

The background features a complex, abstract design. The top right corner is dominated by a dense network of glowing, multi-colored lines (yellow, orange, blue, purple) that resemble a circuit board or data network. These lines are set against a dark background with small, colorful dots. The rest of the page is composed of large, overlapping geometric shapes in white, red, light blue, and dark blue, creating a dynamic, modern aesthetic.

SYSTEMEX

Handbook for the
**2020 Annual Meeting of
Shareholders**

SYSTEMEX CORPORATION

Stock Code: 6214

MEETING TIME: June 18, 2020

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Systemx Corporation

2020 Annual Shareholders Meeting

Time: 9:00 a.m., Thursday, June 18, 2020

Place: Liberty Square Convention Center

(2F, 399, Rueiguang Rd., Neihu District, Taipei City.)

I. Meeting Procedure:

- i. Call Meeting to Order
- ii. Chairman's Address
- iii. Report Items
- iv. Ratification Items
- v. Discussion Items
- vi. Extemporaneous Motions
- vii. Meeting Adjourned

II. Meeting Agenda:

- i. Report Items:
 1. 2019 Business report and Financial statements.
 2. Audit Committee's review report on 2019 Financial Statements.
 3. 2019 directors' and employees' compensation.
 4. 2019 retained earnings distribution (Cash Dividend NT\$5 per share).
 5. 2019 execution status of Endorsements and Guarantees.
 6. The amendment of the Rules of Procedure for Board of Directors Meetings.
 7. The amendment of the Ethical Corporate Management Best Practice Principles.
- ii. Ratification Items:
 1. 2019 Business report and Financial statements.
 2. 2019 retained earnings distribution.
- iii. Discussion Items:
 1. To amend the Articles of Incorporation.
 2. To amend the Rules of Procedures for Shareholders Meetings.
- iv. Extemporaneous Motions
- v. Meeting Adjourned

Report Items

1. 2019 Business report and Financial statements

Explanatory Note:

- (1) Please refer to Attachment 1 (pages 07-10) for the Business Report.
- (2) Please refer to Attachment 2 (pages 11-21) for the Financial statements.

2. Audit Committee's review report on 2019 Financial Statements.

Explanatory Note: Please refer to Attachment 3 (page 22).

3. To report 2019 directors' and employees' compensation.

Explanatory Note:

The Company's 2019 employees' remuneration of NT\$58,882,836 and directors' remuneration of NT\$39,255,224 are issued entirely in cash in accordance with the Company's "Articles of Incorporation."

4. To report 2019 retained earnings distribution (Cash Dividend NT\$5 per share)

Explanatory Note:

- (1) In Accordance with Article 22 of the Company's "Articles of Incorporation", the distribution of cash dividend had been approved by the meeting of the Board of Directors by at least half of the directors, provided the number of directors present be at least two-thirds of the entire Board of Directors and report to the shareholders meeting.
- (2) The Company's net income after taxes in 2019 of NT\$1,808,041,120 (denomination same below), plus undistributed earnings from the previous year of \$2,562,896,339, adjustments for the retained earnings for long-term share investment adjustment of \$(34,761,569), minus the actuarial (loss) gains listed in retained earnings of \$40,452,000 equals the amount available for distribution of \$4,295,723,890. Excluding the legal reserve of \$180,804,112 and the special reserve of \$195,622,600 the proposed cash dividend is \$5 per share. Calculated on the basis of the total number of 269,393,304 shares issued by the Company, the dividends total \$1,346,966,520.
- (3) In compliance with the calculation of the undistributed surplus earnings provided in Article 66-9 of the Income Tax Act, the earnings from 2019 are prioritized for distribution.
- (4) The Board of Directors is requested to authorize the Chairman to process related matters regarding the baseline date for cash dividends and the issuance of cash dividends.
- (5) With regard to the preceding distribution proposal, the Chairman is authorized to process related matters if the Company transfers (or repurchases) the Company's shares or transfers, converts, or cancels the Company's treasury stocks and causes changes to the number of shares in external circulation and changes in the distributable dividends per share before the baseline date of the distribution of dividends in accordance with Article 28-2 of the Securities and Exchange Act.

5. To report 2019 execution status of Endorsements and Guarantees.

Explanatory Note:

(1)The Company's balance amount of endorsements and guarantees for subsidiaries as of December 31, 2019 is NT\$3,219,600,000.

(2)The report on endorsements and guarantees is hereby submitted to the shareholders' meeting in accordance with the Company's Procedures for Making Endorsements and Guarantees.

6. To report the amendment of the Rules of Procedure for Board of Directors Meetings.

Explanatory Note:

(1)Amendments on the Procedures content and the Company's practical operation were made in response to the Financial Supervisory Commission order No. 1080008378.

(2)The amendments had been approved by the meeting of the Board of Directors and report to the shareholders meeting.

(3)The comparison table of amended articles, please refer to Attachment 5 (pages 24-35).

7. To report the amendment of the Ethical Corporate Management Best Practice Principles.

Explanatory Note:

(1) Amendments on the Principles content and the Company's practical operation were made in response to the Taiwan Stock Exchange Corporation order No. 1080361934.

(2) The amendments had been approved by the meeting of the Board of Directors and report to the shareholders meeting.

(3) The comparison table of amended articles, please refer to Attachment 6 (pages 36-51).

Ratification Items

1. Ratification of the 2019 Business report and Financial Statements. (Proposed by the Board of Directors)

Explanatory Note:

The Company's 2019 financial statements have been formulated in accordance with regulations. The statements have been audited by the CPA and reviewed by the Audit Committee; no inconsistencies have been found. Related information has been provided in Attachments 1-3 (pages 07-22).

Resolution:

2. Ratification of 2019 retained earnings distribution proposal. (Proposed by the Board of Directors)

Explanatory Note:

(1) The Company's 2019 retained earnings distribution have been approved by the Board of Directors. The earning distribution table have been reviewed by the Audit Committee.

(2) The 2019 earning distribution table has been provided in Attachment 4 (page 23).

Resolution:

Discussion Items

1. Discussion of the amendment of the Articles of Incorporation. (Proposed by the Board of Directors)

Explanatory Note:

Amendments on the Articles of Incorporation according to the Company Act and the Company's practical operation. The comparison table of amended articles has been included in Attachment 7 (pages 52-63).

2. Discussion of the amendment of the Rules of Procedures for Shareholders Meetings. (Proposed by the Board of Directors)

Explanatory Note:

Amendments on the Procedures content and the Company's practical operation were made in response to the Financial Supervisory Commission order No. 1080024221.

The comparison table of amended articles has been included in Attachment 8 (pages 64-71).

Extemporary Motions

Meeting Adjourned

Attachment 1

System Corporation 2019 Business report

I. Foreword

Taking “Enabling DX with AI, AI for Digital Transformation” as the focus of development for 2019, the SYSTEX Group helped its corporate clients use real-world AI applications to strengthen operation efficiency and improve marketing performance. As consumer experience and business models continue to evolve, companies and organizations are putting more and more investment into digital transformation. SYSTEX has successfully seized this business opportunity, becoming a partner for strategic growth for clients undergoing digital transformation at various stages. While there have been challenges in the process, the right strategies and the joint efforts of the management team and staff has allowed SYSTEX’s business volume to grow consistently in 2019, reaching historic highs.

II. Summary of 2019 Operational Outcomes

In 2019, SYSTEX achieved an operating revenue of NT\$ (same below) 6,569,020,000, a 3% increase from 2018. Our net income after tax in 2019 was \$1,808,042,000. The consolidated revenue in 2019 was \$22,051,023,000, an increase of 13% from 2018. The consolidated net income after tax in 2019 (excluding non-controlling equities) was \$1,808,042,000 and earnings per share was \$7.31.

III. Summary of 2019 Business Operations and Services

Under the main tenant of “AI for Digital Transformation,” SYSTEX invested resources in the following three directions, which has manifested in the operational outcome for 2019:

■ Assist companies in the development of cloud services and applications

Provides customers with consulting, planning, and deployment services on everything from cloud implementation, cloud usage, cloud management, to cloud protection. This includes services like cloud-based financial management platforms, cross-border heterogeneous platform data integration for Taiwanese companies who were prompted to implement digital transformation because of the US-China trade war, and cloud-based e-commerce platform subscription. The consulting, planning, and sales services authorized for our major Microsoft clients continued to do well in China, Hong Kong, and Taiwan, even winning Microsoft’s “Country Partner of the Year” award. We have also acquired a technical team skilled in AI and cloud-based technology to establish SYSTEX’s own AI-hybrid cloud service platform, which has been adopted by large companies in telecommunications and finance.

■ 5A crossover software pushing AI for digital transformation

The “5A” stands for AP, API, App, Appliance, and Algorithm, which are the basics of SYSTEX’s core capability for corporate digital transformation. To help clients use AI for digital transformation, SYSTEX has actively trained professional talents in 5A to help clients with real-world AI applications. For example, we have helped the finance industry establish consulting services such as personalized financial investment data analysis integration and financial product evaluation and recommendation; collaborated with the aviation industry and retail industry to launch the LINE@Smart Reservation Bot to provide 24-hour service; used AI facial recognition technology and deep learning algorithms to help the manufacturing industry move towards smart manufacturing. In addition, the implementation of smart operations, smart war room intelligence, and smart cyber security also provide SYSTEX room for growth.

■ Consolidate and expand the ecosystem to create win-win opportunities

SYSTEX has partnered with startup ecosystem to leverage the advantages of both parties and expand market opportunities. For example, we have: Worked with AIWin Technology, who possesses 100% in-house-developed AI image recognition technology, to enter the field of AI optical inspection applications in the process of golf manufacturing ; Consolidated the strengths of solutions from various original manufacturers to address customers’ needs with comprehensive one-stop services, not only creating opportunities for the original manufacturers, but also making us a trusted strategic partner for enterprises; Consolidate financial/retail/payment channels to provide innovative applications such as helping major banks to connect with e-commerce institutions to set up mobile transaction, bills collection, and donation functions.

IV. The effect of external competition, the legal environment, and the overall business environment

The COVID-19 pandemic broke out in Wuhan, China, at the end of 2019, greatly impacting global supply chains. Transportation and tourism industries suffered the most direct hit, and consumer’s willingness to spend was also impacted. As a result, there are many variables in this year’s economic development. However, the raging pandemic has created a surge in demand for remote working, electronic signature, online education, and remote healthcare, which has the potential to speed up economic growth for cloud technologies. The wave of Taiwanese businesses in China returning to Taiwan triggered by the US-China trade war has also created business opportunities in cross-border smart factory construction and digital transformation. War room applications and data collection management will become necessary tools for companies to facilitate their global strategies. In addition, the FSC has announced its 2020 FinTech policy focus, which includes setting up digital accounts for minors, rolling out insurance blockchain, and opening online-only banks in the latter half of the year, prompting the finance industry to invest in digital transformation. Uncertainty in the overall environment brings forth many challenges,

but also creates ample opportunities for growth.

V. The summary of the business plan for 2020

The global market is fickle. Companies must keep making crossover connections and boldly embrace innovation to adapt to potential drastic changes. To help our clients respond flexibly, SYSTEX will position itself through ecosystem integration (Xi) in 2020, playing the role of 'orchestrator' as it understands the new technological structures and applications needed in the new economic era and makes crossover connections with ecosystem partners to help companies create a second wave of exponential growth. The following is an overview of this year's strategic focus :

■ Make ecosystem crossovers to help clients respond flexibly

From system integration to ecosystem integration (Xi), SYSTEX will put more emphasis on situational applications, experience design, scene interaction, and data integration, not only continuing our work on vertical smart service applications for industries, but also expand horizontally to food, clothing, housing, transportation, education, and entertainment industries to extend and expand the new market ecosystem. SYSTEX will continue to plan strategic comprehensive investments, obtain agency/dealership for international AI products and services, connect with our customers, partners, and markets, expand into a more comprehensive software and data ecosystem, magnify the strength of cooperation, and find innovative applications that can be implemented so that our customers can adapt to the changing market with ease.

■ Enhance marketing and the market for 5A@4C core capabilities

SYSTEX will continue to perform data integration through 5A (AP, APP, API, Appliance, Algorithm) crossover software, providing cloud implementation, cloud usage, cloud management, and cloud protection application and management systems under a hybrid-cloud structure. We will also use machine learning to gradually accumulate data intelligence, help industries implement AI, set up platform services that can be experienced, explored, applied and interacted with, and create brand new business models and customer experiences to expand both marketing and the market.

■ Invest in software and data ecosystem

Strength in software and data are the prerequisites of marketing strength in the new economy. We will utilize our organization and talented professionals to strengthen our software and data capabilities, set up data integration platforms with our software capabilities, create accumulated value of data with our data capabilities, and help customers understand consumer behavioral patterns through online and offline data integration in a cloud-based environment, allowing them to deliver precise marketing and services, and bolster marketing

strength.

VI. Future development strategy

SYSTEX aims to redefine information services. With its positioning of “ecosystem integration,” we will continue to cultivate and make connections with talents who familiar with exponential technology, playing the role of “orchestrator” to help customers speed up “digital transformation” in the era of data economy, create a second wave of growth, and become an “exponential company.”

Chairman	Huang, Tsong-Jen
President	Lin, Lung-Fen
Accounting Manager	Cheng, Yuan-Yih

Attachment 2

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Systex Corporation

Opinion

We have audited the accompanying consolidated financial statements of Systex Corporation and its subsidiaries (collectively referred to as the Group), which comprise the consolidated balance sheets as of December 31, 2019 and 2018, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”).

In our opinion, based on our audits and the reports of other independent auditors (refer to Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of other auditors, we believe 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 matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2019. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters of the Group's consolidated financial statements for the year ended December 31, 2019 is addressed as follows:

Valuation of Receivables

As of December 31, 2019, notes receivable and accounts receivable amounted to \$3,774,194 thousand. When evaluating impairment of receivables, the management uses the expected credit loss model based on the lifetime expected credit loss. The valuation of receivables involves accounting estimates and assumptions determined by the management. Therefore, we consider the valuation of receivables as a key audit matter. For the disclosures related to receivables, refer to Notes 5 and 11 to the consolidated financial statements.

Our audit procedures for the abovementioned key audit matter included the following:

1. We obtained the reports of receivables impairment and assessed the reasonableness of the methodology and data used in the reports.
2. We tested the receivables aging schedule and reviewed the calculation of expected credit loss for reasonableness of the recognized expected credit loss on receivables.
3. We tested the recoverability of receivables by analyzing overdue accounts and by verifying cash receipts in the subsequent period. For a receivable that was past due but not yet received, we assessed the reasonableness of the expected credit loss based on the customer's payment history, customer credit control and tracking of overdue receivables.

Other Matter

We did not audit the financial statements as of and for the year ended December 31, 2019 of SoftMobile Technology Corporation, Rainbow Tech Information (HK) Limited and Systex Information (H.K.) Ltd., which were all subsidiaries of the Group included in the consolidated financial statements. The aggregate assets of these subsidiaries as of December 31, 2019 amounted to \$846,991 thousand, or 3.92% of the consolidated assets. The aggregate net operating revenues of these subsidiaries in 2019 was \$1,558,408 thousand, or 7.07% of the consolidated net operating revenues. We also did not audit the financial statements as of and for the year ended December 31, 2019 of Genesis Technology Inc. and Fuco Technology Co., Ltd., which investments were accounted for using the equity method in the accompanying consolidated financial statements. The aggregate carrying amounts of which investments accounted for using the equity method was \$313,467 thousand, or 1.45% of the consolidated assets as of December 31, 2019. The aggregate amounts of the share in their profit and other comprehensive income in 2019 was \$1,837 thousand, or 0.12% of the consolidated comprehensive income. The financial statements of the abovementioned subsidiaries and investees were audited by other auditors whose reports have been provided to us and, our opinion, insofar as it relates to the amounts included for these subsidiaries and investees, is based solely on the reports of the other auditors.

We have also audited the parent company only financial statements of Systex Corporation as of and for the years ended December 31, 2019 and 2018 on which we have issued an unqualified report with other matter paragraph and an unqualified report, respectively.

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

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2019 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Shu-Wan Lin and Cheng-Hung Kuo.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 19, 2020

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

SYSTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars)

ASSETS	2019		2018	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 2,775,343	13	\$ 2,815,309	14
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	3,342,025	16	3,079,485	15
Notes receivable, net (Notes 4 and 11)	36,214	-	70,881	-
Accounts receivable, net (Notes 4, 5, 11 and 27)	3,737,980	17	3,632,563	18
Other receivables (Note 28)	353,521	2	264,386	1
Inventories (Notes 4 and 12)	3,064,087	14	2,894,176	15
Prepayments	893,884	4	934,370	5
Refundable deposits - current	336,545	2	320,128	2
Other current assets	43,369	-	50,868	-
Total current assets	<u>14,582,968</u>	<u>68</u>	<u>14,062,166</u>	<u>70</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	1,498,961	7	1,679,823	8
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	1,486,829	7	111,870	1
Financial assets at amortized cost - non-current (Notes 4, 9 and 10)	500,000	2	500,000	3
Investments accounted for using equity method (Notes 4 and 14)	826,251	4	1,240,816	6
Property, plant and equipment (Notes 4, 15 and 28)	1,929,649	9	1,913,330	10
Right-of-use assets (Note 16)	320,023	1	-	-
Computer software (Note 4)	71,871	-	58,359	-
Goodwill (Notes 4 and 23)	-	-	26,703	-
Other intangible assets (Note 4)	14,408	-	31,012	-
Deferred tax assets (Notes 4 and 21)	57,264	-	75,600	-
Refundable deposits - non-current (Note 28)	181,562	1	189,310	1
Long-term receivables (Notes 4 and 11)	11,574	-	600	-
Other non-current assets (Note 28)	105,194	1	89,874	1
Total non-current assets	<u>7,003,586</u>	<u>32</u>	<u>5,917,297</u>	<u>30</u>
TOTAL	<u>\$ 21,586,554</u>	<u>100</u>	<u>\$ 19,979,463</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term loans (Notes 17 and 28)	\$ 527,301	2	\$ 815,925	4
Notes and accounts payable (Note 27)	3,828,904	18	3,193,059	16
Contract liabilities (Note 4)	1,300,693	6	1,071,102	5
Other payables	1,376,637	6	1,094,195	6
Lease liabilities - current (Note 16)	124,295	1	-	-
Current tax liabilities (Notes 4 and 21)	103,738	1	126,689	1
Other current liabilities	211,424	1	191,400	1
Total current liabilities	<u>7,472,992</u>	<u>35</u>	<u>6,492,370</u>	<u>33</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 21)	139,438	1	5,938	-
Lease liabilities - non-current (Note 16)	197,816	1	-	-
Net defined benefit liabilities - non-current (Notes 4 and 18)	282,856	1	273,652	1
Other non-current liabilities	11,319	-	12,552	-
Total non-current liabilities	<u>631,429</u>	<u>3</u>	<u>292,142</u>	<u>1</u>
Total liabilities	<u>8,104,421</u>	<u>38</u>	<u>6,784,512</u>	<u>34</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Notes 4 and 19)				
Common shares	2,693,933	12	2,693,933	14
Capital surplus	6,407,221	30	6,729,035	34
Retained earnings				
Legal reserve	1,119,831	5	1,014,689	5
Special reserve	383,842	2	453,327	2
Unappropriated earnings	4,295,725	20	3,622,248	18
Total retained earnings	5,799,398	27	5,090,264	25
Other equity	(579,466)	(3)	(383,842)	(2)
Treasury shares	(928,443)	(4)	(1,003,629)	(5)
Total equity attributable to owners of the Corporation	13,392,643	62	13,125,761	66
NON-CONTROLLING INTERESTS (Notes 19 and 24)	<u>89,490</u>	<u>-</u>	<u>69,190</u>	<u>-</u>
Total equity	<u>13,482,133</u>	<u>62</u>	<u>13,194,951</u>	<u>66</u>
TOTAL	<u>\$ 21,586,554</u>	<u>100</u>	<u>\$ 19,979,463</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche audit report dated March 19, 2020)

SYSTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2019		2018	
	Amount	%	Amount	%
OPERATING REVENUES (Notes 4 and 27)				
Sales	\$ 16,445,449	74	\$ 14,304,148	73
Less: Sales returns and allowances	<u>73,915</u>	-	<u>40,380</u>	-
Net sales	16,371,534	74	14,263,768	73
Service revenue	5,619,929	26	5,188,203	27
Other operating revenue	<u>59,560</u>	-	<u>64,018</u>	-
Total operating revenues	<u>22,051,023</u>	<u>100</u>	<u>19,515,989</u>	<u>100</u>
OPERATING COSTS (Notes 4, 20 and 27)				
Cost of goods sold	13,998,053	64	12,224,462	63
Service cost	2,493,196	11	2,246,078	11
Other operating cost	<u>10,482</u>	-	<u>11,238</u>	-
Total operating costs	<u>16,501,731</u>	<u>75</u>	<u>14,481,778</u>	<u>74</u>
GROSS PROFIT	<u>5,549,292</u>	<u>25</u>	<u>5,034,211</u>	<u>26</u>
OPERATING EXPENSES (Notes 18, 20 and 27)				
Selling expenses	4,081,891	18	3,524,984	18
General and administrative expenses	406,474	2	368,538	2
Research and development expenses	<u>453,910</u>	<u>2</u>	<u>452,967</u>	<u>3</u>
Total operating expenses	<u>4,942,275</u>	<u>22</u>	<u>4,346,489</u>	<u>23</u>
PROFIT FROM OPERATIONS	<u>607,017</u>	<u>3</u>	<u>687,722</u>	<u>3</u>
NON-OPERATING INCOME AND EXPENSES				
Share of profit of associates (Notes 4 and 14)	68,296	-	44,296	-
Interest income (Note 4)	43,114	-	40,237	-
Dividend income (Note 4)	69,109	-	76,717	1
Other income, net (Note 29)	47,370	-	48,087	-
Gain on sale of investments, net (Notes 14 and 20)	1,720,272	8	601,223	3
Foreign exchange gain (loss), net (Note 4)	2,750	-	(10,379)	-
Gain (loss) on financial assets at fair value through profit or loss, net (Note 4)	81,113	1	(222,621)	(1)
Interest expense	(33,500)	-	(30,513)	-
Other expenses	(30,712)	-	(2,131)	-
(Loss) gain on disposal of property, plant and equipment, net (Note 4)	(435)	-	8,589	-
Impairment loss on assets (Notes 4 and 14)	<u>(370,887)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>
Total non-operating income and expenses	<u>1,596,490</u>	<u>7</u>	<u>553,505</u>	<u>3</u>

(Continued)

SYSTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2019		2018	
	Amount	%	Amount	%
INCOME BEFORE INCOME TAX	\$ 2,203,507	10	\$ 1,241,227	6
INCOME TAX EXPENSE (Notes 4 and 21)	<u>392,204</u>	<u>2</u>	<u>191,055</u>	<u>1</u>
NET INCOME	<u>1,811,303</u>	<u>8</u>	<u>1,050,172</u>	<u>5</u>
OTHER COMPREHENSIVE (LOSS) INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Notes 4 and 18)	(41,866)	-	(26,385)	-
Unrealized (loss) gain on equity instruments at fair value through other comprehensive income	(177,121)	(1)	860	-
Share of the other comprehensive income of associates accounted for using the equity method	24	-	5	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Notes 4 and 18)	<u>(20)</u>	<u>-</u>	<u>2</u>	<u>-</u>
	<u>(218,983)</u>	<u>(1)</u>	<u>(25,518)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	(94,111)	-	80,968	-
Share of the other comprehensive gain (loss) of associates accounted for using the equity method	<u>65,520</u>	<u>-</u>	<u>(17,595)</u>	<u>-</u>
	<u>(28,591)</u>	<u>-</u>	<u>63,373</u>	<u>-</u>
Other comprehensive (loss) income for the year, net of income tax	<u>(247,574)</u>	<u>(1)</u>	<u>37,855</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,563,729</u>	<u>7</u>	<u>\$ 1,088,027</u>	<u>6</u>
NET INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,808,042	8	\$ 1,051,418	5
Non-controlling interests	<u>3,261</u>	<u>-</u>	<u>(1,246)</u>	<u>-</u>
	<u>\$ 1,811,303</u>	<u>8</u>	<u>\$ 1,050,172</u>	<u>5</u>

(Continued)

SYSTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2019		2018	
	Amount	%	Amount	%
TOTAL COMPREHENSIVE INCOME (LOSS)				
ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,560,779	7	\$ 1,089,408	6
Non-controlling interests	<u>2,950</u>	<u>-</u>	<u>(1,381)</u>	<u>-</u>
	<u>\$ 1,563,729</u>	<u>7</u>	<u>\$ 1,088,027</u>	<u>6</u>
EARNINGS PER SHARE (Note 22)				
Basic	<u>\$7.31</u>		<u>\$4.27</u>	
Diluted	<u>\$7.28</u>		<u>\$4.26</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche audit report dated March 19, 2020)

(Concluded)

SYSTEMX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(In Thousands of New Taiwan Dollars)

Equity Attributable to Owners of the Corporation (Notes 4 and 19)

	Retained Earnings				Other Equity			Unrealized Gain on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Shares	Total	Non-Controlling Interests (Note 19)	Total Equity
	Common Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Instruments					
BALANCE AT JANUARY 1, 2018	\$ 2,693,933	\$ 7,363,072	\$ 896,914	\$ 64,494	\$ 2,708,899	\$ 3,670,307	\$ 17,364	\$ -	\$ (1,003,629)	\$ 12,270,356	\$ 51,800	\$ 12,322,156
Effect of retrospective application	-	-	-	-	1,068,262	1,068,262	(17,364)	22,619	-	1,073,517	1,215	1,074,732
BALANCE AT JANUARY 1, 2018 AS RESTATED	2,693,933	7,363,072	896,914	64,494	3,777,161	4,738,569	-	22,619	(1,003,629)	13,345,873	53,015	13,396,888
Appropriation of 2017 earnings	-	-	117,775	-	(117,775)	-	-	-	-	-	-	-
Legal reserve	-	-	117,775	-	(117,775)	-	-	-	-	-	-	-
Special reserve	-	-	388,833	388,833	(388,833)	-	-	-	-	(673,483)	-	(673,483)
Cash dividends - NT\$2.5 per share	-	-	-	-	(673,483)	(673,483)	-	-	-	(673,483)	-	(673,483)
Distribution in cash of the capital surplus - NT\$2.5 per share	-	(673,483)	-	-	-	-	-	-	-	(673,483)	-	(673,483)
Net income (loss) for 2018	-	-	-	-	1,051,418	1,051,418	-	-	-	1,051,418	(1,246)	1,050,172
Other comprehensive income (loss) for 2018	-	-	-	-	(26,240)	(26,240)	-	865	-	37,990	(135)	37,855
Total comprehensive income (loss) for 2018	-	-	-	-	1,025,178	1,025,178	-	865	-	1,089,408	(1,381)	1,088,027
Cash dividends received by subsidiaries from the Corporation	-	117,049	-	-	-	-	-	-	-	117,049	-	117,049
Actual acquisitions of interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	1,499	1,499
Disposal of investments accounted for by using equity method	-	(77,603)	-	-	-	-	-	-	-	(77,603)	-	(77,603)
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	16,057	16,057
BALANCE AT DECEMBER 31, 2018	2,693,933	6,729,035	1,014,689	453,327	3,622,248	5,090,264	-	23,484	(1,003,629)	13,125,761	69,190	13,194,951
Appropriation of 2018 earnings	-	-	105,142	-	(105,142)	-	-	-	-	-	-	-
Legal reserve	-	-	105,142	-	(105,142)	-	-	-	-	(1,023,695)	-	(1,023,695)
Cash dividends - NT\$3.8 per share	-	-	-	(69,485)	69,485	-	-	-	-	-	-	-
Special reserve reversed	-	-	-	-	-	-	-	-	-	-	-	-
Change in capital surplus and unappropriated earnings from investments in associates accounted for by using equity method	-	(24,447)	-	-	(23,574)	(23,574)	-	-	-	(48,021)	-	(48,021)
Distribution in cash of the capital surplus - NT\$1.2 per share	-	(323,272)	-	-	-	-	-	-	-	(323,272)	-	(323,272)
Net income (loss) for 2019	-	-	-	-	1,808,042	1,808,042	-	-	-	1,808,042	3,261	1,811,303
Other comprehensive income (loss) for 2019	-	-	-	-	(41,584)	(41,584)	(28,582)	(177,027)	-	(247,263)	(311)	(247,574)
Total comprehensive income (loss) for 2019	-	-	-	-	1,766,458	1,766,458	(28,582)	(177,027)	-	1,560,729	2,950	1,563,729
Disposal of the Corporation's share by subsidiaries regarded as treasury share transaction	-	66,274	-	-	-	-	-	-	75,186	141,460	-	141,460
Cash dividends received by subsidiaries from the Corporation	-	107,049	-	-	-	-	-	-	-	107,049	-	107,049
Disposal of investments accounted for by using equity method	-	(147,418)	-	-	-	-	-	-	-	(147,418)	-	(147,418)
Disposal of investments in equity instruments at of fair value through other comprehensive income	-	-	-	-	(10,955)	(10,955)	-	10,955	-	-	-	-
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	17,350	17,350
BALANCE AT DECEMBER 31, 2019	2,693,933	6,407,221	1,119,831	383,842	4,295,725	5,799,398	(438,908)	(143,558)	(928,443)	13,329,643	89,490	13,419,133

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche audit report dated March 19, 2020)

SYSTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars)

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 2,203,507	\$ 1,241,227
Adjustments for :		
Depreciation expenses	256,240	106,052
Amortization expenses	32,651	30,727
Expected credit loss recognized	119,451	4,084
(Gain) loss on financial assets at fair value through profit or loss, net	(81,113)	222,621
Interest expense	33,500	30,513
Interest income	(43,114)	(40,237)
Dividend income	(69,109)	(76,717)
Share of profit of associates	(68,296)	(44,296)
Loss (gain) on disposal of property, plant and equipment, net	435	(8,589)
Gain on sale of investments accounted for using equity method	(1,574,851)	(401,599)
Impairment loss on financial assets	344,184	-
Impairment loss on non-financial assets	26,703	-
Write-down of inventories	102,146	58,245
Unrealized loss on foreign currency exchange, net	1,988	2,116
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(22,489)	(112,511)
Notes receivable	34,667	(3,791)
Accounts receivable	(273,394)	(213,097)
Other receivables	(88,908)	(55,654)
Inventories	(275,841)	118,567
Prepayments	(67,934)	(81,346)
Other current assets	7,367	12,545
Contract liabilities	232,592	(86,786)
Notes and accounts payable	670,261	(121,103)
Other payables	196,557	144,988
Other current liabilities	21,821	28,058
Net defined benefit liabilities	(32,662)	(40,011)
Cash generated from operations	1,686,359	714,006
Interest paid	(31,214)	(30,394)
Income tax paid	(260,111)	(127,657)
Net cash generated from operating activities	<u>1,395,034</u>	<u>555,955</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(7,799)	(47,520)
Disposal of financial assets at fair value through other comprehensive income	29,745	-
Return of capital from capital reduction of financial assets at fair value through other comprehensive income	730	1,008
Proceeds on sale of financial assets at amortized cost	-	357,120

(Continued)

SYSTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars)

	2019	2018
Acquisition of investments accounted for using equity method	\$ (427,226)	\$ (324,840)
Proceeds on sale of investments accounted for using equity method	546,308	589,935
Acquisition of subsidiaries (Note 23)	-	(64,697)
Payments for property, plant and equipment	(136,191)	(93,613)
Proceeds on disposal of property, plant and equipment	221	18,516
Increase in refundable deposits	(9,589)	(103,091)
Payments for intangible assets	(45,429)	(37,224)
Proceeds from disposal of intangible assets	12,354	-
(Increase) decrease in long-term receivables	(10,974)	4,344
Decrease (increase) in pledged time deposits	2,338	(3,066)
(Decrease) increase in other non-current assets	(17,710)	5,458
Interest received	43,288	44,272
Dividends received	69,586	76,717
Dividends received from associates	45,974	23,558
	<u>95,626</u>	<u>446,877</u>
Net cash generated from investing activities		
	<u>95,626</u>	<u>446,877</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term loans	(275,154)	(696,043)
Decrease in guarantee deposits received	(1,194)	(3,586)
Repayment of the principal portion of lease liabilities	(144,487)	-
Dividends paid	(1,023,695)	(673,483)
Increase in non-controlling interests	17,350	16,057
Proceeds on disposal of the Corporation's share by subsidiaries	141,460	-
Cash dividends received by subsidiaries from the Corporation	107,049	117,049
Distribution in cash from the capital surplus	(323,272)	(673,483)
	<u>(1,501,943)</u>	<u>(1,913,489)</u>
Net cash used in financing activities		
	<u>(1,501,943)</u>	<u>(1,913,489)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
	<u>(28,683)</u>	<u>17,731</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(39,966)	(892,926)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>2,815,309</u>	<u>3,708,235</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 2,775,343</u>	<u>\$ 2,815,309</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche audit report dated March 19, 2020)

(Concluded)

Attachment 3

Audit Committee's Review Report

The Board of Directors has prepared and submitted the 2019 business report, financial statements, and earnings distribution proposal, of which the financial statements have been audited by Deloitte. These have been reviewed by the Audit Committee as correctly portraying SYSTEX's business activities. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219, 208 of the Company Act, this report is submitted for your examination.

System Corporation
Audit Committee Convener:

Huang, Jih-Tsan

March 19, 2020

Attachment 4

SYSTEX Corporation
Earnings Distribution Proposal
December 31, 2019

Unit: NT\$

Items	Amount	
	Subtotal	Total
Beginning unappropriated earnings		2,562,896,339
Adjustment for investments accounted for using equity method	(34,761,569)	
Remeasurement on net defined benefit plan	(40,452,000)	
Add: Net income of 2019	1,808,041,120	
Earnings available for distribution		<u>4,295,723,890</u>
<u>Distribution items</u>		
Legal reserve	(180,804,112)	
Special reserve	(195,622,600)	
Cash dividends (NT\$5 per share)	(1,346,966,520)	
Total distribution		<u>(1,723,393,232)</u>
Ending unappropriated		<u><u>2,572,330,658</u></u>

Chairman	Huang, Tsong-Jen
President	Lin, Lung-Fen
Accounting Manager	Cheng, Yuan-Yih

Attachment 5

Systex Corporation

Table of Comparison of Amendments to the Rules of Procedure for Board of Directors Meeting

Before Amendments	After Amendments	Remark
<p>Article 7: <u>Board meetings shall be convened and chaired by the chairperson of the board. However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as chair.</u></p> <p>When the chairperson of the board is on leave or for any reason is unable to exercise the powers of the chairperson, the vice chairperson shall do so in place of the chairperson, or, if there is no vice chairperson or the vice chairperson also is on leave or for any reason is unable to act, by a managing director designated by the chairperson, or, if there is no managing director, by a director designated thereby, or, if the chairperson does not make such a</p>	<p>Article 7: <u>Where a meeting of the board of directors is called by the chairperson of the board, the meeting shall be chaired by the chairperson. However, where the first meeting of each newly elected board of directors is called by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected, the meeting shall be chaired by that director; if there are two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves to chair the meeting.</u></p> <p>Where a meeting of the board of directors is called by a majority of directors on their own initiative in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.</p> <p>When the chairperson of the board is on leave or for</p>	<p>1. Revised wording. 2. According to the provisions of the Company Act, the first board of directors of each term can be convened by more than half of the elected directors, and. the chairperson of shall be elected by the directors from among themselves. 3. Adjusted items.</p>

<p>designation, by a managing director or director elected by and from among themselves.</p>	<p>any reason is unable to exercise the powers of the chairperson, the vice chairperson shall do so in place of the chairperson, or, if there is no vice chairperson or the vice chairperson also is on leave or for any reason is unable to act, by a managing director designated by the chairperson, or, if there is no managing director, by a director designated thereby, or, if the chairperson does not make such a designation, by a managing director or director elected by and from among themselves.</p>	
<p>Article 15: If any director or a juristic person represented by a director is an interested party with respect to any agenda item. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter. Where a director is prohibited by the preceding paragraph from exercising voting rights with respect to a resolution at a board meeting, the provisions of Article 180, paragraph 2 of the Company Act apply mutatis mutandis in accordance with Article 206, <u>has a controlling or subordinate relation with a</u></p>	<p>Article 15: If any director or a juristic person represented by a director is an interested party with respect to any agenda item, <u>the director shall state the important aspects of the interested party relationship at the respective meeting.</u> When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter. Where the <u>spouse or a blood relative within the second degree of kinship of a director, or a company which</u></p>	<p>1. Revised wording. 2. According to the provisions of the Company Act, Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting, such director</p>

<p>paragraph 3 of the same Act.</p>	<p><u>director, is an interested party with respect to an agenda item as described in the preceding paragraph, such director shall be deemed to be an interested party with respect to that agenda item.</u></p>	<p>shall be deemed to have a personal interest in the matter.</p> <p>3. Adjustment items.</p>
<p>Article 21: These Rules of Procedures were established on December 14, 2006 and been in force on January 1, 2007, the 1st Amendment on April 19, 2007, the 2nd Amendment on March 20, 2008, the 4th Amendment on March 21, 2013, the 5th Amendment on November 9, 2017, <u>and the 6th Amendment on March 19, 2020.</u></p>	<p>Article 21: <u>These Rules of Procedure shall be adopted by the approval of meeting of the board of directors and shall be reported to the shareholders meeting .The same procedure shall be followed when the rules have been amended.</u> These Rules of Procedures were established on December 14, 2006 and been in force on January 1, 2007, the 1st Amendment on April 19, 2007, the 2nd Amendment on March 20, 2008, the 4th Amendment on March 21, 2013, the 5th Amendment on November 9, 2017, <u>and the 6th Amendment on March 19, 2020.</u></p>	<p>1. To reference "Sample Template for XXX Co., Ltd. Rules of Procedure for Board of Directors Meetings" amend these Rules of Procedure shall be adopted by the approval of meeting of the board of directors and shall be reported to the shareholders meeting.</p> <p>2. Addition of revision dates.</p>

System Corporation

The Rules of Procedure for Board of Directors Meeting (Amended)

- Article 1: To establish a strong governance system and sound supervisory capabilities for this Corporation's board of directors and to strengthen management capabilities, these Rules are adopted pursuant to Article 2 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.
- Article 2: With respect to the board of directors meetings ("board meetings") of this Corporation, the main agenda items, working procedures, required content of meeting minutes, public announcements, and other compliance requirements shall be handled in accordance with the provisions of these Rules.
- Article 3: The board of directors shall meet at least quarterly.
A notice of the reasons for convening a board meeting shall be given to each director and supervisor before 7 days before the meeting is convened. In emergency circumstances, however, a board meeting may be called on shorter notice.
The notice to be given under the preceding paragraph may be effected by means of electronic transmission with the prior consent of the recipients. All matters set forth under Article 12, paragraph 1 of these Rules shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extraordinary motion except in the case of an emergency or for other legitimate reason.
- Article 4: The designated unit responsible for the board meetings of this Corporation shall be CFO Office.
The unit responsible for board meetings shall draft agenda items and prepare sufficient meeting materials, and shall deliver them together with the notice of the meeting.
A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the unit responsible for board meetings. If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the board of directors.

Article 5: When a board meeting is held, an attendance book shall be provided for signing-in by attending directors, which shall be made available for future reference.

Directors shall attend board meetings in person. A director unable to attend in person may appoint another director to attend the meeting in his or her place in accordance with this Corporation's articles of incorporation. Attendance by videoconference will be deemed attendance in person.

A director who appoints another director to attend a board meeting shall in each instance issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting.

The proxy referred to in paragraph 2 may be the appointed proxy of only one person.

Article 6: A board meeting shall be held at the premises and during the business hours of this Corporation, or at a place and time convenient for all directors to attend and suitable for holding board meetings.

Article 7: Where a meeting of the board of directors is called by the chairman of the board, the meeting shall be chaired by the chairman. However, where the first meeting of each newly elected board of directors is called by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected, the meeting shall be chaired by that director; if there are two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves to chair the meeting.

Where a meeting of the board of directors is called by a majority of directors on their own initiative in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.

When the chairman of the board is on leave or for any reason is unable to exercise the powers of the chairman, the vice chairman shall do so in place of the chairman, or, if there is no vice chairman or the vice chairman also is on leave or for any reason is unable to act, by a managing director designated by the chairman, or, if there is no managing director, by a director designated thereby, or, if the chairperson does not make such a designation, by a managing director or director elected by and from among themselves.

Article 8: When a board meeting is held, CFO Office shall furnish the attending directors with relevant materials for ready reference. As merited by the content of a proposal to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants.

When necessary, certified public accountants, attorneys, or other professionals retained by this Corporation may also be invited to attend the meeting as non-voting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.

The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance. If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 3, paragraph 2.

The number of "all directors," as used in the preceding paragraph shall be counted as the number of directors then actually in office.

Article 9: Proceedings of a board meeting shall be recorded in their entirety in audio or video, and the recording shall be retained for a minimum of 5 years. The record may be retained in electronic form.

If any litigation arises with respect to a resolution of a board meeting before the end of the retention period of the preceding paragraph, the relevant audio or video record shall be retained until the conclusion of the litigation.

If any litigation arises with respect to a resolution of a board meeting before the end of the retention period of the preceding paragraph, the relevant audio or video record shall be retained until the conclusion of the litigation.

Article 10: Agenda items for regular board meetings of this Corporation shall include at least the following:

1. Matters to be reported:

- A. Minutes of the last meeting and action taken.
- B. Important financial and business matters.

- C. Internal audit activities.
- D. Other important matters to be reported.
- 2. Matters for discussion:
 - A. Items for continued discussion from the last meeting.
 - B. Items for discussion at this meeting.
- 3. Extraordinary motions.

Article 11: A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting.

The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting.

At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article 8, paragraph 4 shall apply mutatis mutandis.

Article 12: The matters listed below as they relate to this Corporation shall be raised for discussion at a board meeting:

1. The Corporation's business plan.
2. Annual and semi-annual financial reports, with the exception of semi-annual financial reports that are not required under relevant laws and regulations to be audited and attested by a certified public accountant (CPA).
3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act and assessment of the effectiveness of the internal control system.
4. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of any handling procedures for material financial or business transactions, such as the acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of equity-type securities.
6. The appointment or discharge of a financial, accounting, or internal audit officer.
7. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief that is made

for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.

8. Any matter that, under Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw, must be approved by resolution at a shareholders meeting or board meeting, or any material matter as may be prescribed by the competent authority.

The term "related party" in subparagraph 7 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means an individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year.

The term "within a 1-year period" in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current board of directors meeting is convened. Amounts already submitted to and passed by a resolution of the board are exempted from inclusion in the calculation.

With the exception of matters required to be discussed at a board meeting under paragraph 1, when the board of directors appoints a party to exercise the powers of the board in accordance with applicable laws and regulations or this Corporation's articles of incorporation, the levels of such delegation and the content or matters it covers shall be definite and specific.

At least one independent director of this Corporation shall attend the meeting in person. With respect to the matters which must be approved by resolutions at a board meeting as provided in the first paragraph, any and all independent directors shall attend the meeting. Where an independent director is unable to attend the meeting, that independent director shall appoint another independent director to attend the meeting as proxy, can't appoint non-independent director. If an independent director objects to or expresses reservations about such a matter, it shall be recorded in the board meeting minutes; if an independent director intends to express an objection or reservation but is unable to attend the meeting in person, then unless there is a legitimate reason to do otherwise, that director shall issue a written opinion in advance, which shall be recorded in the board meeting

minutes.

Article 13: When the chair at a board meeting is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call a vote.

When a proposal comes to a vote at a board meeting, if no attending director voices an objection following an inquiry by the chair, the proposal will be deemed approved. If there is an objection following an inquiry by the chair, the proposal shall be brought to a vote.

"Attending directors," as used in the preceding two paragraphs, does not include directors that may not exercise voting rights pursuant to Article 15, paragraph 1.

One voting method for proposals at a board meeting shall be selected by the chair from among those below:

1. A show of hands.
2. A roll call vote.
3. A vote by ballot.

Article 14: Except where otherwise provided by the Securities and Exchange Act and the Company Act, the passage of a proposal at a board meeting shall require the approval of a majority of the directors in attendance at a board of directors meeting attended by a majority of all directors.

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

If a vote on a proposal requires monitoring and counting personnel, the chair shall appoint such personnel, providing that all monitoring personnel shall be directors.

Voting results shall be made known on-site immediately and recorded in writing.

Article 15: If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of this Corporation, that director may not participate in

discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director.

Where the spouse or a blood relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item as described in the preceding paragraph, such director shall be deemed to be an interested party with respect to that agenda item.

Where a director is prohibited by the preceding paragraph from exercising voting rights with respect to a resolution at a board meeting, the provisions of Article 180, paragraph 2 of the Company Act apply *mutatis mutandis* in accordance with Article 206, paragraph 3 of the same Act.

Article 16: The board of directors of the company may set up kinds of functional committees ("committees"). If The board of directors of the company set up the committees, the committees shall be responsible to the board of directors and submit their proposals to the board of directors for approval.

Article 17: Discussions at a board meeting shall be recorded in the meeting minutes, and the minutes shall fully and accurately state the matters listed below:

1. The meeting session (or year) and the time and place of the meeting.
2. The name of the chair.
3. The directors' attendance at the meeting, including the names and the number of directors in attendance, excused, and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: the method of resolution and the result for each proposal; a summary of the comments made by directors, supervisors, experts, or other persons; the name of any director that is an interested party as referred to Article 15, paragraph 1, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any

opinion issued in writing by an independent director pursuant to Article 12, paragraph 5.

8. Extraordinary motions: The name of the mover, the method of resolution and the result, a summary of the comments of any director, supervisor, expert, or other person; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; and their objections or reservations and any recorded or written statements.
9. Other matters required to be recorded.

The occurrence of any of the following circumstances, with respect to a resolution passed at a board meeting, shall be stated in the meeting minutes and shall be publicly announced and filed on the website of the Market Observation Post System designated by the Financial Supervisory Commission, within 2 days from the date of the meeting:

1. Any objection or expression of reservations by an independent director expresses of which there is a record or written statement.
2. If the company that has established an audit committee, any matter adopted with the approval of two-thirds or more of all directors without having been passed by the audit committee.

The attendance book constitutes part of the minutes for each board meeting and shall be retained for the duration of the existence of this Corporation.

The minutes of a board meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each director and supervisor within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of this Corporation.

The meeting minutes of paragraph 1 may produced and distributed in electronic form.

Article 18: With the exception of matters required to be discussed at a board meeting under Article 12, paragraph 1, the board of directors authorizes the chairman or his agent to exercise the functions and powers of the board of directors. The contents or matters are as follows:

1. Sign contracts, memoranda and letters of intent on behalf of the company.

2. The company's business strategy, business projects and organizational structure.
3. Approval of important rules and regulations within the company.
4. Real estate mortgage loans. °
5. Appoint the directors and supervisors of the reinvestment company with a total investment amount of NT \$50,000,000 or more, and total investment amount less than NT\$ 50,000,000 are appointed by the CEO.
6. Approve of the baseline date for the capital increase or decrease and the baseline date for cash dividend allotment.
7. Other matters authorized by the board of directors, and the authorization level and specific content are set out in the minutes of board.

Article 19: The provisions of Article 2, Article 3, paragraph 2, Articles 4 to 6, Articles 8 to 11, Articles 13 to 15, and Articles 17 apply, mutatis mutandis, If the company that has established a meetings of the board of managing directors.

Article 20: These Rules of Procedure shall be adopted by the approval of meeting of the board of directors. The same procedure shall be followed when the rules have been amended.

Article 21: These Rules of Procedure shall be adopted by the approval of meeting of the board of directors and shall be reported to the shareholders meeting .The same procedure shall be followed when the rules have been amended.

These Rules of Procedures were established on December 14, 2006 and been in force on January 1,2007, the 1st Amendment on April 19, 2007, the 2nd Amendment on March 20, 2008, the 4th Amendment on March 21, 2013, the 5th Amendment on November 9, 2017, and the 6th Amendment on March 19, 2020.

Attachment 6

Systex Corporation

Table of Ethical Corporate Management Best Practice Principles

Before Amendments	After Amendments	Remark
<p>Article 5: The company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.</p>	<p>Article 5: The company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith and <u>obtain approval from the board of directors,</u> and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.</p>	<p>Amend according to the ISO 37001.</p>
<p>Article 7: <u>When the company formulates a prevention plan, it analyzes business activities with a high risk of dishonesty in the business scope to strengthen relevant prevention measures.</u> <u>The prevention plan in the preceding paragraph shall cover the prevention measures against the following :</u> 1. Offering and acceptance of bribes. 2. Illegal political donations. 3. Improper charitable donations or sponsorship. 4. Offering or acceptance of unreasonable presents or</p>	<p>Article 7: <u>The company shall establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly and review their adequacy and effectiveness on a regular basis.</u> <u>It is advisable for The company to refer to prevailing domestic and foreign standards or guidelines in establishing the prevention programs, which shall at</u></p>	<p>1. Amend according to the ISO 37001. 2. Revised wording.</p>

Before Amendments	After Amendments	Remark
<p>hospitality, or other improper benefits.</p> <p>5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights.</p> <p>6. Engaging in unfair competitive practices.</p> <p>7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services.</p>	<p><u>least include</u> preventive measures against the following:</p> <ol style="list-style-type: none"> 1. Offering and acceptance of bribes. 2. Illegal political donations. 3. Improper charitable donations or sponsorship. 4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits. 5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights. 6. Engaging in unfair competitive practices. 7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services. 	
<p>Article 8:</p> <p>The company and respective business group shall clearly specify in their rules and external documents <u>about the ethical corporate management policies and the commitment by the board of directors and management on rigorous and thorough implementation of such policies, and shall carry out the policies in internal management and in commercial activities.</u></p>	<p>Article 8:</p> <p><u>The company shall request their directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.</u></p> <p>The company and respective business group shall clearly specify in their rules and external documents <u>and on the company website</u> the ethical corporate management policies and the commitment by the board</p>	<ol style="list-style-type: none"> 1. Amend according to the ISO 37001. 2. Adjusted items. 3. Revised wording.

Before Amendments	After Amendments	Remark
<p>of directors, supervisors, managers, employees, and substantial controllers of the company shall exercise the due care of good administrators to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.</p> <p>To achieve sound ethical corporate management, The company shall establish a human resources unit that is under the board of directors, responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs. The unit shall be in charge of the following matters, and shall report to the board of directors on a</p>	<p>of directors and <u>senior</u> management on rigorous and thorough implementation of such policies, and shall carry out the policies in internal management and in commercial activities.</p> <p><u>The company shall compile documented information on the ethical management policy, statement, commitment and implementation mentioned in the first and second paragraphs and retain said information properly.</u></p> <p>Article 17: The directors, supervisors, managers, employees, mandataries, and substantial controllers of The company shall exercise the due care of good administrators to urge the company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.</p> <p>To achieve sound ethical corporate management, The company shall establish a <u>dedicated unit</u> that is under the board of directors and <u>avail itself of adequate resources and staff itself with competent personnel,</u> responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs. The <u>dedicated unit</u></p>	<p>Amend according to the ISO 37001.</p>

Before Amendments	After Amendments	Remark
<p>regular basis:</p> <ol style="list-style-type: none"> 1. Assisting in incorporating ethics and moral values into the company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations. 2. Adopting accordingly programs to prevent unethical conduct, and setting out in each program the standard operating procedures and conducts guidelines with respect to the company's operations and business. 3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct. 4. Promoting and coordinating awareness and educational activities with respect to ethics policy. 5. Developing a whistle-blowing system and ensuring its operating effectiveness. 6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing 	<p>shall be in charge of the following matters, and shall report to the board of directors on a regular basis <u>[at least once a year]</u>:</p> <ol style="list-style-type: none"> 1. Assisting in incorporating ethics and moral values into the company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations. 2. <u>Analyzing and assessing on a regular basis the risk of involvement in unethical conduct within the business scope</u>, adopting accordingly programs to prevent unethical conduct, and setting out in each program the standard operating procedures and conduct guidelines with respect to the company's operations and business. 3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct. 4. Promoting and coordinating awareness and educational activities with respect to ethics policy. 5. Developing a whistle-blowing system and ensuring its 	

Before Amendments	After Amendments	Remark
<p>ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</p>	<p>operating effectiveness.</p> <p>6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</p>	
<p>Article 20: The company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in unethical conduct, not have under-the-table keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results.</p> <p><u>The internal audit unit of The company shall regularly check the compliance with the preceding system and make an audit report to the board of directors.</u> The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.</p>	<p>Article 20: The company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results.</p> <p><u>The internal audit unit of The company shall, based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans, including auditees, audit scope, audit items, audit frequency, etc., and examine accordingly the compliance with the prevention programs.</u> The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to</p>	<p>Amend according to the ISO 37001.</p>

Before Amendments	After Amendments	Remark
<p>Before Amendments</p>	<p>After Amendments</p>	
<p>assist if necessary. <u>The results of examination in the preceding paragraph shall be reported to senior management and the ethical management dedicated unit and put down in writing in the form of an audit report to be submitted to the board of directors.</u></p>	<p>Article 23: The company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following: 1. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow internal and external personnel of the company to submit reports. 2. Dedicated personnel or unit appointed to handle the whistle-blowing system. Any tip involving a director or senior <u>management</u> shall be reported to the independent directors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted. 3. <u>Follow-up measures to be adopted depending on the severity of the circumstances after investigations of</u></p>	<p>1. Amend according to the ISO 37001. 2. Revised wording. 3. Adjusted items.</p>
<p>Article 23: The company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following: 1. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow internal and external personnel of the company to submit reports. 2. Dedicated personnel or unit appointed to handle the whistle-blowing system. Any tip involving a director or senior <u>supervisor</u> shall be reported to the independent directors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted. 3. Documentation of case acceptance, investigation processes, investigation results, and relevant</p>	<p>Article 23: The company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following: 1. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow internal and external personnel of the company to submit reports. 2. Dedicated personnel or unit appointed to handle the whistle-blowing system. Any tip involving a director or senior <u>supervisor</u> shall be reported to the independent directors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted. 3. <u>Documentation of case acceptance, investigation processes, investigation results, and relevant</u></p>	

Before Amendments	After Amendments	Remark
<p>documents.</p> <p>4. Confidentiality of the identity of whistle-blowers and the content of reported cases.</p> <p>5. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing.</p> <p>6. Whistle-blowing incentive measures.</p> <p>When material misconduct or likelihood of material impairment to the The company comes to their awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors in written form.</p>	<p>cases reported are completed. <u>Where necessary, a case shall be reported to the competent authority or referred to the judicial authority.</u></p> <p>4. Documentation of case acceptance, investigation processes, investigation results, and relevant documents.</p> <p>5. Confidentiality of the identity of whistle-blowers and the content of reported cases, <u>and an undertaking regarding anonymous reporting.</u></p> <p>6. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing.</p> <p>7. Whistle-blowing incentive measures.</p> <p>When material misconduct or likelihood of material impairment to The company comes to their awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors in written form.</p>	
<p>Article 27:</p> <p>The ethical corporate management best practice principles of The company shall be implemented after the board of directors grants the approval, and shall reported at a shareholders' meeting. The same</p>	<p>Article 27:</p> <p>The ethical corporate management best practice principles of The company shall be implemented after the board of directors grants the approval, and shall reported at a shareholders' meeting. The same</p>	<p>Amend according to the Company's practical operation.</p>

Before Amendments	After Amendments	Remark
<p>procedure shall be followed when the principles have been amended.</p> <p>When the company submits its ethical corporate management best practice principles to the board of directors for discussion pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. Any objections or reservations of any independent director shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objections or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting.</p> <p>Article 28: These Principles were established on March 19, 2015, and the 1st Amendment on May 5, 2015.</p>	<p>procedure shall be followed when the principles have been amended.</p> <p><u>If independent directors has been set up</u>, when the company submits its ethical corporate management best practice principles to the board of directors for discussion pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. Any objections or reservations of any independent director shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objections or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting.</p> <p>Article 28: These Principles were established on March 19, 2015, the 1st Amendment on May 5, 2015, and the <u>2nd Amendment on March 19, 2020</u>.</p>	
		<p>Addition of revision dates.</p>

Systemx Corporation

Ethical Corporate Management Best Practice Principles (Amended)

Article 1: These Principles are adopted to assist the Company to foster a corporate culture of ethical management and sound development, and offer a reference framework for establishing good commercial practices.

The company is advised to, in accordance with these Principles, adopt its own ethical corporate management best practice principles applicable to its business groups and organizations of the company, which comprise its subsidiaries, any foundation to which the TWSE/GTSM listed company's direct or indirect contribution of funds exceeds 50 percent of the total funds received, and other institutions or juridical persons which are substantially controlled by such company ("business group").

Article 2: When engaging in commercial activities, directors, supervisors, managers, employees, and mandataries of the company or persons having substantial control over such companies ("substantial controllers") shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty ("unethical conduct") for purposes of acquiring or maintaining benefits.

Parties referred to in the preceding paragraph include civil servants, political candidates, political parties or members of political parties, state-run or private-owned businesses or institutions, and their directors, supervisors, managers, employees or substantial controllers or other stakeholders.

Article 3: "Benefits" in these Principles means any valuable things, including money, endowments, commissions, positions, services, preferential treatment or rebates of any type or in any name. Benefits received or given occasionally in accordance with accepted social customs and that do not adversely affect specific rights and obligations shall be excluded.

Article 4: The company shall comply with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Statute, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/GTSM listing rules, or other laws or regulations regarding commercial activities, as the underlying basic premise to facilitate ethical corporate management.

Article 5: The company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith

and obtain approval from the board of directors, and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.

Article 6: The company shall in their own ethical management policy clearly and thoroughly prescribe the specific ethical management practices and the programs to forestall unethical conduct ("prevention programs"), including operational procedures, guidelines, and training.

When establishing the prevention programs, The company shall comply with relevant laws and regulations of the territory where the companies and their business group are operating.

In the course of developing the prevention programs, The company is advised to negotiate with staff, labor unions members, important trading counterparties, or other stakeholders.

Article 7: The company shall establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly and review their adequacy and effectiveness on a regular basis.

It is advisable for The company to refer to prevailing domestic and foreign standards or guidelines in establishing the prevention programs, which shall at least include preventive measures against the following:

1. Offering and acceptance of bribes.
2. Illegal political donations.
3. Improper charitable donations or sponsorship.
4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.
5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights.
6. Engaging in unfair competitive practices.
7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services.

Article 8: The company shall request their directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.

The company and respective business group shall clearly specify in their rules and external documents and on the company website the ethical corporate management policies and the commitment by the board of directors and

senior management on rigorous and thorough implementation of such policies, and shall carry out the policies in internal management and in commercial activities.

the company shall compile documented information on the ethical management policy, statement, commitment and implementation mentioned in the first and second paragraphs and retain said information properly.

Article 9: The company shall engage in commercial activities in a fair and transparent manner based on the principle of ethical management.

Prior to any commercial transactions, The company shall take into consideration the legality of their agents, suppliers, clients, or other trading counterparties and whether any of them are involved in unethical conduct, and shall avoid any dealings with persons so involved.

When entering into contracts with their agents, suppliers, clients, or other trading counterparties, The company shall include in such contracts terms requiring compliance with ethical corporate management policy and that in the event the trading counterparties are involved in unethical conduct, The company may at any time terminate or rescind the contracts.

Article 10: When conducting business, the company and its directors, supervisors, managers, employees, mandataries, and substantial controllers, may not directly or indirectly offer, promise to offer, request, or accept any improper benefits in whatever form to or from clients, agents, contractors, suppliers, public servants, or other stakeholders.

Article 11: When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, The company and its directors, supervisors, managers, employees, mandataries, and substantial controllers, shall comply with the Political Donations Act and their own relevant internal operational procedures, and shall not make such donations in exchange for commercial gains or business advantages.

Article 12: When making or offering donations and sponsorship, The company and its directors, supervisors, managers, employees , mandataries, and substantial controllers shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery.

Article 13: The company and its directors, supervisors, managers, employees, mandataries, and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationship or influence commercial transactions.

Article 14: The company and its directors, supervisors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations, the company's internal operational procedures, and contractual provisions concerning intellectual property, and may not use, disclose, dispose, or damage intellectual property or otherwise infringe intellectual property rights without the prior consent of the intellectual property rights holder.

Article 15: The company shall engage in business activities in accordance with applicable competition laws and regulations, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.

Article 16: In the course of research and development, procurement, manufacture, provision, or sale of products and services, The company and its directors, supervisors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations and international standards to ensure the transparency of information about, and safety of, their products and services. They shall also adopt and publish a policy on the protection of the rights and interests of consumers or other stakeholders, and carry out the policy in their operations, with a view to preventing their products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders. Where there are sufficient facts to determine that the company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the company shall, in principle, recall those products or suspend the services immediately.

Article 17: The directors, supervisors, managers, employees, mandataries, and substantial controllers of The company shall exercise the due care of good administrators to urge the company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.

To achieve sound ethical corporate management, The company shall establish a dedicated unit that is under the board of directors and avail itself of adequate resources and staff itself with competent personnel, responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs. The dedicated unit shall be in charge of the following matters, and shall report to the board of directors on a regular basis (at least once a year):

1. Assisting in incorporating ethics and moral values into the company's

business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.

2. Analyzing and assessing on a regular basis the risk of involvement in unethical conduct within the business scope, adopting accordingly programs to prevent unethical conduct, and setting out in each program the standard operating procedures and conduct guidelines with respect to the company's operations and business.
3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.
4. Promoting and coordinating awareness and educational activities with respect to ethics policy.
5. Developing a whistle-blowing system and ensuring its operating effectiveness.
6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.

Article 18: The company and its directors, supervisors, managers, employees, mandataries, and substantial controllers shall comply with laws and regulations and the prevention programs when conducting business.

Article 19: The company shall adopt policies for preventing conflicts of interest to identify, monitor, and manage risks possibly resulting from unethical conduct, and shall also offer appropriate means for directors, supervisors, managers, and other stakeholders attending or present at board meetings to voluntarily explain whether their interests would potentially conflict with those of the company.

When a proposal at a given board of directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, supervisors, managers, and other stakeholders attending or present at board meetings of The company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors shall practice self-discipline and must not support one another in improper dealings.

The company's directors, supervisors, managers, employees, mandataries, and substantial controllers shall not take advantage of their positions or influence in the companies to obtain improper benefits for themselves, their spouses, parents, children or any other person.

Article 20: The company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results.

The internal audit unit of The company shall, based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans? including auditees, audit scope, audit items, audit frequency, etc., and examine accordingly the compliance with the prevention programs. The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.

The results of examination in the preceding paragraph shall be reported to senior management and the ethical management dedicated unit and put down in writing in the form of an audit report to be submitted to the board of directors.

Article 21: The company shall establish operational procedures and guidelines in accordance with Article 6 hereof to guide directors, supervisors, managers, employees, and substantial controllers on how to conduct business. The procedures and guidelines should at least contain the following matters:

1. Standards for determining whether improper benefits have been offered or accepted.
2. Procedures for offering legitimate political donations.
3. Procedures and the standard rates for offering charitable donations or sponsorship.
4. Rules for avoiding work-related conflicts of interests and how they should be reported and handled.
5. Rules for keeping confidential trade secrets and sensitive business information obtained in the ordinary course of business.
6. Regulations and procedures for dealing with suppliers, clients and business transaction counterparties suspected of unethical conduct.
7. Handling procedures for violations of these Principles.
8. Disciplinary measures on offenders.

Article 22: The chairperson, general manager, or senior management of The company shall communicate the importance of corporate ethics to its directors, employees, and mandataries on a regular basis.

The company shall periodically organize training and awareness programs for directors, supervisors, managers, employees, mandataries, and substantial controllers and invite the companies' commercial transaction counterparties so they understand the companies' resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.

The company shall apply the policies of ethical corporate management when creating its employee performance appraisal system and human resource policies to establish a clear and effective reward and discipline system.

Article 23: The company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:

1. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow internal and external personnel of the company to submit reports.
2. Dedicated personnel or unit appointed to handle the whistle-blowing system. Any tip involving a director or senior management shall be reported to the independent directors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted.
3. Follow-up measures to be adopted depending on the severity of the circumstances after investigations of cases reported are completed. Where necessary, a case shall be reported to the competent authority or referred to the judicial authority.
4. Documentation of case acceptance, investigation processes, investigation results, and relevant documents.
5. Confidentiality of the identity of whistle-blowers and the content of reported cases, and an undertaking regarding anonymous reporting.
6. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing.
7. Whistle-blowing incentive measures.

When material misconduct or likelihood of material impairment to the The company comes to their awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors in written form.

Article 24: The company shall adopt and publish a well-defined disciplinary and appeal system for handling violations of the ethical corporate management rules, and shall make immediate disclosure on the company's internal website of the title and name of the violator, the date and details of the violation, and the actions taken in response.

Article 25: The company shall collect quantitative data about the promotion of ethical management and continuously analyze and assess the effectiveness of the promotion of ethical management policy. It shall also disclose the measures taken for implementing ethical corporate management, the status of implementation, the foregoing quantitative data, and the effectiveness of promotion on their company websites, annual reports, and prospectuses, and shall disclose their ethical corporate management best practice principles on the Market Observation Post System.

Article 26: The company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage their directors, supervisors, managers, and employees to make suggestions, based on which the adopted ethical corporate management policies and measures taken will be reviewed and improved with a view to achieving better implementation of ethical management.

Article 27: The ethical corporate management best practice principles of The company shall be implemented after the board of directors grants the approval, and shall reported at a shareholders' meeting. The same procedure shall be followed when the principles have been amended.

If independent directors has been set up, when the company submits its ethical corporate management best practice principles to the board of directors for discussion pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. Any objections or reservations of any independent director shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objections or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting.

Article 28: These Principles were established on March 19, 2015, the 1st Amendment on May 5, 2015, and the 2nd Amendment on March 19, 2020.

Attachment 7

Systex Corporation

Table of Comparison of Amendments to the Articles of Incorporation

Before Amendments	After Amendments	Remark
<p>Article 21: The Company's fiscal year begins on January 1 and ends on December 31 of every year. The fiscal year shall end on the last day of the Gregorian calendar and the Board shall prepare the following documents and submit them to the Audit Committee for review before ratification in the General Shareholders' Meeting.</p> <p>(I) Business report. (II) Financial Statements.</p>	<p>Article 21: The Company's fiscal year begins on January 1 and ends on December 31 of every year. The fiscal year shall end on the last day of the Gregorian calendar and the Board shall prepare the following documents and submit them to the Audit Committee for review before ratification in the General Shareholders' Meeting.</p> <p>(I) Business report. (II) Financial Statements. (III) <u>Distribution of earnings or loss offsetting proposals.</u></p>	<p>According to the Company Act, after the board of directors is authorized to distribute the surplus in cash, the general shareholders' meeting only needs to recognize the business report and financial statements, so the third item is deleted.</p>
<p>Article 22: In response to the overall economy and the characteristics of industry growth and in compliance with the Company's long-term financial plans for sustainable operations and stable development, the Company adopts a residual dividend policy. The policy mainly assesses the annual funding requirements based on the Company's future capital budget plans and retains required funding from earnings before distributing</p>	<p>Article 22: In response to the overall economy and the characteristics of industry growth and in compliance with the Company's long-term financial plans for sustainable operations and stable development, the Company adopts a residual dividend policy. The policy mainly assesses the annual funding requirements based on the Company's future capital budget plans and retains required funding from earnings before distributing</p>	<p>According to the provisions of the Company Act, the statutory surplus reserve and capital reserve shall be distributed in cash or in cash, authorizing the board of directors to For this, and report to the</p>

Before Amendments	After Amendments	Remark
<p>remaining earnings as dividend. The distribution procedures are as follows:</p> <p>(I) The optimal capital budget is determined.</p> <p>(II) The amount of capital required to satisfy the capital budget in paragraph (I) is determined.</p> <p>(III) The amount of funding required for financing to be supported by the retained earnings (the remaining can be supported through cash capital increase or corporate bonds etc.) is determined.</p> <p>(IV) An appropriate amount of the remaining earnings shall be retained in accordance with operational requirements before distributing dividends to shareholders.</p> <p>The Company distributes dividends through cash or stocks and cash dividends are prioritized. If dividends are distributed in stocks, the stock dividends shall not exceed 50% of the total dividends issued in the current year. The distribution of dividends may be dependent on the Company's current and future investment environment, funding requirements, domestic and foreign competition, and capital budgets while taking into consideration shareholder interests, balanced dividends, and the Company's long-term financial plans. Where a plan to distribute stock dividends is in place, the Board of Directors shall formulate relevant proposals in</p>	<p>remaining earnings as dividend. The distribution procedures are as follows:</p> <p>(I) The optimal capital budget is determined.</p> <p>(II) The amount of capital required to satisfy the capital budget in paragraph (I) is determined.</p> <p>(III) The amount of funding required for financing to be supported by the retained earnings (the remaining can be supported through cash capital increase or corporate bonds etc.) is determined.</p> <p>(IV) An appropriate amount of the remaining earnings shall be retained in accordance with operational requirements before distributing dividends to shareholders.</p> <p>The Company distributes dividends through cash or stocks and cash dividends are prioritized. If dividends are distributed in stocks, the stock dividends shall not exceed 50% of the total dividends issued in the current year. The distribution of dividends may be dependent on the Company's current and future investment environment, funding requirements, domestic and foreign competition, and capital budgets while taking into consideration shareholder interests, balanced dividends, and the Company's long-term financial plans. Where a plan to distribute stock dividends is in place, the Board of Directors shall formulate relevant proposals in</p>	<p>shareholders' meeting.</p>

Before Amendments	After Amendments	Remark
<p>accordance with the law and report to the shareholders' meeting for discussion and resolution.</p> <p><u>For the distribution of the preceding surplus, Legal Reserve, and Additional Paid-in Capital, if the distribution is in cash, the Board of Directors shall be authorized to resolve the proposal by at least half of the directors, provided the number of directors present shall be at least two-thirds of the entire Board of Directors, and report to the shareholders' meeting of the earnings distribution or loss appropriation.</u></p>	<p>accordance with the law and report to the shareholders' meeting for discussion and resolution.</p> <p><u>For the distribution of the preceding surplus, if the distribution is in cash, the Board of Directors shall be authorized to resolve the proposal by at least half of the directors, provided the number of directors present shall be at least two-thirds of the entire Board of Directors, and report to the shareholders' meeting of the distribution.</u></p> <p><u>The company may distribute all or part of the reserve in accordance with laws or the regulations of the competent authority. If it is distributed in cash, it authorizes the board of directors to make resolutions in accordance with Article 241 of the Company Act and report to the shareholders' meeting.</u></p>	
<p>Article 25: The Articles of Incorporation were established on Dec. 26, 1996.</p> <p>The 1st Amendment was approved by the shareholders' meeting on June 23, 1998, the 2nd Amendment on May 6, 1999, the 3rd Amendment on April 18, 2000, the 4th Amendment on April 12, 2001, the 5th Amendment on October 2, 2001, the 6th Amendment on March 28, 2002, the 7th Amendment on April 2, 2001, the 6th Amendment on March 28, 2002, the 7th Amendment on April 22, 2003, the 8th Amendment on April 14, 2004, the 9th Amendment on June 24, 2004, the 10th Amendment on May 18, 2005, the 11th Amendment on June 15, 2006, the 12th</p>	<p>Article 25: The Articles of Incorporation were established on Dec. 26, 1996.</p> <p>The 1st Amendment was approved by the shareholders' meeting on June 23, 1998, the 2nd Amendment on May 6, 1999, the 3rd Amendment on April 18, 2000, the 4th Amendment on April 12, 2001, the 5th Amendment on October 2, 2001, the 6th Amendment on March 28, 2002, the 7th Amendment on April 2, 2001, the 6th Amendment on March 28, 2002, the 7th Amendment on April 22, 2003, the 8th Amendment on April 14, 2004, the 9th Amendment on June 24, 2004, the 10th Amendment on May 18, 2005, the 11th Amendment on June</p>	<p>Addition of revision dates.</p>

Before Amendments	After Amendments	Remark
<p>Amendment on June 13, 2007, the 13th Amendment on June 13, 2008, the 14th Amendment on June 18, 2010, the 15th Amendment on June 24, 2011, the 16th Amendment on June 15, 2012, the 17th Amendment on June 17, 2015, the 18th Amendment on June 17, 2016, <u>and the 19th Amendment on June 13, 2019.</u></p> <p>The Articles of Incorporation were implemented after approval in accordance with laws and regulations.</p>	<p>15, 2006, the 12th Amendment on June 13, 2007, the 13th Amendment on June 13, 2008, the 14th Amendment on June 18, 2010, the 15th Amendment on June 24, 2011, the 16th Amendment on June 15, 2012, the 17th Amendment on June 17, 2015, the 18th Amendment on June 17, 2016, the 19th Amendment on June 13, 2019, <u>and the 20th Amendment on June 18, 2020.</u></p> <p>The Articles of Incorporation were implemented after approval in accordance with laws and regulations.</p>	

System Corporation
Articles of Incorporation (Amended)

Chapter I General Provisions

Article 1: The Company is constituted in accordance with the Company Act, and shall be known as System Corporation.

Article 2: The Company shall engage in the following businesses:

1. F113050 Wholesale of Computing and Business Machinery Equipment
2. F118010 Wholesale of Computer Software
3. F113070 Wholesale of Telecom Instruments
4. F113020 Wholesale of Household Appliance
5. F113110 Wholesale of Batteries
6. F119010 Wholesale of Electronic Materials
7. E605010 Computing Equipments Installation Construction
8. JA02010 Electric Appliance and Audiovisual Electric Products Repair Shops
9. J399010 Software Publication
10. IG02010 Research Development Service
11. I599990 Other Designing
12. JZ99050 Agency Services
13. F113030 Wholesale of Precision Instruments
14. E603050 Cybernation Equipments Construction
15. F401010 International Trade
16. I301010 Software Design Services
17. I301020 Data Processing Services
18. I301030 Digital Information Supply Services
19. F213030 Retail sale of Computing and Business Machinery Equipment
20. F218010 Retail Sale of Computer Software
21. F209060 Retail sale of Stationery Articles, Musical Instruments and Educational Entertainment Articles
22. G902011 Type II Telecommunications Enterprise
23. E701010 Telecommunications Construction
24. F213060 Retail Sale of Telecom Instruments
25. F399040 Retail Business Without Shop
26. F601010 Intellectual Property
27. IE01010 Telecommunications Number Agencies
28. I103060 Management Consulting Services
29. JE01010 Rental and Leasing Business
30. I401010 General Advertising Services
31. IZ99990 Other Industry and Commerce Services Not Elsewhere Classified
32. J304010 Book Publishers
33. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import

34. J303010 Magazine and Periodical Publication
35. J305010 Audio Tape and Record Publishers
36. J201031 Technique and Performing Arts Training
37. I501010 Product Designing
38. I199990 Other Consultancy
39. CC01101 Restrained Telecom Radio Frequency Equipments and Materials
Manufacturing
40. F108031 Wholesale of Drugs, Medical Goods
41. F208031 Retail sale of Medical Equipments
42. CC01110 Computers and Computing Peripheral Equipments Manufacturing
43. CC01120 Data Storage Media Manufacturing and Duplicating
44. CC01060 Wired Communication Equipment and Apparatus Manufacturing
45. CC01030 Electric Appliance and Audiovisual Electric Products Manufacturing
46. CC01080 Electronic Parts and Components Manufacturing
47. CB01010 Machinery and Equipment Manufacturing
48. C701010 Printing
49. C703010 Printings Bindery and Processing
50. F113010 Wholesale of Machinery
51. IZ13010 Internet Identify Services
52. EZ05010 Apparatus Installation Construction
53. E701030 Restrained Telecom Radio Frequency Equipments and Materials
Construction
54. E601010 Electric Appliance Construction
55. F102170 Wholesale of Food and Grocery
56. F104110 Wholesale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing
Accessories and Other Textile Products
57. F105050 Wholesale of Furniture, Bedclothes Kitchen Equipment and Fixtures
58. F109070 Wholesale of Stationery Articles, Musical Instruments and Educational
Entertainment Articles
59. F203010 Retail sale of Food and Grocery
60. F204110 Retail sale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing
Accessories and Other Textile Products
61. F205040 Retail sale of Furniture, Bedclothes, Kitchen Equipment and Fixtures
62. F208050 Retail Sale of the Second Type Patent Medicine
63. F102020 Wholesale of Edible Oil
64. F102040 Wholesale of Nonalcoholic Beverages
65. F102050 Wholesale of Tea
66. F102180 Wholesale of Ethanol
67. F103010 Wholesale of Animal Feeds
68. F106010 Wholesale of Ironware

69. F106020 Wholesale of Articles for Daily Use
70. F107030 Wholesale of Cleaning Preparations
71. F107070 Wholesale of Animal Medicines
72. F108040 Wholesale of Cosmetics
73. F110010 Wholesale of Clocks and Watches
74. F110020 Wholesale of Spectacles
75. F114030 Wholesale of Motor Vehicle Parts and Supplies
76. F116010 Wholesale of Photographic Equipment
77. F117010 Wholesale of Fire Fighting Equipments
78. F203030 Retail Sale of Ethanol
79. F206010 Retail Sale of Ironware
80. F206020 Retail Sale of Articles for Daily Use
81. F206050 Retail of pet food and appliances
82. F207030 Retail Sale of Cleaning Preparations
83. F207070 Retail Sale of Animal Medicine
84. F208040 Retail Sale of Cosmetics
85. F210010 Retail Sale of Watches and Clocks
86. F210020 Retail Sale of Spectacles
87. F213010 Retail Sale of Household Appliance
88. F213110 Retail Sale of Batteries
89. F216010 Retail Sale of Photographic Equipment
90. F219010 Retail Sale of Electronic Materials
91. F301010 Department Stores
92. I301040 the third party payment
93. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1: The Company may provide external guarantees.

Article 2-2: The Company's total external investment may exceed forty percent (40%) of its paid-in capital.

Article 3: The Company's head office is established in Taipei City. Where necessary the Company may establish branch companies domestically or overseas subject to the resolution by its Board of Directors and the approval of the competent authority.

Chapter II Shares

Article 4: The total capital of the Company shall be in the amount of NT\$4 billion divided into 400 million shares to be raised in multiple issues at NT\$10 per share.

An additional NT\$200 million shall be reserved from the total capital as specified in Paragraph 1 for the issuance of employee stock options issuable in 20 million shares at NT\$10 per share over multiple installments in accordance with the Board of Directors resolution.

Before issuing any employee stock options at a strike price lower than the closing price of the Company's stocks on the date of issuance, the Company shall first obtain the agreement of at least two-thirds of the voting rights present at the shareholders' meeting attended by shareholders representing a majority of total issued shares, and may issue the stock options in installments within a year of the date of resolution in the shareholders' meeting. Other conditions or restrictions on employee stock options issued in accordance with the provisions described above shall be processed in accordance with related laws and regulations.

Before transferring shares to employees at a price lower than the average of the actual repurchase price, the Company shall first obtain the agreement of at least two-thirds of the voting rights present at the most recent shareholders' meeting attended by shareholders representing a majority of total issued shares.

Article 5: Stocks of the Company shall be registered, signed or sealed by at least three Directors. The stocks shall be issued after proper certification by the competent authority or its authorized registration institutes. Stocks issued by the Company are not required to be printed. The Company, however, shall contact the centralized securities depository enterprise institution for registration or depository of the share certificates for the stocks or shares issued in accordance with this Paragraph.

Article 6: The Company shall administer all the stock-related operations in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" promulgated by the competent authority. The competent authority may request consolidated issuance of securities with large nominal value.

Chapter III Shareholders' Meeting

Article 7: Registration for the transfer of shares shall be suspended for 60 days before a general shareholders' meeting, for 30 days before an extraordinary shareholders' meeting, and for 5 days before the baseline date for distributing dividends, bonus or other benefits. The above periods shall be calculated from the date of the meeting or the baseline date.

Article 8: The Company holds general and provisional shareholders' meetings. A general meeting is convened once a year within six months after the end of a fiscal year. Extraordinary meetings are convened when necessary in accordance with the law. The shareholders' meeting shall be held in accordance with the Company's "Rules and Procedures for Shareholders' Meetings."

Article 9: All shareholders shall be informed of the meeting and agenda 30 days before a general meeting or 15 days before an extraordinary meeting is convened.

Article 10: A shareholder, if unable to attend the shareholders' meeting, may appoint a proxy to attend on the shareholder's behalf by executing a power of attorney and stating therein the scope of power authorized to the proxy. The authorization shall be processed in accordance with Article 177 of the Company Act.

Article 11: A shareholders' meeting convened by the Board of Directors shall be chaired by the

Chairman. If the Chairman is on leave or unable to exercise powers, the acting chair shall be selected in accordance with Article 208, Paragraph 3 of the Company Act. If a shareholders' meeting is convened by an individual with the right to convene a meeting but who is not a member of the Board of Directors, the said individual shall chair the meeting. If two or more individuals have the right to convene the meeting, one shall be elected from those eligible to chair the meeting.

Article 12: Unless otherwise regulated by the Company Act, a shareholders' meeting resolution shall be passed when more than 50% of all outstanding shares are represented in the meeting, and voted in favor by more than 50% of all voting rights represented at the meeting.

Article 12-1: A proposal to cancel the public issuance of the Company's shares shall be filed for a resolution in the shareholders' meeting.

Article 13: Each shareholder of the Company shall be entitled to one vote for each share. No voting power shall be granted, however, to Company shares prescribed in Article 179 of the Company Act.

Article 14: Shareholders' meeting resolutions shall be compiled into minutes with details including the date and place of the meeting, the name of Chairman, method of resolution, and a summary of the essential points of meeting proceedings and results. The minutes shall be signed or sealed by the Chair. The minutes described in the previous paragraph shall be retained by the Company along with the attendance cards and power of attorney letters for proxies of shareholders in attendance. The minutes shall be distributed to each shareholder within 20 days of the meeting. The minutes may be distributed in announcements.

Chapter IV Directors

Article 15: The Company shall appoint nine to thirteen Directors who shall be elected from among the shareholders with capacity at the shareholders' meeting in accordance with the provisions stipulated in Articles 198 and 227 of the Company Act to serve terms of three years each; directors may serve consecutive terms. The election of Directors is held by nomination in accordance with Article 192-1 of the Company Act, and the shareholders shall vote on the list of candidates. Unless otherwise approved by the competent authority, the following relations may not exist among more than half of the directors of the Company.

I. A spousal relationship.

II. Familial relationship within the second degree of kinship.

Article 15-1: The Company shall appoint three Independent Directors among the Directors of the Board in accordance with Article 14-2 of the Securities and Exchange Act and in compliance with Article 183 of the Securities and Exchange Act. The selection of Independent Directors shall be conducted in accordance with the candidate nomination system prescribed in Article 192-1 of the Company Act.

The Company shall assemble an Audit Committee in accordance with Article 14-4 and Article 183 of the Securities and Exchange Act. The Committee shall be solely composed of Independent Directors.

Article 16: The Directors shall form a Board of Directors, under which functional committees with various duties and purposes may be established. The Chairman of the Board shall be elected from among those present by a majority vote at a Board meeting with more than two-thirds of the directors present. A Vice Chairman may be elected to assist the Chairman. The Chairman is the Chair of the Board of Directors and represents the Company in conducting all affairs. If the Chairman is on leave or unable to exercise his/her duties for whatever reason, a proxy shall be selected in accordance with Article 208, Paragraph 3 of the Company Act.

Article 17: A Board meeting may be convened through written, email or facsimile notification that states the reason for the meeting to each Director and Supervisor at least seven days before the meeting date. A meeting of the Board of Directors may be convened at any time in the event of an emergency. Directors who participate in meetings via video conferencing shall be deemed to have personally attended the meeting. The Board of Directors meeting shall be held in accordance with the Company's "Rules and Procedures for Board of Directors Meetings." If a Director is unable to attend a Board meeting, he/she may appoint a proxy to attend the meeting by completing the Company's proxy form and specifying the scope of delegation. Any proxy prescribed in the preceding paragraph, however, shall only represent one Director in the meeting.

Article 18: Unless otherwise provided for under the Company Act, resolutions of the Board of Directors shall be approved by majority vote at a meeting attended by a majority of the Directors.

Article 19: Remuneration for the Chairman and Directors shall be determined by their level of participation in the Company's operations and the value of their contribution as well as their personal performance and the Company's long-term operating performance while taking into account the Company's operating risks and the industry's prevailing rates in the domestic and international markets.

The Board of Directors is authorized to determine the remuneration. The Company may purchase liability insurance for Directors.

Chapter V Managers

Article 20: The Company may appoint a Chief Executive Officer following a resolution in the Board of Directors meeting to oversee the business operations and strategies of the Company and its subsidiaries. The Company shall also appoint a President whose appointment, dismissal, and remuneration shall be governed by Article 29 of the Company Act.

Chapter VI Accounting

Article 21: The Company's fiscal year begins on January 1 and ends on December 31 of every year.

The fiscal year shall end on the last day of the Gregorian calendar and the Board shall prepare the following documents and submit them to the Audit Committee for review before ratification in the General Shareholders' Meeting.

(I) Business report.

(II) Financial Statements.

(III) Distribution of earnings or loss offsetting proposals.

Article 22: In response to the overall economy and the characteristics of industry growth and in compliance with the Company's long-term financial plans for sustainable operations and stable development, the Company adopts a residual dividend policy. The policy mainly assesses the annual funding requirements based on the Company's future capital budget plans and retains required funding from earnings before distributing remaining earnings as dividend. The distribution procedures are as follows:

(I) The optimal capital budget is determined.

(II) The amount of capital required to satisfy the capital budget in paragraph (I) is determined.

(III) The amount of funding required for financing to be supported by the retained earnings (the remaining can be supported through cash capital increase or corporate bonds etc.) is determined.

(IV) An appropriate amount of the remaining earnings shall be retained in accordance with operational requirements before distributing dividends to shareholders.

The Company distributes dividends through cash or stocks and cash dividends are prioritized. If dividends are distributed in stocks, the stock dividends shall not exceed 50% of the total dividends issued in the current year. The distribution of dividends may be dependent on the Company's current and future investment environment, funding requirements, domestic and foreign competition, and capital budgets while taking into consideration shareholder interests, balanced dividends, and the Company's long-term financial plans. Where a plan to distribute stock dividends is in place, the Board of Directors shall formulate relevant proposals in accordance with the law and report to the shareholders' meeting for discussion and resolution.

For the distribution of the preceding surplus, if the distribution is in cash, the Board of Directors shall be authorized to resolve the proposal by at least half of the directors, provided the number of directors present shall be at least two-thirds of the entire Board of Directors, and report to the shareholders' meeting of the distribution.

The company may distribute all or part of the reserve in accordance with laws or the regulations of the competent authority. If it is distributed in cash, it authorizes the board of directors to make resolutions in accordance with Article 241 of the Company Act and report to the shareholders' meeting.

Article 23: In the event the Company makes a profit during the fiscal year it shall set aside no less than 0.1% of the profits for employee remuneration. The remuneration for Directors shall be no higher than 2%. However, priority shall be given to reservation of funds for

compensation of cumulative losses, if any.

The preceding employee remuneration may be paid in cash or shares, and shall be payable to employees of subsidiary companies who meet the requirements stipulated by the Board of Directors. Remuneration of directors as specified above may be distributed in cash only.

The procedures in the two preceding paragraphs shall be approved by the Board of Directors and reported to the shareholders' meeting.

Article 23-1: Any net income after taxes at final accounting of the current period shall be used to compensate cumulative losses while 10% of net income after taxes shall be allocated as statutory reserve according to the law, except when the cumulative statutory reserve has reached the Company's paid-in capital. The balance shall then be allocated or reversed as special reserve in accordance with regulatory requirements, it shall be handled in accordance with relevant regulations.

Chapter VII Supplementary Provisions

Article 24: Matters not addressed in these Articles shall be governed by the Company Act and other relevant laws and regulations.

Article 25: The Articles of Incorporation were established on Dec. 26, 1996.

The 1st Amendment was approved by the shareholders' meeting on June 23, 1998, the 2nd Amendment on May 6, 1999, the 3rd Amendment on April 18, 2000, the 4th Amendment on April 12, 2001, the 5th Amendment on October 2, 2001, the 6th Amendment on March 28, 2002, the 7th Amendment on April 22, 2003, the 8th Amendment on April 14, 2004, the 9th Amendment on June 24, 2004, the 10th Amendment on May 18, 2005, the 11th Amendment on June 15, 2006, the 12th Amendment on June 13, 2007, the 13th Amendment on June 13, 2008, the 14th Amendment on June 18, 2010, the 15th Amendment on June 24, 2011, the 16th Amendment on June 15, 2012, the 17th Amendment on June 17, 2015, the 18th Amendment on June 17, 2016, the 19th Amendment on June 13, 2019, and the 20th Amendment on June 18, 2020.

The Articles of Incorporation were implemented after approval in accordance with laws and regulations.

Attachment 8

Systex Corporation

Table of Rules of Procedures for Shareholders Meetings

Before Amendments	After Amendments	Remark
<p>Article 5: <u>Unless otherwise provided in the Company Act, the Chairman of the Board shall chair shareholders' meetings. In the event the Chairman is on leave or unable to exercise his/her authority, the Vice Chairman, if available, shall act on his/her behalf. In the absence of a Vice Chairman or the Vice Chairman is also on leave or unable to exercise his/her authority, the Chairman shall designate a Managing Director to act on his/her behalf. In the absence of Managing Directors, a Director shall be designated. If none has been designated by the Chairman, a Managing Director or Director shall be elected to act on the Chairman's behalf from among all Managing Directors and Directors of the Company.</u> When a Managing Director or a Director serves as chair as referred to in the preceding paragraph, the Managing Director or Director shall be an individual who has held said position for a period specified by the competent authority and who possesses</p>	<p>Article 5: <u>If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. In the event the Chairman is on leave or unable to exercise his/her authority, the Vice Chairman, if available, shall act on his/her behalf. In the absence of a Vice Chairman or the Vice Chairman is also on leave or unable to exercise his/her authority, the Chairman shall designate a Managing Director to act on his/her behalf. In the absence of Managing Directors, a Director shall be designated. If none has been designated by the Chairman, a Managing Director or Director shall be elected to act on the Chairman's behalf from among all Managing Directors and Directors of the Company.</u> When a Managing Director or a Director serves as chair as referred to in the preceding paragraph, the Managing Director or Director shall be an individual who has held said position for a period specified by</p>	<p>According to the Article 182-1, paragraph 1 of the Company Act.</p>

Before Amendments	After Amendments	Remark
<p>adequate knowledge of the Company's financial and business conditions. The same shall apply to representatives of corporate directors serving as chair.</p> <p>Article 9: <u>The agenda of the meeting shall be formulated by the Board of Directors. Unless otherwise resolved at the meeting by shareholders, the meeting shall proceed in accordance with the agenda.</u> Unless by the resolution of the shareholders' meeting, the chair may not declare the meeting ended until all items on the agenda (including extempore motions) stipulated in the preceding paragraph have been completed. If the chair violates the rules of procedure and declares the adjournment of the shareholders' meeting, one person may be elected chair with the</p>	<p>the competent authority and who possesses adequate knowledge of the Company's financial and business conditions. The same shall apply to representatives of corporate directors serving as chair.</p> <p><u>If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.</u></p> <p>Article 9: <u>If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by 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 that is not the board of directors.</u> Unless by the resolution of the shareholders' meeting, the chair may not declare the meeting ended until all items on the agenda (including</p>	<p>Cooperate with TWSE and TPEX listed companies to fully implement electronic voting since 2018 and implement the case-by-case voting spirit.</p>

Before Amendments	After Amendments	Remark
<p>consent of one half of the votes represented by shareholders present to resume the meeting.</p> <p>The shareholders cannot designate any other person as chair and resume the meeting in the same or another place after the meeting is adjourned.</p>	<p>extempore motions) stipulated in the preceding paragraph have been completed.</p> <p>If the chair violates the rules of procedure and declares the adjournment of the shareholders' meeting, one person may be elected chair with the consent of one half of the votes represented by shareholders present to resume the meeting.</p> <p>The shareholders cannot designate any other person as chair and resume the meeting in the same or another place after the meeting is adjourned.</p>	
<p>Article 14:</p> <p>When the chairman considers that a matter has been sufficiently discussed to qualify for a vote, the chairman may announce the discussion closed and bring the matter to a vote.</p>	<p>Article 14:</p> <p>When the chairman considers that a matter has been sufficiently discussed to qualify for a vote, the chairman may announce the discussion closed and bring the matter to a vote <u>and arrange adequate voting time.</u></p>	<p>Let shareholders adequate time to vote.</p>
<p>Article 17:</p> <p>Unless otherwise specified in the Company Act or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders (or proxies) present at the meeting.</p> <p><u>In voting, a proposal is considered approved if the chair receives no dissenting opinions after</u></p>	<p>Article 17:</p> <p>Unless otherwise specified in the Company Act or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders (or proxies) present at the meeting.</p> <p><u>At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce</u></p>	<p>Implement the case-by-case voting spirit.</p>

Before Amendments	After Amendments	Remark
<p><u>requesting, which has the same effect as voting by ballot.</u></p>	<p><u>the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</u></p>	
<p>Article 20: These Rules and Procedures shall come into force after the approval of the Board of Directors and ratification in the shareholders' meeting. The same procedures shall apply for future amendments. These Rules and Procedures were established on April 12, 2001, the 1st Amendment on March 28, 2002, and the 2nd Amendment on June 21, 2013.</p>	<p>Article 20: These Rules and Procedures shall come into force after the approval of the Board of Directors and ratification in the shareholders' meeting. The same procedures shall apply for future amendments. These Rules and Procedures were established on April 12, 2001, the 1st Amendment on March 28, 2002, the 2nd Amendment on June 21, 2013, and the 3rd Amendment on June 18, 2020.</p>	<p>Addition of revision dates.</p>

Systemx Corporation
Rules of Procedures for Shareholders Meetings (Amended)

Article 1: Unless otherwise stipulated by law, shareholders' meetings of the Company shall proceed according to these Rules and Procedures.

Article 2: The Company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters of attention.

The time period during which attendance registration of shareholders shall be accepted as specified in the preceding paragraph shall be implemented in accordance with the regulations of the competent authority. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel shall be assigned to handle the registrations.

Shareholders and their proxies (hereinafter collectively referred to as "shareholders") shall attend shareholders meetings upon presentation of attendance cards, sign-in cards, or other certifications. Solicitors soliciting proxy forms shall also bring identification documents for verification.

Attendance books shall be provided at the shareholders' meetings of the Company and shall be signed by the shareholders (or proxies) present. Alternatively, shareholders (or proxies) attending the meeting shall submit an attendance card for the purpose of signing in.

The number of shares in attendance shall be calculated according to the shares registered in the attendance book and attendance cards handed in.

Article 3: The attendance and votes of a shareholders' meeting shall be calculated based on the number of shares represented by shareholders present at the meeting.

Article 4: Shareholders' meetings of the Company shall take place in a location suitable for convening a shareholders' meeting within the county or city of the head office and convenient for shareholders to attend. The commencement time for the meeting shall not be earlier than 9:00 AM or later than 3:00 PM.

Article 5: If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. In the event the Chairman is on leave or unable to exercise his/her authority, the Vice Chairman, if available, shall act on his/her behalf. In the absence of a Vice Chairman or the Vice Chairman is also on leave or unable to exercise his/her authority, the Chairman shall designate a Managing Director to act on his/her behalf. In the absence of Managing Directors, a Director shall be designated. If none has been designated by the Chairman, a Managing Director or Director shall be elected to act on the Chairman's behalf from among all Managing Directors and Directors of the Company.

When a Managing Director or a Director serves as chair as referred to in the

preceding paragraph, the Managing Director or Director shall be an individual who has held said position for a period specified by the competent authority and who possesses adequate knowledge of the Company's financial and business conditions. The same shall apply to representatives of corporate directors serving as chair.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

Article 6: The Company may appoint lawyers, certified public accountants, or relevant personnel retained by the Company to be present at shareholders' meetings. Staff handling administrative affairs of the shareholders' meeting shall wear identification badges or arm-bands.

Article 7: The Company, starting from the time it begins accepting shareholder attendance registrations, shall undertake audio and video recordings of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials as specified the preceding paragraph shall be retained for at least 1 year.

Article 8: The chair shall announce the commencement of the meeting at the stipulated time. However, if shareholders (or proxies) representing more than one-half of the total number of issued shares are not present at the meeting, the chair may postpone the meeting. The postponements shall be limited to two times at maximum and total aggregate delay shall be no longer than 1 hour. If after two postponements the number of shareholders (or proxies) present is still insufficient, whereas at least one third of total issued shares are represented at the meeting, tentative resolutions may be adopted in accordance with Article 175, Paragraph 1 of the Company Act. If during the process of the meeting the number of issued shares represented by the shareholders (or proxies) present are sufficient to constitute the quorum, the chair may submit the tentative resolutions to the meeting for approval in accordance with Article 174 of the Company Act.

Article 9: If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by 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 that is not the board of directors.

Unless by the resolution of the shareholders' meeting, the chair may not declare the meeting ended until all items on the agenda (including extempore motions) stipulated in the preceding paragraph have been completed.

If the chair violates the rules of procedure and declares the adjournment of the shareholders' meeting, one person may be elected chair with the consent of one half of the votes represented by shareholders present to resume the meeting. The shareholders cannot designate any other person as chair and resume the meeting in the same or another place after the meeting is adjourned.

Article 10: When a shareholder (or proxy) present at the meeting wishes to speak, a speech note shall be filled out specifying the summary of the statement, the shareholder's account number (or the number on their attendance card) and the name of the shareholder. The sequence of shareholder statements shall be decided by the chair.

A shareholder (or proxy) present at the meeting that merely submits a speech note without speaking is considered not to have spoken. If the shareholder's actual comments differ from those stated on the speech note, only the actual comments expressed shall be recorded.

Unless consent has been given by the chair and the speaking shareholder, other shareholders may not speak to interrupt when a shareholder is speaking; otherwise the chair shall prohibit the interruption.

Article 11: Unless permitted by the chairperson, no shareholder (or proxy) may speak more than twice regarding the same proposal, and shall not speak for more than five minutes each time.

If a shareholder violates the rules outlined in the preceding paragraph or goes beyond the scope of proposals in speaking, the chair may prohibit him/her from making further statements.

Article 12: If a corporate shareholder is commissioned to attend a shareholders' meeting, the corporate shareholder may only designate one representative to attend the meeting.

In the event a corporate shareholder assigns two or more representatives to attend the shareholders' meeting, only one of the representatives may speak on any single agenda item.

Article 13: Upon the speech of a shareholder, the chairman may respond in person or appoint an appropriate person to respond.

Article 14: When the chairman considers that a matter has been sufficiently discussed to qualify for a vote, the chairman may announce the discussion closed and bring the matter to a vote and arrange adequate voting time.

Article 15: The Chairman shall appoint ballot examiners, ballot counters another members of staff for processing proposal votes; ballot examiners must however be

shareholders.

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

The election of Directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as Directors and the numbers of votes with which they were elected.

Article 16: During the meeting, the chair may, at his/her discretion, allocate and announce intermissions.

Article 17: Unless otherwise specified in the Company Act or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders (or proxies) present at the meeting.

At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

Article 18: Where there is an amendment or an alternative to a proposal, the chairperson shall determine the order in which they are to be voted on with the original proposal. If any resolution has been reached, alternative proposals shall be treated as rejected and not be voted on separately.

Article 19: The chairman may direct the proctors (or security guards) to assist in maintaining order of the meeting venue. While maintaining order in the meeting, all proctors or security staff shall wear arm bands reading "Proctor."

Article 20: These Rules and Procedures shall come into force after the approval of the Board of Directors and ratification in the shareholders' meeting. The same procedures shall apply for future amendments.

These Rules and Procedures were established on April 12, 2001, the 1st Amendment on March 28, 2002, the 2nd Amendment on June 21, 2013, and the 3rd Amendment on June 18, 2020.

Appendix 1

Systemx Corporation

Rules and Procedures for Shareholders Meetings (Before Amendments)

Article 1: Unless otherwise stipulated by law, shareholders' meetings of the Company shall proceed according to these Rules and Procedures.

Article 2: The Company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters of attention.

The time period during which attendance registration of shareholders shall be accepted as specified in the preceding paragraph shall be implemented in accordance with the regulations of the competent authority. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel shall be assigned to handle the registrations.

Shareholders and their proxies (hereinafter collectively referred to as "shareholders") shall attend shareholders meetings upon presentation of attendance cards, sign-in cards, or other certifications. Solicitors soliciting proxy forms shall also bring identification documents for verification.

Attendance books shall be provided at the shareholders' meetings of the Company and shall be signed by the shareholders (or proxies) present. Alternatively, shareholders (or proxies) attending the meeting shall submit an attendance card for the purpose of signing in.

The number of shares in attendance shall be calculated according to the shares registered in the attendance book and attendance cards handed in.

Article 3: The attendance and votes of a shareholders' meeting shall be calculated based on the number of shares represented by shareholders present at the meeting.

Article 4: Shareholders' meetings of the Company shall take place in a location suitable for convening a shareholders' meeting within the county or city of the head office and convenient for shareholders to attend. The commencement time for the meeting shall not be earlier than 9:00 AM or later than 3:00 PM.

Article 5: Unless otherwise provided in the Company Act, the Chairman of the Board shall chair shareholders' meetings. In the event the Chairman is on leave or unable to exercise his/her authority, the Vice Chairman, if available, shall act on his/her behalf. In the absence of a Vice Chairman or the Vice Chairman is also on leave or unable to exercise his/her authority, the Chairman shall designate a Managing Director to act on his/her behalf. In the absence of Managing Directors, a Director shall be designated. If none has been designated by the Chairman, a Managing Director or Director shall be elected to act on the Chairman's behalf from among all Managing Directors and Directors of the Company.

When a Managing Director or a Director serves as chair as referred to in the preceding paragraph, the Managing Director or Director shall be an individual who has held said position for a period specified by the competent authority and who possesses adequate knowledge of the Company's financial and business conditions. The same shall apply to representatives of corporate directors serving as chair.

Article 6: The Company may appoint lawyers, certified public accountants, or relevant personnel retained by the Company to be present at shareholders' meetings.

Staff handling administrative affairs of the shareholders' meeting shall wear identification badges or arm-bands.

Article 7: The Company, starting from the time it begins accepting shareholder attendance registrations, shall undertake audio and video recordings of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials as specified the preceding paragraph shall be retained for at least 1 year.

Article 8: The chair shall announce the commencement of the meeting at the stipulated time. However, if shareholders (or proxies) representing more than one-half of the total number of issued shares are not present at the meeting, the chair may postpone the meeting. The postponements shall be limited to two times at maximum and total aggregate delay shall be no longer than 1 hour. If after two postponements the number of shareholders (or proxies) present is still insufficient, whereas at least one third of total issued shares are represented at the meeting, tentative resolutions may be adopted in accordance with Article 175, Paragraph 1 of the Company Act. If during the process of the meeting the number of issued shares represented by the shareholders (or proxies) present are sufficient to constitute the quorum, the chair may submit the tentative resolutions to the meeting for approval in accordance with Article 174 of the Company Act.

Article 9: The agenda of the meeting shall be formulated by the Board of Directors. Unless otherwise resolved at the meeting by shareholders, the meeting shall proceed in accordance with the agenda.

Unless by the resolution of the shareholders' meeting, the chair may not declare the meeting ended until all items on the agenda (including extempore motions) stipulated in the preceding paragraph have been completed.

If the chair violates the rules of procedure and declares the adjournment of the shareholders' meeting, one person may be elected chair with the consent of one half of the votes represented by shareholders present to resume the meeting. The shareholders cannot designate any other person as chair and resume the meeting in the same or another place after the meeting is adjourned.

Article 10: When a shareholder (or proxy) present at the meeting wishes to speak, a speech note shall be filled out specifying the summary of the statement, the shareholder's account number (or the number on their attendance card) and the name of the shareholder. The sequence of shareholder statements shall be decided by the chair.

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Article 11: Unless permitted by the chairperson, no shareholder (or proxy) may speak more than twice regarding the same proposal, and shall not speak for more than five minutes each time.

If a shareholder violates the rules outlined in the preceding paragraph or goes beyond the scope of proposals in speaking, the chair may prohibit him/her from making further statements.

Article 12: If a corporate shareholder is commissioned to attend a shareholders' meeting, the corporate shareholder may only designate one representative to attend the meeting.

In the event a corporate shareholder assigns two or more representatives to attend the shareholders' meeting, only one of the representatives may speak on any single agenda item.

Article 13: Upon the speech of a shareholder, the chairman may respond in person or appoint an appropriate person to respond.

Article 14: When the chairman considers that a matter has been sufficiently discussed to qualify for a vote, the chairman may announce the discussion closed and bring the matter to a vote.

Article 15: The Chairman shall appoint ballot examiners, ballot counters and other members of staff for processing proposal votes; ballot examiners must however be shareholders.

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

The election of Directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the

names of those elected as Directors and the numbers of votes with which they were elected.

Article 16: During the meeting, the chair may, at his/her discretion, allocate and announce intermissions.

Article 17: Unless otherwise specified in the Company Act or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders (or proxies) present at the meeting.

In voting, a proposal is considered approved if the chair receives no dissenting opinions after requesting, which has the same effect as voting by ballot.

Article 18: Where there is an amendment or an alternative to a proposal, the chairperson shall determine the order in which they are to be voted on with the original proposal. If any resolution has been reached, alternative proposals shall be treated as rejected and not be voted on separately.

Article 19: The chairman may direct the proctors (or security guards) to assist in maintaining order of the meeting venue. While maintaining order in the meeting, all proctors or security staff shall wear arm bands reading "Proctor."

Article 20: These Rules and Procedures shall come into force after the approval of the Board of Directors and ratification in the shareholders' meeting. The same procedures shall apply for future amendments.

These Rules and Procedures were established on April 12, 2001, the 1st Amendment on March 28, 2002, and the 2nd Amendment on June 21, 2013.

Appendix 2

Systemex Corporation Articles of Incorporation (Before Amendments)

Chapter I General Provisions

Article 1: The Company is constituted in accordance with the Company Act, and shall be known as Systemex Corporation.

Article 2: The Company shall engage in the following businesses:

- 1.F113050 Wholesale of Computing and Business Machinery Equipment
- 2.F118010 Wholesale of Computer Software
- 3.F113070 Wholesale of Telecom Instruments
- 4.F113020 Wholesale of Household Appliance
- 5.F113110 Wholesale of Batteries
- 6.F119010 Wholesale of Electronic Materials
- 7.E605010 Computing Equipments Installation Construction
- 8.JA02010 Electric Appliance and Audiovisual Electric Products Repair Shops
- 9.J399010 Software Publication
- 10.IG02010 Research Development Service
- 11.I599990 Other Designing
- 12.JZ99050 Agency Services
- 13.F113030 Wholesale of Precision Instruments
- 14.E603050 Cybernation Equipments Construction
- 15.F401010 International Trade
- 16.I301010 Software Design Services
- 17.I301020 Data Processing Services
- 18.I301030 Digital Information Supply Services
- 19.F213030 Retail sale of Computing and Business Machinery Equipment
- 20.F218010 Retail Sale of Computer Software
- 21.F209060 Retail sale of Stationery Articles, Musical Instruments and Educational Entertainment Articles
- 22.G902011 Type II Telecommunications Enterprise
- 23.E701010 Telecommunications Construction
- 24.F213060 Retail Sale of Telecom Instruments
- 25.F399040 Retail Business Without Shop
- 26.F601010 Intellectual Property
- 27.IE01010 Telecommunications Number Agencies
- 28.I103060 Management Consulting Services
- 29.JE01010 Rental and Leasing Business
- 30.I401010 General Advertising Services

- 31.IZ99990 Other Industry and Commerce Services Not Elsewhere Classified
- 32.J304010 Book Publishers
- 33.F401021 Restrained Telecom Radio Frequency Equipments and Materials
Import
- 34.J303010 Magazine and Periodical Publication
- 35.J305010 Audio Tape and Record Publishers
- 36.J201031 Technique and Performing Arts Training
- 37.I501010 Product Designing
- 38.I199990 Other Consultancy
- 39.CC01101 Restrained Telecom Radio Frequency Equipments and Materials
Manufacturing
- 40.F108031 Wholesale of Drugs, Medical Goods
- 41.F208031 Retail sale of Medical Equipments
- 42.CC01110 Computers and Computing Peripheral Equipments Manufacturing
- 43.CC01120 Data Storage Media Manufacturing and Duplicating
- 44.CC01060 Wired Communication Equipment and Apparatus Manufacturing
- 45.CC01030 Electric Appliance and Audiovisual Electric Products Manufacturing
- 46.CC01080 Electronic Parts and Components Manufacturing
- 47.CB01010 Machinery and Equipment Manufacturing
- 48.C701010 Printing
- 49.C703010 Printings Bindery and Processing
- 50.F113010 Wholesale of Machinery
- 51.IZ13010 Internet Identify Services
- 52.EZ05010 Apparatus Installation Construction
- 53.E701030 Restrained Telecom Radio Frequency Equipments and Materials
Construction
- 54.E601010 Electric Appliance Construction
- 55.F102170 Wholesale of Food and Grocery
- 56.F104110 Wholesale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel,
Clothing Accessories and Other Textile Products
- 57.F105050 Wholesale of Furniture, Bedclothes Kitchen Equipment and Fixtures
- 58.F109070 Wholesale of Stationery Articles, Musical Instruments and
Educational Entertainment Articles
- 59.F203010 Retail sale of Food and Grocery
- 60.F204110 Retail sale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel,
Clothing Accessories and Other Textile Products
- 61.F205040 Retail sale of Furniture, Bedclothes, Kitchen Equipment and Fixtures
- 62.F208050 Retail Sale of the Second Type Patent Medicine
- 63.F102020 Wholesale of Edible Oil
- 64.F102040 Wholesale of Nonalcoholic Beverages

- 65.F102050 Wholesale of Tea
- 66.F102180 Wholesale of Ethanol
- 67.F103010 Wholesale of Animal Feeds
- 68.F106010 Wholesale of Ironware
- 69.F106020 Wholesale of Articles for Daily Use
- 70.F107030 Wholesale of Cleaning Preparations
- 71.F107070 Wholesale of Animal Medicines
- 72.F108040 Wholesale of Cosmetics
- 73.F110010 Wholesale of Clocks and Watches
- 74.F110020 Wholesale of Spectacles
- 75.F114030 Wholesale of Motor Vehicle Parts and Supplies
- 76.F116010 Wholesale of Photographic Equipment
- 77.F117010 Wholesale of Fire Fighting Equipments
- 78.F203030 Retail Sale of Ethanol
- 79.F206010 Retail Sale of Ironware
- 80.F206020 Retail Sale of Articles for Daily Use
- 81.F206050 Retail of pet food and appliances
- 82.F207030 Retail Sale of Cleaning Preparations
- 83.F207070 Retail Sale of Animal Medicine
- 84.F208040 Retail Sale of Cosmetics
- 85.F210010 Retail Sale of Watches and Clocks
- 86.F210020 Retail Sale of Spectacles
- 87.F213010 Retail Sale of Household Appliance
- 88.F213110 Retail Sale of Batteries
- 89.F216010 Retail Sale of Photographic Equipment
- 90.F219010 Retail Sale of Electronic Materials
- 91.F301010 Department Stores
- 92.I301040 the third party payment
- 93.ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1: The Company may provide external guarantees.

Article 2-2: The Company's total external investment may exceed forty percent (40%) of its paid-in capital.

Article 3: The Company's head office is established in Taipei City. Where necessary the Company may establish branch companies domestically or overseas subject to the resolution by its Board of Directors and the approval of the competent authority.

Chapter II Shares

Article 4: The total capital of the Company shall be in the amount of NT\$4 billion divided into 400 million shares to be raised in multiple issues at NT\$10 per share.

An additional NT\$200 million shall be reserved from the total capital as specified in Paragraph 1 for the issuance of employee stock options issuable in 20 million shares at NT\$10 per share over multiple installments in accordance with the Board of Directors resolution.

Before issuing any employee stock options at a strike price lower than the closing price of the Company's stocks on the date of issuance, the Company shall first obtain the agreement of at least two-thirds of the voting rights present at the shareholders' meeting attended by shareholders representing a majority of total issued shares, and may issue the stock options in installments within a year of the date of resolution in the shareholders' meeting. Other conditions or restrictions on employee stock options issued in accordance with the provisions described above shall be processed in accordance with related laws and regulations.

Before transferring shares to employees at a price lower than the average of the actual repurchase price, the Company shall first obtain the agreement of at least two-thirds of the voting rights present at the most recent shareholders' meeting attended by shareholders representing a majority of total issued shares.

Article 5: Stocks of the Company shall be registered, signed or sealed by at least three Directors. The stocks shall be issued after proper certification by the competent authority or its authorized registration institutes. Stocks issued by the Company are not required to be printed. The Company, however, shall contact the centralized securities depository enterprise institution for registration or depository of the share certificates for the stocks or shares issued in accordance with this Paragraph.

Article 6: The Company shall administer all the stock-related operations in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" promulgated by the competent authority. The competent authority may request consolidated issuance of securities with large nominal value.

Chapter III Shareholders' Meeting

Article 7: Registration for the transfer of shares shall be suspended for 60 days before a general shareholders' meeting, for 30 days before an extraordinary shareholders' meeting, and for 5 days before the baseline date for distributing dividends, bonus or other benefits. The above periods shall be calculated from the date of the meeting or the baseline date.

Article 8: The Company holds general and provisional shareholders' meetings. A general meeting is convened once a year within six months after the end of a fiscal year.

Extraordinary meetings are convened when necessary in accordance with the law. The shareholders' meeting shall be held in accordance with the Company's "Rules and Procedures for Shareholders' Meetings."

Article 9: All shareholders shall be informed of the meeting and agenda 30 days before a general meeting or 15 days before an extraordinary meeting is convened.

Article 10: A shareholder, if unable to attend the shareholders' meeting, may appoint a proxy to attend on the shareholder's behalf by executing a power of attorney and stating therein the scope of power authorized to the proxy. The authorization shall be processed in accordance with Article 177 of the Company Act.

Article 11: A shareholders' meeting convened by the Board of Directors shall be chaired by the Chairman. If the Chairman is on leave or unable to exercise powers, the acting chair shall be selected in accordance with Article 208, Paragraph 3 of the Company Act. If a shareholders' meeting is convened by an individual with the right to convene a meeting but who is not a member of the Board of Directors, the said individual shall chair the meeting. If two or more individuals have the right to convene the meeting, one shall be elected from those eligible to chair the meeting.

Article 12: Unless otherwise regulated by the Company Act, a shareholders' meeting resolution shall be passed when more than 50% of all outstanding shares are represented in the meeting, and voted in favor by more than 50% of all voting rights represented at the meeting.

Article 12-1: A proposal to cancel the public issuance of the Company's shares shall be filed for a resolution in the shareholders' meeting.

Article 13: Each shareholder of the Company shall be entitled to one vote for each share. No voting power shall be granted, however, to Company shares prescribed in Article 179 of the Company Act.

Article 14: Shareholders' meeting resolutions shall be compiled into minutes with details including the date and place of the meeting, the name of Chairman, method of resolution, and a summary of the essential points of meeting proceedings and results. The minutes shall be signed or sealed by the Chair. The minutes described in the previous paragraph shall be retained by the Company along with the attendance cards and power of attorney letters for proxies of shareholders in attendance. The minutes shall be distributed to each shareholder within 20 days of the meeting. The minutes may be distributed in announcements.

Chapter IV Directors

Article 15: The Company shall appoint nine to thirteen Directors who shall be elected from among the shareholders with capacity at the shareholders' meeting in accordance with the provisions stipulated in Articles 198 and 227 of the Company Act to serve terms of three years each; directors may serve consecutive terms. The election of Directors is held by nomination in accordance with Article 192-1 of the Company Act, and the shareholders shall vote on the list of candidates. Unless otherwise approved by the competent authority, the following relations may not exist among more than half of the directors of the Company.

I. A spousal relationship.

II. Familial relationship within the second degree of kinship.

Article 15-1: The Company shall appoint three Independent Directors among the Directors of the Board in accordance with Article 14-2 of the Securities and Exchange Act and in compliance with Article 183 of the Securities and Exchange Act. The selection of Independent Directors shall be conducted in accordance with the candidate nomination system prescribed in Article 192-1 of the Company Act.

The Company shall assemble an Audit Committee in accordance with Article 14-4 and Article 183 of the Securities and Exchange Act. The Committee shall be solely composed of Independent Directors.

Article 16: The Directors shall form a Board of Directors, under which functional committees with various duties and purposes may be established. The Chairman of the Board shall be elected from among those present by a majority vote at a Board meeting with more than two-thirds of the directors present. A Vice Chairman may be elected to assist the Chairman. The Chairman is the Chair of the Board of Directors and represents the Company in conducting all affairs. If the Chairman is on leave or unable to exercise his/her duties for whatever reason, a proxy shall be selected in accordance with Article 208, Paragraph 3 of the Company Act.

Article 17: A Board meeting may be convened through written, email or facsimile notification that states the reason for the meeting to each Director and Supervisor at least seven days before the meeting date. A meeting of the Board of Directors may be convened at any time in the event of an emergency. Directors who participate in meetings via video conferencing shall be deemed to have personally attended the meeting. The Board of Directors meeting shall be held in accordance with the Company's "Rules and Procedures for Board of Directors Meetings." If a Director is unable to attend a Board meeting, he/she may appoint a proxy to attend the meeting by completing the Company's proxy form and specifying the scope of delegation. Any proxy prescribed in the preceding paragraph, however, shall only represent one Director in the meeting.

Article 18: Unless otherwise provided for under the Company Act, resolutions of the Board

of Directors shall be approved by majority vote at a meeting attended by a majority of the Directors.

Article 19: Remuneration for the Chairman and Directors shall be determined by their level of participation in the Company's operations and the value of their contribution as well as their personal performance and the Company's long-term operating performance while taking into account the Company's operating risks and the industry's prevailing rates in the domestic and international markets.

The Board of Directors is authorized to determine the remuneration. The Company may purchase liability insurance for Directors.

Chapter V Managers

Article 20: The Company may appoint a Chief Executive Officer following a resolution in the Board of Directors meeting to oversee the business operations and strategies of the Company and its subsidiaries. The Company shall also appoint a President whose appointment, dismissal, and remuneration shall be governed by Article 29 of the Company Act.

Chapter VI Accounting

Article 21: The Company's fiscal year begins on January 1 and ends on December 31 of every year. The fiscal year shall end on the last day of the Gregorian calendar and the Board shall prepare the following documents and submit them to the Audit Committee for review before ratification in the General Shareholders' Meeting.

(I) Business report.

(II) Financial Statements.

Article 22: In response to the overall economy and the characteristics of industry growth and in compliance with the Company's long-term financial plans for sustainable operations and stable development, the Company adopts a residual dividend policy. The policy mainly assesses the annual funding requirements based on the Company's future capital budget plans and retains required funding from earnings before distributing remaining earnings as dividend. The distribution procedures are as follows:

(I) The optimal capital budget is determined.

(II) The amount of capital required to satisfy the capital budget in paragraph (I) is determined.

(III) The amount of funding required for financing to be supported by the retained earnings (the remaining can be supported through cash capital increase or corporate bonds etc.) is determined.

(IV) An appropriate amount of the remaining earnings shall be retained in accordance with operational requirements before distributing dividends to shareholders.

The Company distributes dividends through cash or stocks and cash dividends are prioritized. If dividends are distributed in stocks, the stock dividends shall not exceed 50% of the total dividends issued in the current year. The distribution of dividends may be dependent on the Company's current and future investment environment, funding requirements, domestic and foreign competition, and capital budgets while taking into consideration shareholder interests, balanced dividends, and the Company's long-term financial plans. Where a plan to distribute stock dividends is in place, the Board of Directors shall formulate relevant proposals in accordance with the law and report to the shareholders' meeting for discussion and resolution.

For the distribution of the preceding surplus, Legal Reserve, and Additional Paid-in Capital, if the distribution is in cash, the Board of Directors shall be authorized to resolve the proposal by at least half of the directors, provided the number of directors present shall be at least two-thirds of the entire Board of Directors, and report to the shareholders' meeting of the earnings distribution or loss appropriation.

Article 23: In the event the Company makes a profit during the fiscal year it shall set aside no less than 0.1% of the profits for employee remuneration. The remuneration for Directors shall be no higher than 2%. However, priority shall be given to reservation of funds for compensation of cumulative losses, if any.

The preceding employee remuneration may be paid in cash or shares, and shall be payable to employees of subsidiary companies who meet the requirements stipulated by the Board of Directors. Remuneration of directors as specified above may be distributed in cash only.

The procedures in the two preceding paragraphs shall be approved by the Board of Directors and reported to the shareholders' meeting.

Article 23-1: Any net income after taxes at final accounting of the current period shall be used to compensate cumulative losses while 10% of net income after taxes shall be allocated as statutory reserve according to the law, except when the cumulative statutory reserve has reached the Company's paid-in capital. The balance shall then be allocated or reversed as special reserve in accordance with regulatory requirements, it shall be handled in accordance with relevant regulations.

Chapter VII Supplementary Provisions

Article 24: Matters not addressed in these Articles shall be governed by the Company Act and other relevant laws and regulations.

Article 25: The Articles of Incorporation were established on Dec. 26, 1996.

The 1st Amendment was approved by the shareholders' meeting on June 23, 1998, the 2nd Amendment on May 6, 1999, the 3rd Amendment on April 18, 2000,

the 4th Amendment on April 12, 2001, the 5th Amendment on October 2, 2001, the 6th Amendment on March 28, 2002, the 7th Amendment on April 22, 2003, the 8th Amendment on April 14, 2004, the 9th Amendment on June 24, 2004, the 10th Amendment on May 18, 2005, the 11th Amendment on June 15, 2006, the 12th Amendment on June 13, 2007, the 13th Amendment on June 13, 2008, the 14th Amendment on June 18, 2010, the 15th Amendment on June 24, 2011, the 16th Amendment on June 15, 2012, the 17th Amendment on June 17, 2015, the 18th Amendment on June 17, 2016 and the 19th Amendment on June 13, 2019. The Articles of Incorporation were implemented after approval in accordance with laws and regulations.

Appendix 3

System Corporation Shareholdings of Directors

1. The Company discloses the shares held by Directors in the shareholder's register as of April 20, 2020 as the table shown below.
2. Legal holding of all directors in number of shares: 12,000,000 shares

Title	Name	Date Elected	Term (Years)	Shareholdings when Elected		Current Shareholdings	
				Shares	%	Shares	%
Chairman	Huang, Tsong-Jen	2019.06.13	3	20,755,750	7.70	20,755,750	7.70
Director	Lin, Lung-Fen	2019.06.13	3	1,324,762	0.49	1,324,762	0.49
Director	Cheng, Deng-Yuan	2019.06.13	3	168,152	0.06	153,152	0.06
Director	Lu, Ta-Wei	2019.06.13	3	415,656	0.15	415,656	0.15
Director	Shaw, Shung-Ho	2019.06.13	3	945,475	0.35	945,475	0.35
Director	Hsieh, Chin-Ho	2019.06.13	3	20,000	0.01	20,000	0.01
Director	Huang, Ting-Rong	2019.06.13	3	242,152	0.09	242,152	0.09
Director	Huang, Chi-Rong	2019.06.13	3	633,780	0.24	633,780	0.24
Director	Lin, Chih-Min (Representative of Joway Investment Co., Ltd.)	2019.06.13	3	482,309	0.18	482,309	0.18
Director	Wu, Cheng-Huan (Representative of Joway Investment Co., Ltd.)	2019.06.13	3	482,309	0.18	482,309	0.18
Independent Director	Huang, Jih-Tsan	2019.06.13	3	0	0	0	0
Independent Director	Cheng, Wen-Feng	2019.06.13	3	0	0	0	0
Independent Director	Lai, Chien-Hua	2019.06.13	3	6,000	0	0	0
Total				24,994,036	9.27	24,973,036	9.27

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