on the agreement of a majority of the votes represented by the attending shareholders.

The chairman shall allow ample opportunities during the meeting for explanation and discussion of motions and their amendments or extraordinary motions put forward by the shareholders; when the chairman is of the opinion that a motion has been discussed sufficiently for voting, the chairman may announce a cessation of the discussion and call for a vote.

Article 11 Before speaking, an attending shareholder shall specify on the speaker's slip his/her shareholder account number (or attendance certificate number) and account name. The order in which shareholders speak shall be set by the chairman.

An attending shareholder 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.

Without the consent of the chairman, each shareholder who speaks on the same motion shall not speak more than twice, and the speech each time shall not exceed five minutes. If the shareholder's speech violates the rules above or exceeds the scope of the agenda item, the chairman may terminate the speech.

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

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

An attending shareholder has spoken, the chairman may respond in person or direct relevant personnel to respond.

Article 12 The voting at the shareholders' meeting shall be based on the number of shares.

The shares held by shareholders with no voting right shall not be counted in the total number of issued shares while adopting a resolution at the shareholders' meeting.

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

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

Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting rights represented by him/her shall not exceed 3% of the total number of voting rights of the shares issued by the Company, otherwise the portion of excessive voting rights shall not be counted.

Article 13 Except in the circumstances otherwise provided for in Article 179 Paragraph 2 of the Company Act, a shareholder shall have one voting right in respect of each share in his/her/its possession.

When the Company convenes a shareholders' meeting, it may adopt a written method or electronic means for the exercise of voting rights (for the Company that shall adopt electronic voting in accordance with the proviso to Article 177-1 Paragraph 1 of the Company Act, when the Company holds a shareholders' meeting, it shall adopt electronic voting and may have voting rights exercised in writing). When the voting right is exercised in writing or electronically, the exercise method shall be stated in the meeting notice. Shareholders who exercise voting rights in writing or electronically are deemed to have attended the shareholders' meeting in person. However, the exercise of voting rights for extraordinary motions and amendments to the original motions of the shareholders' meeting shall be abstained; therefore, the Company shall avoid proposing extraordinary motions and amendments to the original motions.

When the voting right is exercised in writing or electronically, the expression of intention shall be delivered to the Company two days before the shareholders' meeting. If the expression of intention is repeated, the first one that is delivered shall prevail. However, this does not apply to those which declare to revoke the previous expression of opinions.

After shareholders have exercised their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person, they shall revoke their expression of intention to exercise the voting rights mentioned in the preceding paragraph two days before the shareholders' meeting, otherwise the voting rights exercised in writing or electronically shall prevail for late revocation. If voting rights are exercised in writing or electronically and a proxy is entrusted to attend the shareholders' meeting with a power of attorney, the voting rights exercised by the entrusted proxy shall prevail.

The voting of the motion shall be passed with the approval of a majority of the voting rights of the shareholders present, unless otherwise stipulated in the Company Act and the articles of association of the Company. On the day after the shareholders' meeting, the results of shareholders' approval, opposition and abstention shall be entered into the MOPS.

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

Vote scrutinizing and counting personnel for the voting on a motion shall be appointed by the chairman, provided that all the scrutinizing personnel shall be shareholders of the Company.

Vote counting shall be conducted in public at the place of the shareholders' meeting. The results of the voting shall be announced on-site at the meeting, and a record be made for the voting results.

Article 14 The election of directors or supervisors at the shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. However, if a shareholder initiates a lawsuit in accordance with Article 189 of the Company Act, the recording shall be kept until the end of the lawsuit.

Article 15 The resolutions of the shareholders' meeting of the Company shall be recorded into minutes, signed or stamped by the chairman, and distributed to all shareholders within 20 days after the meeting. The preparation and distribution of meeting minutes may be done electronically.

For the distribution of the minutes of the preceding paragraph, the Company may enter the minutes into the MOPS for public announcement.

The minutes shall record the year, month, day, venue, name of the chairman, resolution method, key points of the proceedings and voting results of the meeting. The minutes shall be kept permanently during the existence of the Company.

Article 16 The number of shares represented by solicitors and shareholders' proxies shall be clearly disclosed in a statistical table prepared in the prescribed format on the day of the shareholders' meeting.

If there is any material information on the resolution of the shareholders' meeting that is required by laws and regulations or by the Taiwan Stock Exchange Corporation (or the Taipei Exchange), the Company shall transmit the content to the MOPS before the specified deadline.

Article 17 Staff handling administrative affairs of the shareholders' meeting shall wear identification cards or arm bands.

The chairman may direct the proctors or security personnel to help maintain order at the meeting place. The proctors or security personnel shall wear arm bands with the word "proctor" or identification cards when maintaining order at the meeting place.

At the place of the shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chairman may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chairman may direct the proctors or security personnel to escort the shareholder out of the meeting.

Article 18 When a meeting is in progress, the chairman may announce a break based on time considerations. If a force majeure event occurs, the chairman may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at the shareholders' meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 19 These Rules shall be implemented after being approved by the shareholders' meeting, and the same shall apply to the amendments.

Appendix 3

Gold Circuit Electronics Ltd.

Procedure for the Acquisition or Disposal of Assets

Approved through the shareholders' meeting on June 14, 2019

Article 1: Purpose

This Procedure is prepared in order to protect assets and enforce disclosure of information.

Article 2: Underlying Laws

This Procedure is prepared pursuant to Article 36-1 of the Securities and Exchange Act (the "Act") and applicable requirements of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" promulgated on December 10, 2002 per Order No. Taiwan-Finance-Securities-I-0910006105 of the Securities and Futures Commission, Ministry of Finance.

Article 3: Applicable Assets

- I. Securities: Including long-term/short-term investments in shares, government bonds, corporate bonds, bank debentures, domestic beneficiary certificates, overseas mutual funds, depository receipts, subscription (sale) warrants, beneficiary securities, and asset-based securities.
- II. Real estate properties (including land, houses and buildings, investment-oriented real estate properties, construction inventory) and other fixed assets.
- III. Membership cards.
- IV. Intangible assets: Including patent rights, copyrights, trademark rights, and franchise, among other intangible assets.
- V. Right-of-use assets.
- VI. Financial institution's creditor's right (including accounts receivable, negotiations discount and loans, accounts collectible).
- VII. Derivatives.
- VIII. Assets acquired or disposed of because of consolidation, severance, acquisition, or assignment of shares according to law.
- IX. Other important assets.

Article 4: Terms and Definitions

- I. Derivatives are the forward contracts, option contracts, futures contracts, leverage contracts, swap contracts, combinations of the above contracts, or combination contracts of embedded derivatives, or structural commodities, etc., whose value is derived from a specific interest rate, the value of a financial instrument, the value of a commodity, the exchange rate, the price or rate index, the credit rating or credit index, or other variables. The so-called forward contracts do not contain insurance contracts, fulfillment contracts, after-sales service contracts, long-term lease contracts.
- II. Assets acquired or disposed of because of consolidation, severance, acquisition, or assignment of shares according to law are those acquired or disposed of from consolidation, severance, or acquisition in accordance with the Business Mergers and Acquisitions Act, the Financial Holding Company Act, the Financial Institutions Merger Act, or other laws or acceptance of shares from other

companies (the “Acceptance of Shares”) as a result of release of new shares as required by Article 156 Paragraph 6 of the Company Act.

- III. Related party is defined according to Financial/Accounting Standards 6 released by the ROC Accounting Research and Development Foundation (the “Accounting Research and Development Foundation”).
- IV. Subsidiary is defined according to Financial/Accounting Standards 5 and 7 released by the Accounting Research and Development Foundation.
- V. Professional appraiser include a real estate properties appraiser or someone else that may be engaged in the appraisal of real estate properties and other fixed assets according to law.
- VI. Date of occurrence is the date when a transaction contract is signed, the payment is made, the entrusted transaction takes place, the transfer is completed, the Board of Directors makes a decision, or it is sufficient to define the counterpart and the trading value, whichever occurs first. When the investment requires approval by the Competent Authority, however, it is the date indicated above or the date when the approval from the Competent Authority is received, whichever occurs first.
- VII. Investment in Mainland China is that embarked on in accordance with the requirements of the Guidelines for Approving Investments or Technical Collaborations in Mainland China of the Investment Commission of MOEA.
- VIII. The term “within a year” means a period of 1 year calculated retroactively from the date of the current acquisition or disposal of assets. It is allowed not to include those already announced.
- IX. The term “the most recent financial statement” refers to that audited, attested, or reviewed by the CPAs and released by the Company as required by law prior to the acquisition or disposal of assets.

Article 5: Limits of investments in non-operating real estate properties and their right-of-use assets and securities

The limits available for the Company and each of its subsidiaries in acquiring the above-said assets, respectively, are set as follows:

Parent company:

- I. The overall value for non-operating real estate properties and their right-of-use assets may not exceed 20% of the net worth.
- II. The overall value of investments in long-term and short-term securities may not exceed 50% of the net worth.
- III. The overall value of investments in respective securities may not exceed 20% of the net worth.

Subsidiary:

- I. The overall value for non-operating real estate properties and their right-of-use assets may not exceed 10% of the net worth.
- II. The overall value of investments in long-term and short-term securities may not exceed 30% of the net worth.
- III. The overall value of investments in respective securities may not exceed 20% of the net worth.

Article 6: For the appraisal report or the opinions from the CPA, the attorney, or the securities underwriter obtained by the Company, the professional appraiser and the appraisal staff, CPA, attorney, or securities underwriter may not be related to the client of the transaction.

Article 7: Procedure for the Acquisition or Disposal of Real Estate Properties and Their Right-of-Use Assets or Other Fixed Assets

I. Evaluation and operating procedure

The Company acquires or disposes of real estate properties or their right-of-use assets and other fixed assets exclusively in compliance with the cyclic procedure for fixed assets as part of the Company's internal control system.

II. Transaction conditions and procedure to decide the authorized amount

(I) In the acquisition or disposal of real estate properties or their right-of-use assets, the announced current value, the rated value, and the actual transaction price of real estate properties in the surroundings or their right-of-use assets shall be referred to in deciding the transaction conditions and the transaction price; the analysis report will be prepared and submitted to the Chairman. When the value involved is below NTD 30 million, approval from the Chairman shall be obtained. When the value involved exceeds NTD 30 million, on the other hand, approval from the Board of Directors shall be obtained, too, before it may take place.

(II) The acquisition or disposal of other fixed assets shall be done through price query, comparison, negotiation, or tendering. When the value involved in each transaction is below NTD 50 million, inclusive, hierarchical approval shall be obtained according to the authorization guidelines; when it exceeds NTD 50 million, on the other hand, it shall be approved by the Board of Directors, too, before it may take place.

When the accumulated value of transactions involving the acquisition or disposal of objects of the same nature with the same counterpart within a year is NTD 300 million, approval by the Board of Directors shall be obtained before such transactions may take place.

(III) If any director objects to the Company's asset acquisition or disposition which needs to be approved by the Board of Directors following the established Procedure or according to other regulatory requirements, and such objection is recorded or stated in writing, relevant documents on such objection shall be submitted to the Audit Committee, too. In addition, if independent directors are available in the Company, when the asset acquisition or disposal transaction is brought forth during the Board of Directors meeting for discussion as required, opinions from each of the independent directors shall be sufficiently considered and their approving or opposing opinions and reasons shall be included in the meeting minutes.

III. Executive Unit

When acquiring or disposing of real estate properties or their right-of-use assets or other fixed assets, the Company shall submit it for approval reflective of the decision-making power in the preceding paragraph and the Department where it is used and the Management Department are responsible for enforcing it.

IV. Appraisal report for real estate properties or their right-of-use assets or other fixed assets

When acquiring or disposing of real estate properties or their right-of-use assets or other fixed assets, except for transactions with government agencies, outsourced construction on self-owned land, outsourced construction on rented land, or the acquisition or disposal of operating machinery and equipment, as long as the trading value reaches 20% of the Company's paid-in capital size or NTD 300 million and above, the quotation report issued by a professional

appraiser shall be obtained prior to the actual date of occurrence and the following requirements shall be fulfilled:

- (I) When restricted prices or specific prices need to serve as the reference for the transaction price for special reasons, such transaction shall be submitted to the Board of Directors for a decision first. The above procedure shall be followed, too, upon changes to the transaction conditions in the future.
- (II) When the trading value reaches NTD 1 billion and above, appraisals shall be provided by at least two professional appraisers.
- (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 Standard 20 published by the Accounting Research and Development Foundation and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
 - 1. The appraisal result is different from the trading value by more than 20% of the trading value.
 - 2. The difference between appraisal results provided by at least two professional appraisers reaches 10% and above of the transaction price.
- (IV) The date when the report is released by a professional appraiser and the date for the contract to take effect may not be more than three months apart. If the announced current value of the same term applies and it is not more than six months past due, the original professional appraiser shall provide the opinions.
- (V) If the Company acquires or disposes of assets through the court auction procedure, supporting documents issued by the court may be used instead of the appraisal report or CPA opinions.

Article 8: Procedure for the Acquisition or Disposal of Investments in Securities

- I. Evaluation and operating procedure
The Company follows the cyclic procedure for investments as part of the Company's internal control system when purchasing and selling long-term/short-term securities.
- II. Transaction conditions and procedure to decide the authorized amount
 - (I) Trading of securities in the centralized securities market or at the operating site of securities dealers shall be determined by the responsible unit reflective of market quotations. When the value is below NTD 30 million, inclusive, the Chairman shall approve it. When the value exceeds NTD 30 million, approval by the Board of Directors shall be obtained, too, before it may take place.
 - (II) For trading of securities that does not take place in the centralized securities market or at the operating site of securities dealers, financial statements obtained from underlying companies that have been audited and certified or reviewed by the CPA shall be obtained first to serve as a reference while the transaction price is being evaluated, taking into consideration the net value per share, profitability, and developmental potential in the future, etc.

When the value is below NTD 30 million, inclusive, the Chairman shall approve it. When the value exceeds NTD 30 million, approval by the Board of Directors shall be obtained, too, before it may take place.

- (III) If any director objects to the Company's asset acquisition or disposition which needs to be approved by the Board of Directors following the established Procedure or according to other regulatory requirements, and such objection is recorded or stated in writing, relevant documents on such objection shall be submitted to the Audit Committee, too. In addition, if independent directors are available in the Company, when the asset acquisition or disposal transaction is brought forth during the Board of Directors meeting for discussion as required, opinions from each of the independent directors shall be sufficiently considered and their approving or opposing opinions and reasons shall be included in the meeting minutes.

III. Executive Unit

With investments in long-term/short-term securities, the Company shall submit it for approval reflective of the decision-making power in the preceding paragraph and the financial/accounting unit is responsible for implementing it.

IV. Obtaining Expert Opinions

- (I) When acquiring or disposing of investments in securities, the Company shall obtain the most recent financial statements of benchmark companies audited and certified or reviewed and approved by CPAs prior to the actual date of occurrence to serve as reference in the evaluation of the transaction price. In addition, when the trading value reaches 20% of the paid-in capital size or NTD 300 million and above, the Company shall have a CPA to express opinions on the adequacy of the transaction price prior to the actual date of occurrence. The CPA shall also follow the requirements under Auditing Standard 20 released by the Accounting Research and Development Foundation if expert reports need to be adopted. 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 (the FSC) under the Executive Yuan.
- (II) If the Company acquires or disposes of assets through the court auction procedure, supporting documents issued by the court may be used instead of the appraisal report or CPA opinions.

Article 9: Procedure for Transactions with Related Parties

- I. For the acquisition or disposal of assets between the Company and related parties, besides Article 7: Procedure for the Acquisition of Real Estate Properties or Their Right-of-Use Assets, when the trading value reaches 10% and above of the Company's total assets, the appraisal reports issued by professional appraisers or CPA's opinions shall be obtained as required, too. In addition, when determining if a counterpart is a related party, besides paying attention to the legal form, substantial relationship shall be considered as well.
- II. Evaluation and operating procedure
When acquiring or disposing of real estate properties or their right-of-use assets or other assets than real estate properties or their right-of-use assets from related parties and the trading value reaches 20% of the Company's paid-in capital size, 10% of the Company's total assets or NTD 300 million and above, the following materials shall be submitted to the Board of Directors for approval and to the

Audit Committee for ratification before the transaction contract may be entered into and payment may be made:

- (I) Purpose, necessity, and expected benefits of the acquisition or disposal of assets.
- (II) Reason for choosing the related party to be the counterpart.
- (III) For the acquisition of real estate properties or their right-of-use assets from a related party, related materials on the adequacy of the expected trading conditions shall be evaluated as required by Paragraph III Subparagraphs (I) and (IV) hereunder.
- (IV) The original date and price of acquisition from the related party, the counterpart and his/her relationship with the Company and the related party, among others.
- (V) The income and expenditure forecast in cash for respective months in the coming year starting from the month when the contract is expected to be signed and the evaluation over the necessity of the transaction and the legitimacy of funds utilization.
- (VI) Appraisal report obtained from a professional appraiser or CPA opinions as required by the preceding article.
- (VII) Restrictions and other important matters agreed upon of the current transaction.

III. Evaluation over the Legitimacy of Transaction Cost

- (I) The Company shall evaluate the legitimacy of the transaction cost in the following ways for real estate properties or their right-of-use assets acquired from the related party:
 - 1. The cost of necessary interests for the funds and that to be afforded by the buyer as required by law shall be included in the calculation in addition to the transaction price with the related party. The so-called cost of necessary interests for the funds is to be assumed or calculated with the weighted average interest rate of borrowings for the purchase of assets by the Company for the specific year; however, it may not be above the highest borrowing interest rate in the non-financial sector as announced by the Ministry of Finance.
 - 2. If the related party once set the specific object as the collateral for borrowings from a financial institution, it is the determined total loan value of the specific object by a financial institution. The accumulated value of loans actually released on the specific object by a financial institution, however, shall reach 70% of the total loan value and at least one year shall have elapsed for the loan period. This does not apply, however, if the financial institution and a party to the transaction are mutually related.
- (II) Consolidated purchase of the same target land and house: the transaction cost may be evaluated in any of the ways mentioned in the foregoing paragraph, respectively, for the land and the house.
- (III) If the Company 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 Paragraph III Subparagraphs (I) and (II) shall also engage a CPA to check the appraisal and render a specific opinion.
- (IV) With respect to the acquisition of real property or right-of-use assets thereof from a related party, when the results of the Company's appraisal conducted in accordance with Paragraph III Subparagraphs (I) and (II)

hereunder are consistently lower than the transaction price, the matter shall be handled in compliance with Paragraph III Subparagraph (V) hereunder. This, however, does not apply in case of any of the following conditions and when objective evidence is provided and substantial justified opinions are obtained from the professional real estate properties or their right-of-use assets appraiser and the CPA:

1. The related party is the party obtaining or renting the land for construction and can provide evidence on fulfillment of one of the following requirements:
 - (1) The land is evaluated in ways required in the preceding paragraph while the reasonable construction profits are added to the construction cost paid by the related party for a house, with the total exceeding the actual transaction price. The so-called reasonable construction profits shall be the net business profit on average from the construction department of the related party over the most recent three years or the latest net profit in the construction industry announced by the Ministry of Finance, whichever is lower.
 - (2) Transaction cases of other non-related parties within a year for the other floors of the same house/land or in the adjacent regions that are similar in area and transaction conditions having been evaluated against the reasonable floor or regional price differences according to real estate properties trading or lease customs to be comparable.
 2. The Company provides evidence supporting that the transaction conditions of the real estate properties purchased or real estate properties right-of-use assets acquired through lease are equivalent to transactions involving other non-related parties completed within a year in the adjacent regions and closer in area. The so-called transaction cases in adjacent regions in the foregoing are, in principle, those within the same or in adjacent blocks and not further than a radius of 500 meters from the transaction target or similar in the announced current value. By “closer in area,” on the other hand, it means, in principle, that the area of the transaction cases of other non-related parties is not below 50% of that of the transaction target. The so-called within a year in the foregoing is, in principle, from the actual date when the current acquisition of real estate properties or their right-of-use assets occurs, retroactively by one year.
- (V) When acquiring real estate properties or their right-of-use assets, if results of evaluations performed as required by Paragraph III Subparagraphs (I) and (II) hereunder are consistently below the transaction price, the Company shall do as follows. In addition, if any special reserve is set aside for the Company and the public offering company whose investment in the Company is appraised by the equity method as required, the said special reserve may only be drawn down once losses from falling prices are recognized for assets purchased or leased at a high price or the lease is terminated or proper compensation is made or the assets are reinstated or absence of illegitimacy is confirmed through other evidence and upon

approval of the Securities and Futures Commission under the Ministry of Finance.

1. The Company shall set aside special reserve as required by Article 41 Paragraph 1 of the Securities and Exchange Act for the difference between the transaction price and the evaluation cost of the real estate properties or their right-of-use assets; assignment or allotment of shares transferred to capital increase is disallowed. If a public company uses the equity method to account for its investment in the Company, then the special reserve called for under Article 41, Paragraph 1 of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the Company.
 2. The Audit Committee shall follow the requirements in Article 218 of the Company Act.
 3. How conditions specified in Points 1 and 2 of Paragraph III Subparagraph (V) hereunder are handled shall be presented during the shareholders' meeting, with details of the transaction to be disclosed in the Annual Report and the Prospectus.
- (VI) If the Company acquires real estate properties or their right-of-use assets from a related party and one of the following conditions exists, the requirements regarding the evaluation and operating procedure in Paragraphs I and II hereunder shall be followed and the requirements regarding the evaluation of the legitimacy of the transaction cost in Paragraph III Subparagraphs (I), (II), and (III) hereunder do not apply.
1. The related party acquired the real estate properties or their right-of-use assets because of inheritance or as a gift.
 2. The related party acquired the real estate properties or their right-of-use assets through a contract and the contract date is more than 5 years ago from the current transaction.
 3. The related party acquired the real estate properties or their right-of-use assets because of a joint construction contract entered into.
- (VII) When acquiring real estate properties or their right-of-use assets from related parties, if there is other evidence showing non-conforming operational activities, the Company shall follow the requirements in Paragraph III Subparagraph (V) hereunder.

The trading value in the preceding paragraph shall be calculated according to the requirements in Article 14 Paragraph I Subparagraph VI and "within a year" as stated is based on the actual date of occurrence of the current transaction, retroactively by one year. It is allowed not to include those already submitted to and approved by the Board of Directors and to the Audit Committee for ratification as required herein.

For the following transactions between the public offering company and its parent company or its subsidiary ~~to acquire or dispose of operating machinery and equipment~~, the Board of Directors may authorize the Chairman to go ahead and make a decision when it is within a certain limit and submit it to the most recent Board of Directors' meeting for endorsement:

- I. Acquisition or disposal of operating equipment or its right-of-use assets.
- II. Acquisition or disposal of operating real estate properties or their right-of-use assets.

Article 10: Procedure for the Acquisition or Disposal of Membership Cards or Intangible Assets

- I. Evaluation and operating procedure
The Company acquires or disposes of membership cards or intangible assets exclusively in compliance with the cyclic procedure for fixed assets as part of the Company's internal control system.
- II. Transaction conditions and procedure to decide the authorized amount
 - (I) In the acquisition or disposal of membership cards, the fair market price on the market shall be referred to in deciding the transaction conditions and the transaction price; the analysis report will be prepared and submitted to the General Manager. When the value involved is below 1% of the paid-in capital size or NTD 30 million, approval from the Chairman shall be obtained. When the value involved exceeds NTD 30 million, on the other hand, approval from the Board of Directors shall be obtained, too, before it may take place.
 - (II) In the acquisition or disposal of intangible assets, the expert evaluation report or the fair market price on the market shall be referred to in deciding the transaction conditions and the transaction price; the analysis report will be prepared and submitted to the Chairman. When the value involved is below 10% of the paid-in capital size or NTD 30 million, approval from the Chairman shall be obtained. When the value involved exceeds NTD 30 million, on the other hand, approval from the Board of Directors shall be obtained, too, before it may take place.
 - (III) If any director objects to the Company's asset acquisition or disposition which needs to be approved by the Board of Directors following the established Procedure or according to other regulatory requirements, and such objection is recorded or stated in writing, relevant documents on such objection shall be submitted to the Audit Committee, too. In addition, if independent directors are available in the Company, when the asset acquisition or disposal transaction is brought forth during the Board of Directors meeting for discussion as required, opinions from each of the independent directors shall be sufficiently considered and their approving or opposing opinions and reasons shall be included in the meeting minutes.
- III. Executive Unit
When acquiring or disposing of membership cards or intangible assets, the Company shall submit it for approval reflective of the decision-making power in the preceding paragraph and Department where it is used and the Finance Department or the Administration Department are responsible for enforcing it.
- IV. Expert Evaluation Opinions Report of Membership Cards or Intangible Assets
When acquiring or disposing of membership cards or intangible assets with a trading value reaching 20% of the paid-in capital size or NT\$300 million and above, the Company shall have a CPA to express opinions on the adequacy of the transaction price prior to the actual date of occurrence. The CPA shall also follow the requirements under Auditing Standard 20 released by the Accounting Research and Development Foundation.

Article 10-1: The trading values in the first three paragraphs of Article 10-1 shall be calculated as required by Article 14 Paragraph I Subparagraph VI and "within a year" as stated is based on Standard actual date of occurrence of the current transaction, retroactively by one year. It is allowed not to include those already included in the appraisal report obtained from professional appraisers or CPA opinions as required herein.

Article 11: Procedure for the Acquisition or Disposition of Derivatives

I. Transaction Principle and Policy

(I) Type of Transaction

1. Derivative financial instruments that the Company is engaged in refer to the transaction contracts whose value comes from assets, interest rates, exchange rates, indexes, or other interests. The scope of operation available for the Company now for derivatives is limited to forward, option, and swap contracts and composite contracts combining the above instruments. Trading of other instruments is subject to prior approval from the Board of Directors and amendment to the Procedure before it may take place.
2. For transactions involving bond guarantee, applicable requirements herein shall be followed. The requirements herein do not apply to the trading of bonds with buy-back conditions.

(II) Management (Hedging) Strategy

Transactions of derivatives that the Company is engaged in shall be meant for hedging. The instruments involved shall be primarily those meant to circumvent risks from business operation of the Company. The operating currencies are limited to those needed for the actual positions of the Company and meant in principle to square off the overall internal positions (that is, foreign currency income and expenditure) of the Company so as to reduce the overall foreign exchange risk of the Company and save the foreign exchange operating cost. Transactions for other specific purposes are subject to careful evaluations and submission to the Board of Directors for approval before they may take place.

(III) Responsibilities

1. Finance Department

(1) Trader

- A. Is responsible for preparing the overall strategies for the Company to trade financial instruments.
- B. Traders shall calculate positions, collect market information, determine the trends, evaluate risks, and prepare the operational strategy periodically on a monthly basis and have them approved according to the decision-making power so that they may be followed for transactions.
- C. Trades reflective of the authorized power and defined strategies.
- D. In cases of major changes on the financial market where it is determined by traders that the defined strategies are no longer applicable, they shall submit an evaluation report and define strategies all over again and have them approved by the Chairman so that they may be followed for transactions.

(2) Accountant

- A. Confirms transactions.
- B. Reviews whether the transaction follows the authorized power and the defined strategy.

- C. Rates on a monthly basis and submits the rating report to the Chairman for approval.
- D. Deals with accounting affairs.
- E. Files and announces as required by the Securities and Futures Commission.

(3) Decision-making Power over Derivatives

A. Hedging transactions

Decision-maker	Daily strike limits
Chairman	Over USD 10 million
Financial supervisor	USD 10 million and lower

- B. If any director has an objection to the Company's asset acquisition or disposition which requires the approval of the board of directors pursuant to its existing procedure or other laws and regulations, and such objection is recorded or stated in writing, relevant documents on such objection shall be submitted to each Audit Committee. In addition, if independent directors are available in the Company, when the asset acquisition or disposal transaction is brought forth during the Board of Directors meeting for discussion as required, opinions from each of the independent directors shall be sufficiently considered and their approving or opposing opinions and reasons shall be included in the meeting minutes.

2. Audit Department

Is responsible for understanding the adequacy of internal control over trading of derivatives and auditing compliance of the trading department with the operating procedure as well as analyzing the trading cycle and preparing the audit report and reporting material deficiencies, if any, to the Board of Directors.

3. Performance Evaluation

- (1) Performance evaluation is based on the Company's book-kept exchange rate cost and the gains or losses from trading of derivatives.
- (2) Gains or losses are evaluated through monthly settlement and rating by the Company in order to fully keep track of and expressing the rating risk of the transaction.
- (3) The Finance Department shall provide the ratings of foreign exchange positions and trends on the foreign exchange market as well as the market analysis to the Chairman to be the management reference and for the latter to give instructions.

4. Deciding the Overall Contract Value and Upper Limit of Losses

- (1) Overall contract value

A. Hedging transactions

Item Authorized party	Hedging Nature
Financial supervisor	1. Accounts receivable yet to be collected and export demand in the coming two months 2. Accounts payable yet to be paid and import demand in the coming six months
Chairman	1. Total out-of-bound value 2. Other policy-oriented instructions

B. Specific purpose transactions

For the sake of forecasting changes on the market, the Finance Department may define strategies as needed and submit them to the President and the Chairman for approval before enforcing them. The overall contract value of net accumulated positions throughout the Company for specific purpose transactions may not exceed USD 40 million and any excess is subject to approval by the Board of Directors and may only take place in compliance with the policy-oriented instructions given.

(2) The upper limits of losses of respective contracts and all contracts combined are given below:

- A. The upper limits of losses of respective derivative contracts are 15% of the respective contract value.
- B. The upper limits of losses of all contracts combined for derivatives operated for hedging purpose are 15% of the overall value of all contracts on hedging operations.
- C. The upper limits of losses of all contracts combined for specific purpose transactions are 15% of the overall value of all contracts for specific purpose transactions operated for trading purpose.

If the limits of losses for respective contracts and all contracts combined are reached, the financial supervisor shall take appropriate measures right away and report it to the Chairman immediately, and then report it to the Board of Directors for the latter to discuss necessary countermeasures.

II. Risk Management Measure

(I) Management of Credit Risk:

Risks associated with the operation of derivative financial instruments are likely due to changes in various factors on the market. As a result, risks on the market are managed according to the principles below:

Counterpart: primarily a well-known domestic or international financial institution.

Financial instrument: limited to that provided by a well-known domestic or international financial institution.

Trading value: not to exceed the total limits authorized.

(II) Management of market risk:

Primarily the open foreign exchange market provided by the bank; the futures market is not considered for the time being.

(III) Management of liquidity risk:

In order to ensure liquidity on the market, financial instruments selected are primarily those relatively highly liquid (that is, those that may be matched at any time on the market). The financial institution authorized to execute the transaction has to have sufficient information and be capable of executing the transaction on any market at any time.

(IV) Management of cash flow risk

In order to ensure steady turnover in the Company's operating funds, funds needed for the Company to engage in transactions of derivatives are from self-owned funds.

(V) Management of operational risk

1. The authorized limits and operating procedures set by Company should be precisely followed and be included as part of internal audit in order to avoid operational risk
2. Traders of derivatives may not be those providing confirmations or dealing with settlement/delivery.
3. Risk weighing, monitoring, and control staff shall belong to a different department from that where people in the preceding subparagraph belong and shall report to the Board of Directors or high-ranking supervisors not in charge of trading or position-related decision-making.
4. The positions held for trading derivatives shall be evaluated at least twice a month and the evaluation report shall be submitted to the high-ranking supervisor authorized by the Board of Directors. It is the Chairman if no authorization is given separately.

(VI) Management of commodity risk

Internal traders shall have complete and correct professional knowledge of financial instruments and demand that risks be sufficiently disclosed by banks in order to avoid the risk associated with misuse of financial instruments.

(VII) Management of legal risk:

Documents entered into with financial institutions shall be reviewed by professionals such as the legal affairs staff or a legal consultant before they are officially signed in order to avoid the legal risk; custom hedging transactions provided by banks shall be exceptions.

III. Internal Audit System

- (I) Internal auditors shall regularly learn about the adequacy of internal control over trading of derivatives, audit compliance of the trading department with the Procedure for Trading Derivatives based on periodical plans, and analyze the transaction cycles, and prepare the audit report; in case of any material violation, once found, the Audit Committee shall be notified in writing.

- (II) Internal auditors shall file audit reports along with annual internal audit operation inspections with the Securities and Futures Commission by the end of February in the coming year and shall file corrections of abnormalities with the Securities and Futures Commission for the latter's reference no later than May in the coming year.
- IV. Periodic Evaluation Method.
 - (I) The Board of Directors shall authorize high-ranking supervisors to periodically supervise and evaluate if the trading of derivatives has taken place in precise compliance with the transaction procedure defined by the Company and if the undertaken risk is within the allowed undertaken range. When abnormalities are found in the market price evaluation report (such as the positions held already exceeding the loss limits), it shall be reported to the Board of Directors immediately and responsive measures shall be adopted.
 - (II) The positions held for trading derivatives shall be evaluated at least once a month and the evaluation report shall be submitted to the high-ranking supervisor authorized by the Board of Directors. It is the Chairman if no authorization is given separately.
- V. Supervisory and Management Principles for the Board of Directors in Trading Derivatives
 - (I) The Board of Directors shall assign high-ranking supervisors to pay attention to the supervision and control over transaction risks of derivatives at all times. The management principles are as follows:
 - 1. Periodically evaluate if the current risk management measures are appropriate and in strict compliance with the Regulations and the Procedure for Trading Derivatives established by the Company.
 - 2. Supervise over transactions and gains and losses and adopt necessary response measures upon discovery of abnormalities and report immediately to the Board of Directors; when there are independent directors in the Company, they shall attend and express opinions in the Board of Directors' meeting.
 - (II) Periodically evaluate whether the performance in the transaction of derivatives meets existing operating strategies and whether the undertaken risks are within the scope allowed for the Company or not.
 - (III) When dealing with the transaction of derivatives, if related staff are authorized to take care of the transaction as required by the Procedure for Trading Derivatives, the Company shall report it during a Board of Directors' meeting later.
 - (IV) When trading derivatives, the Company shall prepare the reference book and register in detail the type and value of derivatives traded, the date when it is approved by the Board of Directors, and matters that shall be carefully evaluated according to Paragraph IV Subparagraph (II) and Paragraph V Subparagraphs (I) and (II) hereunder for future reference.

Article 13: Procedure for Managing Consolidation, Severance, Acquisition, or Assignment of Shares

- I. Evaluation and operating procedure
 - (I) When dealing with consolidation, severance, acquisition, or assignment of shares, the Company shall authorize the attorney, the CPA, or the securities

underwriter to jointly stipulate and decide an estimated schedule of legal procedures and form a task force to enforce it in accordance with the legal procedures. In addition, the Company shall authorize the CPA, the attorney or the securities underwriter, before calling for the Board of Directors' meeting, to express opinions over the legitimacy of the exchange Ratio the acquisition price, or the cash or other properties assigned to shareholders and bring it forth to be discussed and approved by the Board of Directors. For the consolidation by a public offering company of subsidiaries that it directly or indirectly holds 100% of the issued shares or the capital size or the consolidation between subsidiaries that it directly or indirectly holds 100% of the issued shares or the capital size, however, the foregoing opinions over the legitimacy as provided by experts may be waived.

- (II) The Company shall prepare public documents for the shareholders before a shareholders' meeting covering important terms and conditions agreed upon and related matters of the consolidation, severance, or acquisition and give them to the shareholders along with the expert opinions and the shareholders' meeting notice as stated in Paragraph I Subparagraph (I) hereunder to serve as reference for whether or not to approve the said consolidation, severance, or acquisition. This, however, does not apply if a decision through a shareholders' meeting may be waived regarding consolidation, severance, or acquisition as required by other laws. In addition, if the shareholders' meeting of a company involved in the consolidation, severance, or acquisition is unable to take place or render a decision, or vetoes the proposal due to an insufficient number of attendants, insufficient voting power, or other legal restrictions, the company shall explain the cause, the subsequent management, and the re-scheduled date of the shareholders' meeting to the public immediately.

II. Other Matters to be Paid Attention to

- (I) Board of Directors meeting date: Companies involved in the consolidation, severance, or acquisition, unless specified otherwise in other laws or for special reasons and with prior approval from the FSC, shall hold the Board of Directors meeting and the shareholders' meeting on the same day to decide matters concerning the consolidation, severance, or acquisition. Companies involved in the assignment of shares, unless specified otherwise in other laws or for special reasons and with prior approval from the FSC, shall hold the Board of Directors meeting on the same day.
- (II) Prior commitment to confidentiality: All parties involved in or aware of the shares consolidation, severance, acquisition, or assignment plan shall issue the written commitment to confidentiality over no disclosure to the public of what is included in the plan before such information is released and also over no trading of the shares of all companies involved in the shares consolidation, severance, acquisition, or assignment plan and other equity securities in their own or someone else's name.
- (III) Principle for setting and changing the exchange ratio or the acquisition price: Companies involved in the consolidation, severance, acquisition, or assignment of shares shall have their CPAs, attorneys, or securities underwriters before their respective Board of Directors meetings to express opinions over the legitimacy of the exchange ratio, the acquisition price, or the cash or other properties assigned to shareholders and bring it forth to be

discussed and approved during the shareholders' meeting. In principle, the exchange ratio or the acquisition ratio may not be changed unless criteria for such changes are defined in the contract and disclosed to the public. The criteria for changing the exchange ratio or the acquisition price are as follows:

1. Organizing capital increase in cash, issuing convertible corporate bonds, distributing stock dividends, or issuing corporate bonds with warrant, preferred stock with warrant, warrant certificates, and other equity securities.
 2. Behavior that has an impact on the Company's finance such as disposal of important assets of the Company.
 3. Major disasters or technical reforms that will affect the Company's shareholders' equity or security price
 4. Adjustments made by any company involved in the consolidation, severance, acquisition, or assignment of shares by buying back the treasury stock according to law.
 5. Change in the structure or the number of companies involved in the consolidation, severance, acquisition, or assignment of shares.
 6. Other conditions where changes may be made as specified in the contract and already disclosed to the public.
- (IV) Information to be included in the contract: Contracts on the consolidation, severance, acquisition, or assignment of the Company's shares, besides what is stated in Article 317-1 of the Company Act and Article 22 of the Business Mergers And Acquisitions Act, shall also show the information indicated below.
1. Management of defaults.
 2. Principles for handling securities that are stock options in nature already issued or the treasury stock that is already bought back by the company that is no longer existing or is severed as a result of consolidation.
 3. The quantity of the treasury stock that may be bought back according to law after the base date when the exchange ratio was calculated by the participating companies and the management principle.
 4. Management of additions or deletions in the structure or the number of companies involved.
 5. Expected plan implementation schedule and expected date of completion.
 6. The procedure for handling the expected date for holding the shareholders' meeting as required by law, among others, upon failure to complete the plan as scheduled.
- (V) Change in the number of companies involved in the consolidation, severance, acquisition, or assignment of shares: If any company involved in the current consolidation, severance, acquisition, or assignment of shares intends to be consolidated with, severed from, acquire, or accept assigned shares with other companies after the news is released to the public, unless the number of participating companies is reduced and the shareholders' meeting has rendered a decision to authorize the Board of Directors with the power over such change, where the participating companies may be waived from holding another shareholders' meeting to make a decision, for the procedure or legal action already completed for the original

consolidation, severance, acquisition, or assignment of shares, it shall be redone by all participating companies.

- (VI) When companies that are not public offering companies are involved in the consolidation, severance, acquisition, or assignment of shares, the Company shall sign an agreement with them and the requirements in Paragraph II Subparagraph (I) Board of Directors meeting date, Subparagraph (II) Prior commitment to confidentiality, and Paragraph (V) Change in the number of companies involved in the consolidation, severance, acquisition, or assignment of shares hereunder shall apply.
- (VII) The expedited consolidation defined by the Securities and Futures Commission shall be approved by the Board of Directors while it is allowed not to follow the requirements of the foregoing Procedure.

Article 14: Information Release/Disclosure Procedure

I. Items Subject to Announcement/Filing and Announcement/Filing Criteria

- (I) Acquisition or disposal of real estate properties or other assets than real estate properties involving related parties with a trading value reaching 20% of the Company's paid-in capital size, 10% of the total assets or NTD 300 million and above. This, however, does not apply to the trading of government bonds or bonds with buy-back or sell-back conditions, subscription or buy-back of money market funds issued by a domestic securities investment trust business.
- (II) Consolidation, severance, acquisition, or assignment of shares.
- (III) Engagement in transactions of derivatives with losses reaching the ceiling value of all or individual contract losses specified in the established procedure.
- (IV) Acquisition or disposal of assets that are operating equipment where the counterpart is not a related party and the trading value reaches NTD 500 million and above.
- (V) Acquisition or disposal of real estate properties for construction purpose by public offering companies dealing in construction business with the counterpart not a related party and a trading value reaching NTD 500 million and above.
- (VI) Acquisition of real estate through outsourced construction on self-owned land, outsourced construction on rented land, division of property jointly built, division by the percentage following joint construction, and separate sale following joint construction, where the expected trading value to be invested in by the Company reaches NTD 500 million and above.
- (VII) Transactions of assets other than those in the preceding 6 subparagraphs, disposition of creditor's rights by financial institutions, or investments in Mainland China, with a trading value reaching 20% of the Company's paid-in capital size or NTD 300 million and above. This, however, does not apply to the following circumstances:
 - 1. Trading of government bonds.
 - 2. Trading of investment-oriented securities at a domestic or international stock exchange or an operating site of securities dealers or subscription of straight corporate bonds and general financial bonds not involving equity that are offered and issued on a domestic primary market, or subscription of securities by securities dealers as required by the Taipei Exchange to meet underwriting

demand or in order to work as a securities dealer to help refer emerging stocks.

3. Trading of bonds with buy-back or sell-back conditions, subscription or buy-back of money market funds issued by a domestic securities investment trust business.

The trading values in the preceding paragraph are calculated as follows:

- A. The value of each transaction.
- B. The accumulated value of transactions involving the acquisition or disposal of objects of the same nature with the same counterpart within a year.
- C. The accumulated value from the acquisition or disposal (to be accumulated separately) of real estate properties under the same development project within a year.
- D. The accumulated value from the acquisition or disposal (to be accumulated separately) of the same security within a year.

The term “within a year” in the preceding paragraph means a period of 1 year calculated retroactively from the actual date of occurrence of the current transaction. It is allowed not to include those already announced as required herein.

The public offering company shall enter information about transactions of derivatives engaged in by itself and its subsidiaries that are not within the country by the end of last month before the tenth day of each month on the website designated by the SFI where such information shall be disclosed on a monthly basis.

In the event that items to be announced by the public offering company as required are found with errors or missing information at the time of announcement and hence need to be corrected, all such items shall be re-announced and filed within two days from the date of awareness of such condition.

When acquiring or disposing of assets, the public offering company shall have copies of related contracts, meeting minutes, reference books, appraisal reports, and opinions from CPAs, attorneys, or securities underwriters ready in the Company and they shall be kept for at least five years unless specified otherwise by law.

Article 15: Subsidiaries of the Company shall follow the requirements below:

- I. The subsidiaries also define their “Procedure for the Acquisition or Disposal of Assets” according to applicable requirements in the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies”; once it is approved by the Board of Directors of the specific subsidiary, it shall be brought forth during the shareholders’ meetings of both the Company and the subsidiary and the same applies upon revision.
- II. The Company’s requirements shall be followed, too, by subsidiaries in the acquisition or disposal of assets.
- III. When a subsidiary is not a public offering company and the announcement/filing criteria under Article 14 Point 1 of the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” are fulfilled in the acquisition or disposal of assets, the parent company shall also complete the announcement/filing process on behalf of the subsidiary.

- IV. The requirement of “reaching 20% of the Company’s paid-in capital size” or 10% of the total assets indicated in the announcement/filing criteria for subsidiaries is based on the paid-in capital size or total assets of the parent company (the Company).

Article 15-1 When the foreign company shares are not denominated or the denomination per share is not NTD 10, the trading value worth 20% of the paid-in capital indicated in Articles 9 to 11, Articles 14, 30, and 33 shall be calculated by 10% of the shareholders’ equity.

Article 16: Penalty

When the Company’s employees violate the requirements herein while acquiring or disposing of assets, they will be evaluated according to the Company’s “Employee Code of Conduct” and penalties shall apply, depending on the severity of the circumstances.

Article 17: Implementation and Revision

- I. The Company’s “Procedure for the Acquisition or Disposal of Assets” is to be approved by the Audit Committee and then by the Board of Directors before it is brought forth during the shareholders’ meeting and approved and then enforced; the same applies upon revision. If director’s objection is recorded or stated in writing, relevant documents on such objection shall be submitted to the Audit Committee, too. While the “Procedure for the Acquisition or Disposal of Assets” is brought forth during the Board of Directors meeting for discussion, opinions from each of the independent directors shall be sufficiently considered and their approving or opposing opinions and reasons shall be included in the meeting minutes.

Where consent from at least one-half of all Audit Committee members is not obtained under Paragraph 1, consent from at least two-thirds of all Board directors may be adopted instead and the resolution reached by the Audit Committee shall be specified in the minutes of the Board of Directors meeting.

- II. By “all Audit Committee members” herein and “all Board directors” as indicated in the preceding paragraph, they refer to the incumbent ones.

Article 18: Supplementary Provisions

For matters not covered herein, applicable laws and regulations shall be followed.

Appendix 4

Shareholding status of the Company's directors

Book-closing date of share transfer: April 10, 2022

Job title	Name	Appointment date	Shareholding ratio when elected		Shareholding ratio on the book-closing date of share transfer	
			Number of shares	% among total shares issued then	Number of shares	% among total shares issued then
Chairman	Chen-Tse Yang	7/20/2021	19,234,685	3.52%	19,614,685	3.59%
Director	Chang-Chih Yang	7/20/2021	107,258,019	19.63%	107,358,019	19.65%
Director	Chang-Ching Yang	7/20/2021	2,984,110	0.55%	2,947,110	0.54%
Director	Chen-Jung Yang	7/20/2021	7,157,945	1.31%	7,157,945	1.31%
Director	Lien-Mei Lin	7/20/2021	171,449	0.03%	171,449	0.03%
Director	King Hsiang Investment Co. Representative: Jung-Tung Tsai	7/20/2021	5,723,750	1.05%	5,723,750	1.05%
Independent Director	Jen-Jou Hsieh	7/20/2021	0	0%	0	0%
Independent Director	Wen-Shih Chiang	7/20/2021	4,765	0%	4,765	0%
Independent Director	Tzu-Ying Lin	7/20/2021	0	0%	0	0%
Number of shares held by all directors			142,534,723		142,977,723	

Total shares issued as of July 20, 2021: 546,487,841 shares

Total shares issued as of April 10, 2022: 546,487,841 shares

Remarks:

As required by law, the number of shares held by all directors of the Company is 17,487,610 shares. As of April 10, 2022, all directors hold 142,972,958 shares.

The Company has set up an audit committee, so there is no applicability of the number of shares that supervisors should hold.

- Shares held by independent directors are not included in the number of shares held by directors.

