

SYSTEMEX



Handbook for the
**Annual Meeting of
Shareholders**
2021

TSE : 6214
Meeting Date : May 27, 2021

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Systemx Corporation

2021 Annual Shareholders Meeting

Time: 9:00 a.m., Thursday, May 27, 2021

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. 2020 Business report and Financial statements.
2. Audit Committee's review report on 2020 Financial Statements.
3. 2020 directors' and employees' compensation.
4. 2020 retained earnings distribution (Cash Dividend NT\$5 per share).
5. 2020 investment status of Company's indirect investment in Mainland China.
6. 2020 execution status of Endorsements and Guarantees.
7. The amendment of the Rules of Procedure for Board of Directors Meetings.

ii. Ratification Items:

1. 2020 Business report and Financial statements.
2. 2020 retained earnings distribution.

iii. Discussion Items:

1. To amend the Articles of Incorporation.
2. To amend the Rules for Election of Directors.
3. To amend the Rules of Procedures for Shareholders Meetings.

iv. Extemporaneous Motions

v. Meeting Adjourned

Report Items

1. 2020 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 11-32) for the Financial statements.

2. Audit Committee's review report on 2020 Financial Statements.

Explanatory Note: Please refer to Attachment 3 (page 33-34).

3. To report 2020 directors' and employees' compensation.

Explanatory Note:

The Company's 2020 employees' remuneration of NT\$53,240,926 and directors' remuneration of NT\$35,493,951 are issued entirely in cash in accordance with the Company's "Articles of Incorporation."

4. To report 2020 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 2020 of NT\$1,666,344,895 (denomination same below), plus undistributed earnings from the previous year of \$2,572,330,658, adjustments for the retained earnings for long-term share investment adjustment of \$(74,237,894), minus the actuarial (loss) gains listed in retained earnings of \$25,949,480 equals the amount available for distribution of \$4,138,488,179. Excluding the legal reserve of \$156,615,752 and the special reserve of \$189,245,740 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 2020 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 2020 investment status of Company's indirect investment in Mainland China.

Explanatory Note:

The 2020 investment status in Mainland China as blow:

Invested company	Document number for application investment approval	Investment method	The investment amount (Dollars)
Sysware Shenglong Information Systems Co., Ltd.	No.10800393360 No.11000035220	Indirect investment	CNY4,477,887.9 (USD 656,000)

6. To report 2020 execution status of Endorsements and Guarantees.

Explanatory Note:

(1)The Company's balance amount of endorsements and guarantees for subsidiaries as of December 31, 2020 is NT\$3,227,616,000.

(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.

7. 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 Taiwan Stock Exchange Corporation order No. 1090009468.

(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 36-45).

Ratification Items

1. Ratification of the 2020 Business report and Financial Statements. (Proposed by the Board of Directors)

Explanatory Note:

The Company's 2020 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 07-34).

Resolution:

2. Ratification of 2020 retained earnings distribution proposal. (Proposed by the Board of Directors)

Explanatory Note:

(1) The Company's 2020 retained earnings distribution have been approved by the Board of Directors. The earning distribution table have been reviewed by the Audit Committee.

(2) The 2020 earning distribution table has been provided in Attachment 4 (page 35).

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 Article 162 of the Company Act and the Company's practical operation. The comparison table of amended articles has been included in Attachment 6 (pages 46-55).

2. Discussion of the amendment of the Rules for Election of Directors. (Proposed by the Board of Directors)

Explanatory Note:

Amendments on the Rules content was made in response to the Taiwan Stock Exchange Corporation order No.1090009468.

The comparison table of amended articles has been included in Attachment 7 (pages 56-65).

3. 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 Taiwan Stock Exchange Corporation order No.1090009468 and NO.1100001446.

The comparison table of amended articles has been included in Attachment 8 (pages 66-93).

Extemporary Motions

Meeting Adjourned

Attachment 1

System Corporation 2020 Business report

I. Foreword

In 2020, SYSTEX positioned itself as the orchestrator of ecosystem integration (Xi), using “Software” and “Data” to help corporate clients enhance their marketing result, and accelerating the “Digital Transformation” in the data economy to create an exponential growth. Influenced by of the global political and economic changes, as well as the COVID-19 pandemic, companies and organizations are increasingly investing in the digital transformation. SYSTEX has successfully seized business opportunities, becoming clients’ strategic partner in the digital transformation, which allowed SYSTEX’s business volume to grow consistently in 2020, reaching historic highs for 4 years in a row.

II. Summary of 2019 Operational Outcomes

In 2020, SYSTEX achieved an operating revenue of NT\$ (NT\$ hereinafter) 7,017,537,000, a 6.83% increase from 2019. Our net income after taxes in 2020 was \$1,666,345,000. The consolidated revenue in 2020 was \$23,735,090,000, an increase of 7.64% from 2019. The consolidated net income after taxes in 2020 (excluding non-controlling equities) was \$1,666,345,000 and earnings per share was \$6.72.

III. Summary of 2019 Business Operations and Services

Playing the role as an “orchestrator”, SYSTEX led the data and software ecosystem in Data Economy, investing resources in the following three directions, which has manifested in the operational outcome for 2020.

■ Enhance marketing impact and the market with 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 multi-cloud structure. We will also use machine learning to gradually accumulate data intelligence, help industries implement AI in different scenarios, set up platform that can be experienced, explored, applied, and interacted with, and create brand new business models and customer experiences to expand both marketing impact and the market. For example, we will help the retail industry clients introduce a big data strategic platform to obtain marketing information in real time, or assist the financial industry customers in introducing a smart billing system, integrating big data analysis

precision marketing to provide more substantial innovative financial services.

- Focus on cloud technologies and information security to help companies deal with post-pandemic transitions

Due to the impact of COVID-19, the demand for cloud services, information security, and remote working has increased dramatically. In addition to launching GARAORUS, a cloud service platform that combines high-end technologies such as AI, HPC, and multi-cloud structure, helping companies develop cloud applications, and developing the large volume of high performance computing power required for Taiwan's medical industry to research and develop precision medicine, SYSTEX also provided remote working tools such as electronic signatures and online conference platforms while launching MOC/SOC information security maintenance services and introducing international information security products to help companies strengthen information security. SYSTEX also developed robot process automation to help companies improve their operational efficiency, as well as AI self-service equipment and multiple payment platforms to support the development of the contactless economy. SYSTEX also leveraged the introduction of 5G to introduce the Microsoft HoloLens VR device, developing diverse and innovative applications of mixed reality technology based on the needs of different industries.

- Consolidate and connect the software ecosystem to create win-win opportunities

For three years in a row, SYSTEX organized the AI+ Generator Program (AGP), working with partners in the startup ecosystem to leverage one another's advantages and amplify market opportunities. For the first time ever, SYSTEX joined the innovation program "co-necto 2020" hosted by Japan's TOPPAN Printing, becoming the company's first overseas partner and leading Taiwanese startups towards the international market. Accelerate connections with partners in the data software ecosystem: SYSTEX invested in Baoruh to step in the vehicle-to-everything (V2X) market, merged E-Service Information Co. to expand our document digitalization business, and invested in Taiwan Information Service Technology's crossover into the social welfare system market, working with these partners to expand the market scope and create win-win opportunities.

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

The COVID-19 pandemic has yet to be effectively contained. As a result of global vaccine shortages and countries failing to hit vaccination targets, it's hard to say when the world will return to its normal market order. The international and trade policies of the new Biden administration in the U.S. remain to be observed. These factors are closely tied to global political and economic trends, making this year's economic development full of uncertainties. However, the raging pandemic has created a surge in demand for technologies like WFH (work from home), electronic signature, remote healthcare, and information security. The structural dispute between the U.S. and Chinese governments has also prompted a wave of Taiwanese firms to leave China and return to Taiwan,

accelerating the restructuring of supply chains. Coupled with partnerships on key technologies such as 5G and AI, this trend is expected to prompt companies to accelerate their digital transformation efforts. The Taiwanese government is promoting six core strategic industries as part of its “5+2 Industrial Innovation Plan”. The government plans to spend NT\$7.6 billion to attract international companies in AI, IoT, and cloud services to invest more in Taiwan. The move is expected to drive the growth of Taiwan’s information service industry. Uncertainty in the overall environment brings forth many challenges, but also creates ample opportunities for growth.

V. The summary of the business plan for 2021

For 2021, SYSTEX is repositioning itself as a “Data Software Company”, with “orchestration” as its operational principle, directing notes of data with software capabilities, performing a smooth movement of digital transformation with computing power, and helping companies achieve exponential growth with the advanced technology. The following is an overview of this year's strategic focus:

■ Direct data with software in a movement of digital transformation

Through 5A (AP, APP, API, Appliance, Algorithm) crossover software, SYSTEX will collect, distribute, index, and label data, think from the perspective of customer-owned data, and drive the data in different industries. With the 4Cs of cloud services—cloud implementation, cloud usage, cloud management, and cloud protection—as our core competences, SYSTEX will achieve data monetization, data insight, and data governance through virtualization, containerization, and micro-services under a multi-cloud structure. In other words, SYSTEX will implement “data software orchestration” to help clients create a second wave of growth.

■ Operate the software data economy ecosystem to create win-win scenarios

SYSTEX will continue to plan strategic comprehensive investments, obtain agency/dealership for international products and services, connect with our customers, partners, and markets, cooperate with the ecosystem, and work with competitors to expand into a more comprehensive software and data economy and discover innovative solutions that can be applied to our customers. Continue to leverage the remote, online education, healthcare, and entertainment business opportunities that have been developed during the pandemic. Increase investment into green technology and green finance and provide customers with green solutions that meet international standards, strengthening our global competitiveness and elevating SYSTEX’s corporate value.

■ Create a healthy and vibrant work environment and fully implement ESG

SYSTEX aims to be a company where employees are proud to work. To this end, we will continue to create a healthy and vibrant work environment for our employees, promote ESG(environment, social, governance) sustainable operation plans, and practice social inclusion initiatives like cultivating software talent, ecosystem development, and “Tech for Social Good” awarding activity, increasing our employees’ sense of belonging and feelings of accomplishment outside of work. At the same time, we aim to become a

trusted first choice for customers to work with by strictly implementing ESG plans, fulfilling our corporate social responsibility, and strengthening our connection with customers.

VI. Future development strategy

Foreseeing a trillion-dollar industry scale in software development over the next decade, SYSTEX has positioned itself as a “Data Software Company”, using software to drive data , achieve computing , exert omnichannel marketing , and launch ecosystem integration with the goal of becoming a world-class software company.

Chairman & 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, 2020 and 2019, 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, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and 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, 2020. 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, 2020 is addressed as follows:

Valuation of Receivables

As of December 31, 2020, notes receivable and accounts receivable amounted to \$3,795,071 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, 2020 of Rainbow Tech Information (HK) Limited and Systex Information (H.K.) Ltd. and 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, 2020 and 2019 amounted to \$869,551 thousand and \$846,991 thousand, respectively, or 3.95% and 3.92%, respectively, of the consolidated assets. The aggregate net operating revenues of these subsidiaries in 2020 and 2019 were \$1,248,204 thousand and \$1,558,408 thousand, respectively, or 5.26% and 7.07%, respectively, of the consolidated net operating revenues. We also did not audit the financial statements as of and for the year ended December 31, 2020 of Dawning Technology Inc. and Fuco Technology Co., Ltd. and 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 were \$249,997 thousand and \$313,467 thousand, respectively, or 1.13% and 1.45%, respectively, of the consolidated assets as of December 31, 2020 and 2019. The aggregate amounts of the share in their profit and other comprehensive income in 2020 and 2019 were \$10,158 thousand and \$1,837 thousand, respectively, or 0.73% and 0.12%, respectively, 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 corporation only financial statements of Systex Corporation as of and for the years ended December 31, 2020 and 2019 on which we have both issued an unqualified report with other matter paragraph.

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, 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 15, 2021

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, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

ASSETS	2020		2019	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 3,590,004	16	\$ 2,775,343	13
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	3,243,392	15	3,342,025	16
Notes receivable, net (Notes 4, 11 and 20)	53,295	-	36,214	-
Accounts receivable, net (Notes 4, 5, 11, 20 and 28)	3,741,776	17	3,737,980	17
Other receivables (Notes 29 and 30)	212,144	1	353,521	2
Inventories (Notes 4 and 12)	3,166,140	14	3,064,087	14
Prepayments	1,237,222	6	893,884	4
Non-current assets held for sale (Notes 4 and 15)	15,254	-	-	-
Refundable deposits - current	308,912	2	336,545	2
Other current assets	<u>58,329</u>	-	<u>43,369</u>	-
Total current assets	<u>15,626,468</u>	<u>71</u>	<u>14,582,968</u>	<u>68</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	1,575,388	7	1,498,961	7
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	682,527	3	1,486,829	7
Financial assets at amortized cost - non-current (Notes 4, 9 and 10)	500,000	2	500,000	2
Investments accounted for using equity method (Notes 4 and 14)	655,557	3	826,251	4
Property, plant and equipment (Notes 4, 15 and 29)	2,098,670	10	1,929,649	9
Right-of-use assets (Note 16)	259,789	1	320,023	1
Intangible assets (Notes 4 and 21)	131,440	1	86,279	-
Deferred tax assets (Notes 4 and 22)	76,082	-	57,264	-
Refundable deposits - non-current	214,817	1	181,562	1
Long-term receivables (Notes 4 and 11)	7,964	-	11,574	-
Other non-current assets (Notes 29 and 30)	<u>200,533</u>	<u>1</u>	<u>105,194</u>	<u>1</u>
Total non-current assets	<u>6,402,767</u>	<u>29</u>	<u>7,003,586</u>	<u>32</u>
TOTAL	<u>\$ 22,029,235</u>	<u>100</u>	<u>\$ 21,586,554</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term loans (Notes 17 and 29)	\$ 790,247	4	\$ 527,301	3
Contract liabilities (Notes 4 and 20)	1,476,379	7	1,300,693	6
Notes and accounts payable	3,553,699	16	3,744,163	17
Payable to related parties (Note 28)	85,374	-	84,741	-
Other payables (Note 28)	1,426,467	6	1,376,637	6
Current tax liabilities (Notes 4 and 22)	140,545	1	103,738	1
Lease liabilities - current (Note 16)	127,513	1	124,295	1
Current portion of long-term borrowings payable (Note 17)	6,980	-	-	-
Other current liabilities	<u>235,783</u>	<u>1</u>	<u>211,424</u>	<u>1</u>
Total current liabilities	<u>7,842,987</u>	<u>36</u>	<u>7,472,992</u>	<u>35</u>
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 17 and 29)	100,209	-	-	-
Deferred tax liabilities (Notes 4 and 22)	34,073	-	139,438	1
Lease liabilities - non-current (Note 16)	135,323	1	197,816	1
Net defined benefit liabilities - non-current (Notes 4 and 18)	258,644	1	282,856	1
Other non-current liabilities	<u>8,552</u>	<u>-</u>	<u>11,319</u>	<u>-</u>
Total non-current liabilities	<u>536,801</u>	<u>2</u>	<u>631,429</u>	<u>3</u>
Total liabilities	<u>8,379,788</u>	<u>38</u>	<u>8,104,421</u>	<u>38</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Notes 4 and 19)				
Share capital	<u>2,693,933</u>	<u>12</u>	<u>2,693,933</u>	<u>12</u>
Capital surplus	<u>6,493,756</u>	<u>29</u>	<u>6,407,221</u>	<u>30</u>
Retained earnings				
Legal reserve	1,300,634	6	1,119,831	5
Special reserve	579,466	2	383,842	2
Unappropriated earnings	<u>4,138,488</u>	<u>19</u>	<u>4,295,725</u>	<u>20</u>
Total retained earnings	<u>6,018,588</u>	<u>27</u>	<u>5,799,398</u>	<u>27</u>
Other equity	<u>(768,711)</u>	<u>(3)</u>	<u>(579,466)</u>	<u>(3)</u>
Treasury shares	<u>(928,443)</u>	<u>(4)</u>	<u>(928,443)</u>	<u>(4)</u>
Total equity attributable to owners of the Corporation	13,509,123	61	13,392,643	62
NON-CONTROLLING INTERESTS (Notes 19 and 25)	<u>140,324</u>	<u>1</u>	<u>89,490</u>	<u>-</u>
Total equity	<u>13,649,447</u>	<u>62</u>	<u>13,482,133</u>	<u>62</u>
TOTAL	<u>\$ 22,029,235</u>	<u>100</u>	<u>\$ 21,586,554</u>	<u>100</u>

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

(With Deloitte & Touche audit report dated March 15, 2021)

SYSTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	%	Amount	%
OPERATING REVENUES (Notes 4, 20 and 28)				
Sales	\$ 17,610,513	74	\$ 16,445,449	74
Less: Sales returns and allowances	<u>100,872</u>	-	<u>73,915</u>	-
Net sales	17,509,641	74	16,371,534	74
Service revenue	6,162,401	26	5,619,929	26
Other operating revenue	<u>63,048</u>	-	<u>59,560</u>	-
Total operating revenues	<u>23,735,090</u>	<u>100</u>	<u>22,051,023</u>	<u>100</u>
OPERATING COSTS (Notes 4, 12, 21 and 28)				
Cost of goods sold	15,013,181	63	13,998,053	64
Service cost	2,909,324	13	2,493,196	11
Other operating cost	<u>10,787</u>	-	<u>10,482</u>	-
Total operating costs	<u>17,933,292</u>	<u>76</u>	<u>16,501,731</u>	<u>75</u>
GROSS PROFIT	<u>5,801,798</u>	<u>24</u>	<u>5,549,292</u>	<u>25</u>
OPERATING EXPENSES (Notes 18, 21 and 28)				
Selling expenses	3,869,120	16	3,962,440	18
General and administrative expenses	429,409	2	406,474	2
Research and development expenses	528,886	2	453,910	2
Expected credit loss	<u>49,510</u>	-	<u>119,451</u>	-
Total operating expenses	<u>4,876,925</u>	<u>20</u>	<u>4,942,275</u>	<u>22</u>
PROFIT FROM OPERATIONS	<u>924,873</u>	<u>4</u>	<u>607,017</u>	<u>3</u>
NON-OPERATING INCOME AND EXPENSES				
Share of profit of associates (Notes 4 and 14)	98,093	1	68,296	-
Interest income (Note 4)	27,538	-	43,114	-
Dividend income (Note 4)	48,561	-	69,109	-
Other income, net (Note 28)	49,724	-	47,370	-
Gain on sale of investments, net (Notes 14 and 21)	261,728	1	1,720,272	8
Foreign exchange gain, net (Notes 4 and 32)	49,495	-	2,750	-
Gain on financial assets at fair value through profit or loss, net (Note 4)	480,140	2	81,113	1
Interest expense	(31,868)	-	(33,500)	-
Other expenses	(10,280)	-	(30,712)	-
Loss on disposal of property, plant and equipment, net (Note 4)	(56)	-	(435)	-
Impairment loss on assets (Notes 4 and 14)	<u>(46,769)</u>	-	<u>(370,887)</u>	<u>(2)</u>
Total non-operating income and expenses	<u>926,306</u>	<u>4</u>	<u>1,596,490</u>	<u>7</u>

(Continued)

SYSTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

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

	2020		2019	
	Amount	%	Amount	%
INCOME BEFORE INCOME TAX	\$ 1,851,179	8	\$ 2,203,507	10
INCOME TAX EXPENSE (Notes 4 and 22)	<u>175,457</u>	<u>1</u>	<u>392,204</u>	<u>2</u>
NET INCOME	<u>1,675,722</u>	<u>7</u>	<u>1,811,303</u>	<u>8</u>
OTHER COMPREHENSIVE LOSS, NET OF INCOME TAX				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Notes 4 and 18)	(27,384)	-	(41,866)	-
Unrealized loss on equity instruments at fair value through other comprehensive income	(126,221)	-	(177,121)	(1)
Share of the other comprehensive income of associates accounted for using the equity method	9,844	-	24	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Notes 4 and 22)	<u>115</u>	<u>-</u>	<u>(20)</u>	<u>-</u>
	<u>(143,646)</u>	<u>-</u>	<u>(218,983)</u>	<u>(1)</u>
Items that may be reclassified subsequently to profit:				
Exchange differences on translating foreign operations	(144,949)	(1)	(94,111)	-
Share of the other comprehensive (loss) income of associates accounted for using the equity method	<u>(628)</u>	<u>-</u>	<u>65,520</u>	<u>-</u>
	<u>(145,577)</u>	<u>(1)</u>	<u>(28,591)</u>	<u>-</u>
Other comprehensive loss for the year, net of income tax	<u>(289,223)</u>	<u>(1)</u>	<u>(247,574)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,386,499</u>	<u>6</u>	<u>\$ 1,563,729</u>	<u>7</u>
NET INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,666,345	7	\$ 1,808,042	8
Non-controlling interests	<u>9,377</u>	<u>-</u>	<u>3,261</u>	<u>-</u>
	<u>\$ 1,675,722</u>	<u>7</u>	<u>\$ 1,811,303</u>	<u>8</u>

(Continued)

SYSTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	<u>2020</u>		<u>2019</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
TOTAL COMPREHENSIVE INCOME				
ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,376,995	6	\$ 1,560,779	7
Non-controlling interests	<u>9,504</u>	<u>-</u>	<u>2,950</u>	<u>-</u>
	<u>\$ 1,386,499</u>	<u>6</u>	<u>\$ 1,563,729</u>	<u>7</u>
EARNINGS PER SHARE (Note 23)				
Basic	<u>\$ 6.72</u>		<u>\$ 7.31</u>	
Diluted	<u>\$ 6.70</u>		<u>\$ 7.28</u>	

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

(With Deloitte & Touche audit report dated March 15, 2021)

(Concluded)

SYSTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars, Dividends Per Share in New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation (Notes 4 and 19)											
	Share Capital	Capital Surplus	Retained Earnings				Other Equity		Treasury Shares	Total	Non-controlling Interests (Note 19)	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating Foreign Operations	Unrealized Gain on Financial Assets at Fair Value Through Other Comprehensive Income				
BALANCE AT JANUARY 1, 2019	\$ 2,693,933	\$ 6,729,035	\$ 1,014,689	\$ 453,327	\$ 3,622,248	\$ 5,090,264	\$ (407,326)	\$ 23,484	\$ (1,003,629)	\$ 13,125,761	\$ 69,190	\$ 13,194,951
Appropriation of 2018 earnings												
Legal reserve	-	-	105,142	-	(105,142)	-	-	-	-	-	-	-
Cash dividends - NT\$3.8 per share	-	-	-	-	(1,023,695)	(1,023,695)	-	-	-	(1,023,695)	-	(1,023,695)
Special reserve reversed	-	-	-	(69,485)	69,485	-	-	-	-	-	-	-
Change in capital surplus and unappropriated earnings from investments in associates accounted for 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 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)	(177,097)	-	(247,263)	(311)	(247,574)
Total comprehensive income (loss) for 2019	-	-	-	-	1,766,458	1,766,458	(28,582)	(177,097)	-	1,560,779	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 using equity method	-	(147,418)	-	-	-	-	-	-	-	(147,418)	-	(147,418)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	(10,055)	(10,055)	-	10,055	-	-	-	-
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	(435,908)	(143,558)	(928,443)	13,392,643	89,490	13,482,133
Appropriation of 2019 earnings												
Legal reserve	-	-	180,803	-	(180,803)	-	-	-	-	-	-	-
Special reserve	-	-	-	195,624	(195,624)	-	-	-	-	-	-	-
Cash dividends - NT\$5 per share	-	-	-	-	(1,346,967)	(1,346,967)	-	-	-	(1,346,967)	-	(1,346,967)
Change in capital surplus and unappropriated earnings from investments in associates accounted for using equity method	-	(20,705)	-	-	(83)	(83)	-	-	-	(20,788)	-	(20,788)
Net income (loss) for 2020	-	-	-	-	1,666,345	1,666,345	-	-	-	1,666,345	9,377	1,675,722
Other comprehensive income (loss) for 2020	-	-	-	-	(27,396)	(27,396)	(145,577)	(116,377)	-	(289,350)	127	(289,223)
Total comprehensive income (loss) for 2020	-	-	-	-	1,638,949	1,638,949	(145,577)	(116,377)	-	1,376,995	9,504	1,386,499
Cash dividends received by subsidiaries from the Corporation	-	107,049	-	-	-	-	-	-	-	107,049	-	107,049
Disposal of investments accounted for using equity method	-	152	-	-	8,255	8,255	-	(8,255)	-	152	-	152
Differences between equity purchase price and carrying amount arising from actual acquisition of subsidiaries	-	39	-	-	-	-	-	-	-	39	(2,055)	(2,016)
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	43,385	43,385
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	(80,964)	(80,964)	-	80,964	-	-	-	-
BALANCE AT DECEMBER 31, 2020	\$ 2,693,933	\$ 6,493,756	\$ 1,300,634	\$ 579,466	\$ 4,138,488	\$ 6,018,588	\$ (581,485)	\$ (187,226)	\$ (928,443)	\$ 13,509,123	\$ 140,324	\$ 13,649,447

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

(With Deloitte & Touche audit report dated March 15, 2021)

SYSTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,851,179	\$ 2,203,507
Adjustments for :		
Depreciation expenses	260,740	256,240
Amortization expenses	29,658	32,651
Expected credit loss recognized	49,510	119,451
Gain on financial assets at fair value through profit or loss, net	(480,140)	(81,113)
Interest expense	31,868	33,500
Interest income	(27,538)	(43,114)
Dividend income	(48,561)	(69,109)
Share of profit of associates	(98,093)	(68,296)
Loss on disposal of property, plant and equipment, net	56	435
Gain on sale of investments accounted for using equity method	(157,037)	(1,574,851)
Impairment loss on financial assets	36,077	344,184
Impairment loss on non-financial assets	10,692	26,703
Write-down of inventories	139,932	102,146
Unrealized loss on foreign currency exchange, net	13	1,988
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	460,562	(22,489)
Notes receivable	(17,081)	34,667
Accounts receivable	(70,449)	(273,394)
Other receivables	1,727	(88,908)
Inventories	(255,410)	(275,841)
Prepayments	(345,952)	(67,934)
Other current assets	(15,606)	7,367
Contract liabilities	181,159	232,592
Notes and accounts payable	(150,244)	632,816
Payables to related parties	9,410	37,445
Other payables	31,683	196,557
Other current liabilities	24,558	21,821
Net defined benefit liabilities	(51,596)	(32,662)
Cash generated from operations	1,401,117	1,686,359
Interest paid	(34,291)	(31,214)
Income tax paid	(261,734)	(260,111)
Net cash generated from operating activities	<u>1,105,092</u>	<u>1,395,034</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(56,290)	(7,799)
Disposal of financial assets at fair value through other comprehensive income	1,109,119	29,745
Return of capital from capital reduction of financial assets at fair value through other comprehensive income	902	730

(Continued)

SYSTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

	2020	2019
Acquisition of investments accounted for using equity method	\$ (170,022)	\$ (427,226)
Proceeds from disposal of investments accounted for using equity method	61,642	546,308
Payments for property, plant and equipment	(123,327)	(136,191)
Proceeds from disposal of property, plant and equipment	5,631	221
Decrease (increase) in refundable deposits	8,140	(9,589)
Payments for intangible assets	(32,286)	(45,429)
Proceeds from disposal of intangible assets	12	12,354
Decrease (increase) in long-term receivables	3,610	(10,974)
Decrease in pledged time deposits	52,090	2,338
Increase in other non-current assets	(6,538)	(17,710)
Interest received	28,519	43,288
Dividends received	48,561	69,586
Dividends received from associates	101,901	45,974
Net cash outflow from acquisition of subsidiary (Note 24)	<u>(59,173)</u>	<u>-</u>
Net cash generated from investing activities	<u>972,491</u>	<u>95,626</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term loans	232,201	(275,154)
Repayment of long-term bank loans	(6,259)	-
Decrease in guarantee deposits received	(3,060)	(1,194)
Repayment of the principal portion of lease liabilities	(140,058)	(144,487)
Dividends paid	(1,346,967)	(1,023,695)
Acquisition of interests in subsidiaries	(2,016)	(592)
(Decrease) increase in noncontrolling interests	(315)	17,942
Proceeds on disposal of the Corporation's share by subsidiaries	-	141,460
Cash dividends received by subsidiaries from the Corporation	107,049	107,049
Distribution in cash from the capital surplus	<u>-</u>	<u>(323,272)</u>
Net cash used in financing activities	<u>(1,159,425)</u>	<u>(1,501,943)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
	<u>(103,497)</u>	<u>(28,683)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
	814,661	(39,966)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	<u>2,775,343</u>	<u>2,815,309</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	<u>\$ 3,590,004</u>	<u>\$ 2,775,343</u>

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

(With Deloitte & Touche audit report dated March 15, 2021)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Systex Corporation

Opinion

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

In our opinion, based on our audits and the reports of other independent auditors (refer to Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our 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 Financial Statements section of our report. We are independent of the Corporation 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. 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 financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the Corporation's financial statements for the year ended December 31, 2020 is stated as follows:

Valuation of Receivables

As of December 31, 2020, notes receivable and accounts receivable were material in amount. When assessing the impairment of receivables, the management of the Corporation uses the expected credit loss model based on the lifetime expected credit loss. The valuation of receivables involves significant accounting estimates and judgements of the management. Therefore, we considered the valuation of receivables as a key audit matter. For the disclosures related to receivables, refer to Notes 5 and 11 to the financial statements.

Our audit procedures performed in respect of the abovementioned key audit matter included the following:

1. We obtained the reports of impairment of receivables and assessed the reasonableness of the expected credit loss model and data used in the reports.
2. We tested the aging schedule of receivables and reviewed the calculation of expected credit loss to confirm the accuracy of the expected credit loss recognized on receivables.
3. We tested the recoverability of receivables by analyzing overdue accounts and 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 of Systex Information (H.K.) Limited and Rainbow Tech Information (HK) Limited, which are investees of Kimo.com (BVI) Corporation and are accounted for using the equity method, Fuco Technology Co., Ltd., which is investee of Syscore Corporation and is accounted for using the equity method, and Dawning Technology Inc., which is investee of Syslink Corporation and is accounted for using the equity method for the year ended December 31, 2020, the financial statements of Genesis Technology Inc., which is investee of the Corporation and Syscore Corporation and is accounted for using the equity method, SoftMobile Technology Corporation, which is investee of Golden Bridge Corporation and is accounted for using the equity method, Systex Information (H.K.) Limited and Rainbow Tech Information (HK) Limited, which are investees of Kimo.com (BVI) Corporation and are accounted for using the equity method, and Fuco Technology Co., Ltd., which is investee of Syslink Corporation and is accounted for using the equity method for the year ended December 31, 2019, but such financial statements were audited by other auditors. Our opinion, insofar as it related to the amounts included in the Corporation's financial statements for these investees, was based solely on the reports of other auditors. The aggregate amounts of aforementioned investments accounted for using the equity method were \$880,396 thousand and \$1,002,880 thousand, respectively, representing 5.32% and 6.18%, respectively, of the Corporation's total assets as of December 31, 2020 and 2019. The aggregate comprehensive income of these investees were \$18,276 thousand and \$31,375 thousand, respectively, representing 1.33% and 2.01%, respectively, of the Corporation's comprehensive income for the years ended December 31, 2020 and 2019.

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

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

In preparing the financial statements, management is responsible for assessing the Corporation'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 Corporation 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 Corporation's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 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 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 Corporation'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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 15, 2021

Notice to Readers

The accompanying financial statements are intended only to present the 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 financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying 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 financial statements shall prevail.

SYSTEX CORPORATION

BALANCE SHEETS

DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars)

ASSETS	2020		2019	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash (Notes 4 and 6)	\$ 286,173	2	\$ 239,839	2
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	232,701	1	592,471	4
Notes receivable, net (Notes 4, 5, 9 and 16)	18,485	-	19,878	-
Accounts receivable, net (Notes 4, 5, 9 and 16)	993,271	6	799,563	5
Receivables from related parties (Note 22)	134,947	1	180,623	1
Other receivables (Notes 23 and 24)	88,621	1	94,322	1
Inventories (Notes 4 and 10)	797,236	5	863,866	5
Prepayments	540,680	3	462,646	3
Refundable deposits - current	78,153	-	73,103	-
Other current assets (Note 18)	27,284	-	22,219	-
Total current assets	<u>3,197,551</u>	<u>19</u>	<u>3,348,530</u>	<u>21</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	1,352,228	8	1,267,686	8
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	194,709	1	1,181	-
Investments accounted for using equity method (Notes 4 and 11)	9,809,289	59	9,596,931	59
Property, plant and equipment (Notes 4 and 12)	1,636,293	10	1,611,371	10
Right-of-use assets (Note 13)	196,964	1	248,057	2
Computer software (Note 4)	28,203	-	19,744	-
Deferred tax assets (Notes 4 and 18)	11,045	-	12,525	-
Refundable deposits - non-current	67,032	1	67,189	-
Long-term receivables (Notes 4 and 9)	971	-	1,478	-
Other non-current assets (Notes 23 and 24)	61,849	1	56,038	-
Total non-current assets	<u>13,358,583</u>	<u>81</u>	<u>12,882,200</u>	<u>79</u>
TOTAL	<u>\$ 16,556,134</u>	<u>100</u>	<u>\$ 16,230,730</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities (Notes 4 and 16)	\$ 646,718	4	\$ 477,667	3
Notes and accounts payable	848,152	5	907,985	6
Payables to related parties (Note 22)	246,371	1	126,713	1
Other payables	735,290	4	729,273	4
Lease liabilities - current (Note 13)	95,208	1	90,657	1
Current tax liabilities (Notes 4 and 18)	22,970	-	17,227	-
Other current liabilities	124,592	1	84,437	-
Total current liabilities	<u>2,719,301</u>	<u>16</u>	<u>2,433,959</u>	<u>15</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 18)	6,088	-	5,846	-
Lease liabilities - non-current (Note 13)	103,751	1	158,705	1
Net defined benefit liabilities - non-current (Notes 4 and 14)	212,364	1	233,716	1
Other non-current liabilities	5,507	-	5,861	-
Total non-current liabilities	<u>327,710</u>	<u>2</u>	<u>404,128</u>	<u>2</u>
Total liabilities	<u>3,047,011</u>	<u>18</u>	<u>2,838,087</u>	<u>17</u>
EQUITY (Notes 4 and 15)				
Share capital	2,693,933	16	2,693,933	17
Capital surplus	6,493,756	39	6,407,221	40
Retained earnings				
Legal reserve	1,300,634	8	1,119,831	7
Special reserve	579,466	3	383,842	2
Unappropriated earnings	4,138,488	25	4,295,725	27
Total retained earnings	<u>6,018,588</u>	<u>36</u>	<u>5,799,398</u>	<u>36</u>
Other equity	(768,711)	(4)	(579,466)	(4)
Treasury shares	(928,443)	(5)	(928,443)	(6)
Total equity	<u>13,509,123</u>	<u>82</u>	<u>13,392,643</u>	<u>83</u>
TOTAL	<u>\$ 16,556,134</u>	<u>100</u>	<u>\$ 16,230,730</u>	<u>100</u>

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

(With Deloitte & Touche audit report dated March 15, 2021)

SYSTEX CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	%	Amount	%
OPERATING REVENUES (Notes 4, 16 and 22)				
Sales	\$ 3,884,724	55	\$ 3,444,412	52
Less: Sales returns and allowances	<u>12,250</u>	<u>-</u>	<u>16,674</u>	<u>-</u>
Net sales	3,872,474	55	3,427,738	52
Service revenue	3,105,044	44	3,097,167	47
Other operating revenue	<u>40,019</u>	<u>1</u>	<u>44,115</u>	<u>1</u>
Total operating revenues	<u>7,017,537</u>	<u>100</u>	<u>6,569,020</u>	<u>100</u>
OPERATING COSTS (Notes 4, 10, 17 and 22)				
Cost of goods sold	3,240,873	46	2,877,400	44
Service cost	1,376,494	20	1,392,171	21
Other operating cost	<u>3,969</u>	<u>-</u>	<u>4,983</u>	<u>-</u>
Total operating costs	<u>4,621,336</u>	<u>66</u>	<u>4,274,554</u>	<u>65</u>
GROSS PROFIT	<u>2,396,201</u>	<u>34</u>	<u>2,294,466</u>	<u>35</u>
OPERATING EXPENSES (Notes 17 and 22)				
Selling expenses	1,682,786	24	1,749,164	26
General and administrative expenses	295,209	4	264,027	4
Research and development expenses	<u>319,715</u>	<u>5</u>	<u>241,837</u>	<u>4</u>
Total operating expenses	<u>2,297,710</u>	<u>33</u>	<u>2,255,028</u>	<u>34</u>
PROFIT FROM OPERATIONS	<u>98,491</u>	<u>1</u>	<u>39,438</u>	<u>1</u>
NON-OPERATING INCOME AND EXPENSES				
Share of profit of subsidiaries and associates (Notes 4 and 11)	1,086,059	16	1,943,947	30
Interest income (Note 4)	703	-	964	-
Dividend income (Note 4)	37,551	1	60,047	1
Other income, net (Note 22)	20,704	-	12,960	-
Gain on sale of investments, net (Note 17)	163,829	2	156,590	2
Foreign exchange gain (loss), net (Note 4)	1,855	-	(802)	-
Gain (loss) on financial assets at fair value through profit or loss, net (Note 4)	306,579	4	(259,095)	(4)
Interest expense	(3,795)	-	(5,509)	-
Other expenses	(6,592)	-	(23,265)	-
Impairment loss on assets (Notes 4 and 11)	<u>(19,421)</u>	<u>-</u>	<u>(60,651)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>1,587,472</u>	<u>23</u>	<u>1,825,186</u>	<u>28</u>

(Continued)

SYSTEX CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	%	Amount	%
INCOME BEFORE INCOME TAX	\$ 1,685,963	24	\$ 1,864,624	29
INCOME TAX EXPENSE (Notes 4 and 18)	<u>19,618</u>	<u>-</u>	<u>56,582</u>	<u>1</u>
NET INCOME	<u>1,666,345</u>	<u>24</u>	<u>1,808,042</u>	<u>28</u>
OTHER COMPREHENSIVE LOSS				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Notes 4 and 14)	(25,950)	-	(40,452)	-
Unrealized loss on equity instruments at fair value through other comprehensive income	(62,970)	(1)	(247)	-
Share of the other comprehensive income of subsidiaries and associates accounted for using the equity method	<u>(54,853)</u>	<u>(1)</u>	<u>(177,982)</u>	<u>(3)</u>
	<u>(143,773)</u>	<u>(2)</u>	<u>(218,681)</u>	<u>(3)</u>
Items that may be reclassified subsequently to profit or loss:				
Share of the other comprehensive income of subsidiaries and associates accounted for using the equity method	<u>(145,577)</u>	<u>(2)</u>	<u>(28,582)</u>	<u>(1)</u>
	<u>(145,577)</u>	<u>(2)</u>	<u>(28,582)</u>	<u>(1)</u>
Other comprehensive loss for the year, net of income tax	<u>(289,350)</u>	<u>(4)</u>	<u>(247,263)</u>	<u>(4)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,376,995</u>	<u>20</u>	<u>\$ 1,560,779</u>	<u>24</u>

(Continued)

SYSTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

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

	<u>2020</u>		<u>2019</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
TOTAL COMPREHENSIVE INCOME				
ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,376,995	6	\$ 1,560,779	7
Non-controlling interests	<u>9,504</u>	<u>-</u>	<u>2,950</u>	<u>-</u>
	<u>\$ 1,386,499</u>	<u>6</u>	<u>\$ 1,563,729</u>	<u>7</u>
EARNINGS PER SHARE (Note 23)				
Basic	<u>\$ 6.72</u>		<u>\$ 7.31</u>	
Diluted	<u>\$ 6.70</u>		<u>\$ 7.28</u>	

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

(With Deloitte & Touche audit report dated March 15, 2021)

(Concluded)

SYSTEX CORPORATION

STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

	Share Capital	Capital Surplus	Retained Earnings				Other Equity		Treasury Shares	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating Foreign Operations	Unrealized Gain on Financial Assets at Fair Value Through Other Comprehensive Income		
BALANCE AT JANUARY 1, 2019	\$ 2,693,933	\$ 6,729,035	\$ 1,014,689	\$ 453,327	\$ 3,622,248	\$ 5,090,264	\$ (407,326)	\$ 23,484	\$ (1,003,629)	\$ 13,125,761
Appropriation of 2018 earnings										
Legal reserve	-	-	105,142	-	(105,142)	-	-	-	-	-
Special reserve	-	-	-	(69,485)	69,485	-	-	-	-	-
Cash dividends - NT\$3.8 per share	-	-	-	-	(1,023,695)	(1,023,695)	-	-	-	(1,023,695)
Changes in investments in subsidiaries and associates accounted for using equity method	-	(171,865)	-	-	(23,574)	(23,574)	-	-	-	(195,439)
Distribution in cash of the capital surplus - NT\$1.2 per share	-	(323,272)	-	-	-	-	-	-	-	(323,272)
Net income for 2019	-	-	-	-	1,808,042	1,808,042	-	-	-	1,808,042
Other comprehensive loss for 2019	-	-	-	-	(41,584)	(41,584)	(28,582)	(177,097)	-	(247,263)
Total comprehensive income (loss) for 2019	-	-	-	-	1,766,458	1,766,458	(28,582)	(177,097)	-	1,560,779
Disposal of the Corporation's share by subsidiaries regarded as treasury share transaction	-	66,274	-	-	-	-	-	-	75,186	141,460
Cash dividends received by subsidiaries from the Corporation	-	107,049	-	-	-	-	-	-	-	107,049
Disposal of investments by subsidiaries in equity instruments at fair value through other comprehensive income	-	-	-	-	(10,055)	(10,055)	-	10,055	-	-
BALANCE AT DECEMBER 31, 2019	2,693,933	6,407,221	1,119,831	383,842	4,295,725	5,799,398	(435,908)	(143,558)	(928,443)	13,392,643
Appropriation of 2019 earnings										
Legal reserve	-	-	180,803	-	(180,803)	-	-	-	-	-
Special reserve	-	-	-	195,624	(195,624)	-	-	-	-	-
Cash dividends - NT\$5 per share	-	-	-	-	(1,346,967)	(1,346,967)	-	-	-	(1,346,967)
Changes in investments in subsidiaries and associates accounted for using equity method	-	(20,666)	-	-	(83)	(83)	-	-	-	(20,749)
Net income for 2020	-	-	-	-	1,666,345	1,666,345	-	-	-	1,666,345
Other comprehensive loss for 2020	-	-	-	-	(27,396)	(27,396)	(145,577)	(116,377)	-	(289,350)
Total comprehensive income (loss) for 2020	-	-	-	-	1,638,949	1,638,949	(145,577)	(116,377)	-	1,376,995
Cash dividends received by subsidiaries from the Corporation	-	107,049	-	-	-	-	-	-	-	107,049
Disposal of investments accounted for using equity method	-	152	-	-	8,255	8,255	-	(8,255)	-	152
Disposal of investments by subsidiaries in equity instruments at fair value through other comprehensive income	-	-	-	-	(80,964)	(80,964)	-	80,964	-	-
BALANCE AT DECEMBER 31, 2020	\$ 2,693,933	\$ 6,493,756	\$ 1,300,634	\$ 579,466	\$ 4,138,488	\$ 6,018,588	\$ (581,485)	\$ (187,226)	\$ (928,443)	\$ 13,509,123

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

(With Deloitte & Touche audit report dated March 15, 2021)

SYSTEX CORPORATION

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,685,963	\$ 1,864,624
Adjustments for :		
Depreciation expenses	173,890	176,359
Amortization expenses	14,467	19,755
Expected credit loss recognized	29,697	776
(Gain) loss on financial assets at fair value through profit or loss, net	(306,579)	259,095
Interest expense	3,795	5,509
Interest income	(703)	(964)
Dividend income	(37,551)	(60,047)
Impairment loss on financial assets	19,421	60,651
Share of profit of subsidiaries and associates accounted for using equity method	(1,086,059)	(1,943,947)
Gain on sale of investments	(84,308)	-
Write-down of inventories	3,363	4,324
Unrealized (gain) loss on foreign currency exchange, net	(125)	2,746
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	581,807	(404,139)
Notes receivable	1,393	33,210
Accounts receivable	(194,204)	112,530
Receivables from related parties	15,910	(1,258)
Other receivables	3,187	14,980
Inventories	63,458	(159,786)
Prepayments	(78,034)	(31,205)
Other current assets	(5,065)	6,230
Notes and accounts payable	(59,141)	138,763
Payables to related parties	119,656	(127,330)
Other payables	6,017	176,800
Contract liabilities	169,051	13,645
Other current liabilities	40,155	(3,932)
Net defined benefit liabilities	(47,302)	(37,686)
Cash generated from operations	1,032,159	119,703
Interest paid	(3,840)	(5,276)
Income tax paid	(12,153)	(40,503)
Net cash generated from operating activities	<u>1,016,166</u>	<u>73,924</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Return of capital from capital reduction of financial assets at fair value through other comprehensive income	902	730
Acquisition of investments accounted for using equity method	(240,415)	(156,160)
Return of capital from capital reduction of investments accounted for using equity method	294,500	1,391,220
Payments for property, plant and equipment	(96,031)	(58,591)

(Continued)

SYSTEX CORPORATION

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

	2020	2019
Proceeds on disposal of property, plant and equipment	\$ 239	\$ 55
Increase in refundable deposits	(4,893)	(9,434)
Payments for intangible assets	(22,926)	(11,336)
Proceeds from disposal of intangible assets	-	400
Decrease (increase) in long-term receivables	507	(878)
Decrease (increase) in pledged time deposits	2,432	(11,883)
Increase in other non-current assets	(5,811)	(14,754)
Interest received	785	814
Dividends received	37,551	60,047
Dividends received from subsidiaries and associates	<u>513,125</u>	<u>360,646</u>
Net cash generated from investing activities	<u>479,965</u>	<u>1,550,876</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term loans	-	(200,000)
(Decrease) increase in guarantee deposits received	(354)	771
Repayment of the principal portion of lease liabilities	(102,476)	(107,356)
Dividends paid	(1,346,967)	(1,023,695)
Distribution in cash from the capital surplus	<u>-</u>	<u>(323,272)</u>
Net cash used in financing activities	<u>(1,449,797)</u>	<u>(1,653,552)</u>
NET INCREASE (DECREASE) IN CASH	46,334	(28,752)
CASH AT THE BEGINNING OF THE YEAR	<u>239,839</u>	<u>268,591</u>
CASH AT THE END OF THE YEAR	<u>\$ 286,173</u>	<u>\$ 239,839</u>

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

(With Deloitte & Touche audit report dated March 15, 2021)

Attachment 3

Audit Committee's Review Report

The Board of Directors has prepared and submitted the 2020 business report and financial statements, 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 16, 2021

Audit Committee's Review Report

The Board of Directors has prepared the 2020 earnings distribution proposal. The proposal 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

April 14, 2021

Attachment 4

SYSTEX Corporation
Earnings Distribution Proposal
December 31, 2020

Unit: NT\$

Items	Amount	
	Subtotal	Total
Beginning unappropriated earnings		2,572,330,658
Adjustment for investments accounted for using equity method	(74,237,894)	
Remeasurement on net defined benefit plan	(25,949,480)	
Add: Net income of 2019	1,666,344,895	
Earnings available for distribution		<u>4,138,488,179</u>
Distribution items		
Legal reserve	(156,615,752)	
Special reserve	(189,245,740)	
Cash dividends (NT\$5 per share)	(1,346,966,520)	
Total distribution		<u>(1,692,828,012)</u>
Ending unappropriated		<u>2,445,660,167</u>

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

Attachment 5

System Corporation

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

Before Amendments	After Amendments	Remark
<p>Article 12: The matters listed below as they relate to this Corporation shall be raised for discussion at a board meeting:</p> <ol style="list-style-type: none"> 1. The Corporation's business plan. 2. Annual and <u>semi-annual</u> financial reports, <u>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).</u> (Omitted below) 	<p>Article 12: The matters listed below as they relate to this Corporation shall be raised for discussion at a board meeting:</p> <ol style="list-style-type: none"> 1. The Corporation's business plan. 2. Annual and <u>the second quarter</u> financial reports <u>that are required to be audited and attested by a certified public accountant (CPA).</u> (Omitted below) 	<p>In accordance with the amendment to Article 14-5 of the Securities Exchange Act, the second paragraph of the first paragraph was adjusted.</p>
<p>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</p>	<p>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</p>	<p>Revised wording of paragraph 3.</p>

<p>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.</p> <p>Where a director is prohibited by the <u>preceding paragraph</u> 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.</p>	<p>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.</p> <p>Where a director is prohibited by the <u>rules</u> 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.</p>	
<p>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.</p> <p>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.</p>	<p>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.</p> <p>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, the 6th Amendment on March 19, 2020, <u>and 7th Amendment on August 6, 2020.</u></p>	<p>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 the second quarter financial reports that are required 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 rules 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, the 6th Amendment on March 19, 2020 , and 7th Amendment on August 6, 2020.

Attachment 6

System Corporation

Table of Comparison of Amendments to the Articles of Incorporation

Before Amendments	After Amendments	Remark
<p>Article 2: The Company shall engage in the following businesses: 1.~92. Omitted. <u>93. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.</u></p>	<p>Article 2: The Company shall engage in the following businesses: 1.~92. Omitted. <u>93.I701011 Employment Service</u> <u>94.IZ04010 Translation</u> <u>95.IZ09010 Management System Certification</u> <u>96.IZ12010 Manpower Dispatched</u> <u>97.J202010 Industry Innovation and Incubation Services</u> <u>98.J399990 Other Publishing</u> <u>99.ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.</u></p>	<p>For the company's operating needs, new business items were added.</p>
<p>Article 5: Stocks of the Company shall be <u>registered</u>, signed or sealed by <u>at least three</u> Directors. The stocks shall be issued after proper certification <u>by the competent authority or its authorized registration institutes</u>. 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</p>	<p>Article 5: Stocks of the Company shall be <u>with serial numbers ,be affixed with the signatures or personal seals of the director representing the company, and shall be duly certified or authenticated by the bank which is competent to certify shares under the laws before issuance thereof</u>. 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</p>	<p>Revised wording in accordance with Article 162 of the Company Law.</p>

Before Amendments	After Amendments	Remark
accordance with this Paragraph.	share certificates for the stocks or shares issued in accordance with this Paragraph.	
<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 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.</p> <p>The Articles of Incorporation were implemented after approval in accordance with laws and regulations.</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 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 , the 20th Amendment on June 18, 2020 <u>and the 21th Amendment on May 27, 2021.</u></p> <p>The Articles of Incorporation were implemented after approval in accordance with laws and regulations.</p>	Addition of revision dates.

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. G902011Type II Telecommunications Enterprise
23. E701010Telecommunications Construction
24. F213060Retail Sale of Telecom Instruments
25. F399040Retail Business Without Shop
26. F601010Intellectual Property
27. IE01010 Telecommunications Number Agencies
28. I103060 Management Consulting Services
29. JE01010Rental and Leasing Business
30. I401010 General Advertising Services
31. IZ99990 Other Industry and Commerce Services Not Elsewhere Classified
32. J304010Book Publishers
33. F401021Restrained 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 Apparatus
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 Controlled Telecommunications Radio-Frequency Devices Installation
Engineering
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 Equipment
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. I701011 Employment Service
94. IZ04010 Translation
95. IZ09010 Management System Certification
96. IZ12010 Manpower Dispatched
97. J202010 Industry Innovation and Incubation Services
98. J399990 Other Publishing
99. 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 with serial numbers, be affixed with the signatures or personal seals of the director representing the company, and shall be duly certified or authenticated by the bank which is competent to certify shares under the laws before issuance thereof. 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, the 20th Amendment on June 18, 2020 and the 21st Amendment on May 27, 2021.

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

Attachment 7

System Corporation

Table of Rules for Election of Directors

Before Amendments	After Amendments	Remark
<p>Article 1: The directors of the Company shall be elected in accordance with the rules specified herein.</p>	<p>Article 1: <u>Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation,</u> the directors of the Company shall be elected in accordance with the rules specified herein.</p>	<p>Revised wording in reference to Sample Template for "XXX Co., Ltd. Procedures for Election of Directors".</p>
<p>New added</p>	<p><u>Article 2:</u> <u>The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:</u> <u>(1)Basic requirements and values: Gender, age, nationality, and culture.</u></p>	<p>This article is added in reference to Sample Template for "XXX Co., Ltd. Procedures for Election of Directors".</p>

Before Amendments	After Amendments	Remark
	<p><u>(2)Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.</u></p> <p><u>Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:</u></p> <p><u>(1)The ability to make judgments about operations.</u></p> <p><u>(2)Accounting and financial analysis ability.</u></p> <p><u>(3)Business management ability.</u></p> <p><u>(4)Crisis management ability.</u></p> <p><u>(5)Knowledge of the industry.</u></p> <p><u>(6)An international market perspective.</u></p> <p><u>(7)Leadership ability.</u></p> <p><u>(8)Decision-making ability.</u></p> <p><u>More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.</u></p> <p><u>The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.</u></p>	

Before Amendments	After Amendments	Remark
New added	<u>Article 3:</u> <u>The qualifications for the independent directors of this Corporation shall comply with the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.</u>	This article is added in reference to Sample Template for “XXX Co., Ltd. Procedures for Election of Directors”.
Article <u>2</u> : Omitted	Article <u>4</u> : Omitted	Amend the Article order.
Article <u>3</u> : Omitted	Article <u>5</u> : Omitted	Amend the Article order.
Article <u>3</u> -1: Omitted	Article <u>5</u> -1: Omitted	Amend the Article order.
Article <u>3</u> -2: If the elected director of the company does not comply with Article <u>3</u> -1, the elected director shall be determined in accordance with the following provisions. (1) If the directors do not meet the requirements, if the votes of the directors who do not meet the requirements are lower, the election will be invalid.	Article <u>5</u> -2: If the elected director of the company does not comply with Article <u>5</u> -1, the elected director shall be determined in accordance with the following provisions. (1) If the directors do not meet the requirements, if the votes of the directors who do not meet the requirements are lower, the election will be invalid.	Amend the Article order.
Article <u>4</u> : At the beginning of the election, the Chairman shall	Article <u>6</u> <u>Before the election begins</u> , the Chairman shall	Revised wording and amend the Article order.

Before Amendments	After Amendments	Remark
appoint several persons each to check and record the ballots.	appoint several persons <u>with shareholder status</u> to <u>perform the respective duties of vote monitoring and counting personnel.</u>	
Article <u>5</u> : The Board of Directors shall prepare ballots and note the number of voting rights <u>at the number of attendance card.</u>	Article <u>7</u> : The board of directors shall prepare separate ballots <u>for directors in numbers corresponding to the directors or supervisors to be elected.</u>	Revised wording and amend the Article order
Article <u>6</u> : The ballot box used for voting shall be prepared by <u>this Company</u> and checked in public by the person to check the ballots before voting.	Article <u>8</u> : The ballot boxes shall be prepared by <u>the board of directors</u> and publicly checked by the vote monitoring personnel before voting commences.	Revised wording and amend the Article order
Article <u>7</u> : <u>Voters shall fill in the "candidate" column the candidate's name and shareholder's number or ID number. If the candidate is a legal entity, the name of the legal entity or the name(s) of their representative(s) should be filled in the column.</u>	Deleted	The company has adopted a candidate nomination system. Shareholders should choose from the list of candidates for directors. Shareholders can learn the names, academic experience and other information of the candidates from the list of candidates before the shareholders' meeting. The certificate number is a way to identify the candidate's identity, so this

Before Amendments	After Amendments	Remark
<p>Article 8: Ballots shall be deemed void under the following conditions:</p> <p>(1) Ballots not prepared by <u>this Company</u>;</p> <p>(2) Blank ballots not completed by the voter;</p> <p>(3) Illegible writing;</p> <p>(4) Ballots with other written <u>characters or symbols in addition to candidate's name, shareholder's number (ID number) for the candidate</u>;</p> <p>(5) The name of the candidates filled in the ballots being <u>the same as another candidate's name and the respective shareholder's numbers (ID numbers) not being indicated to distinguish them</u>;</p> <p>(6) <u>If the candidate is a shareholder of this Company, the name or shareholder's number of the candidate filled in the ballot inconsistent with the shareholders' register. If the candidate is not a shareholder of this Company, the name or ID number of the candidate filled in the ballot is incorrect</u>;</p> <p>(7) <u>The same ballot is filled in with more than two electors.</u></p>	<p>Article 9: Ballots shall be deemed void under the following conditions:</p> <p>(1) The ballot was not prepared by <u>a person with the right to convene</u>.</p> <p>(2) A blank ballot is placed in the ballot box.</p> <p>(3) The writing is unclear and indecipherable or <u>has been altered</u>.</p> <p>(4) Other words or marks are entered in addition to the <u>number of voting rights allotted</u>.</p> <p>(5) The candidate <u>whose name is entered in the ballot does not conform to the director candidate list</u>.</p>	<p>article is deleted.</p> <p>1.The company has adopted a candidate nomination system, and shareholders should choose from the list of director candidates. Therefore, amend orders of the fourth and fifth paragraphs and deleted the sixth and seventh paragraphs .</p> <p>2.Revised wording of the first and the third paragraphs.</p> <p>3.Amend the Article order.</p>

Before Amendments	After Amendments	Remark
<p>Article <u>9</u>: The ballots should be calculated during the meeting right after the vote casting and the results of the election should be announced by the Chairman at the meeting.</p>	<p>Article <u>10</u>: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site. <u>The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</u></p>	<p>Revised wording and amend the Article order in reference to Sample Template for “XXX Co., Ltd. Procedures for Election of Directors”.</p>
<p>Article <u>10</u>: Omitted</p>	<p>Article <u>11</u>: Omitted</p>	<p>Amend the Article order.</p>
<p>Article <u>11</u>: These Rules and any revision thereof shall become effective after approval at the shareholders' meeting. The Procedures was established in April 12, 2001. The 1st Amendment on Mar. 28, 2002, the 2nd Amendment on June 15, 2006, the 3rd Amendment</p>	<p>Article <u>12</u>: These Rules and any revision thereof shall become effective after approval at the shareholders' meeting. The Procedures was established in April 12, 2001. The 1st Amendment on Mar. 28, 2002, the 2nd Amendment on June 15, 2006, the 3rd Amendment</p>	<p>Addition of revision dates and amend the Article order.</p>

Before Amendments	After Amendments	Remark
<p>on June 13, 2007, the 4th Amendment on June 17, 2015.</p> <p>The Rules for Election of Directors were implemented after approval in accordance with laws and regulations.</p>	<p>on June 13, 2007, the 4th Amendment on June 17, 2015 <u>and the 5th Amendment on May 27, 2021.</u></p> <p>The Rules for Election of Directors were implemented after approval in accordance with laws and regulations.</p>	

System Corporation
Rules for Election of Directors (Amended)

1. Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, the directors of the Company shall be elected in accordance with the rules specified herein.
2. The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:
 - (1)Basic requirements and values: Gender, age, nationality, and culture.
 - (2)Professional knowledge and skills: A professional background (e.g. Law, accounting, industry, finance, marketing, and technology), professional skills, and industry experience.

Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

- (1)The ability to make judgments about operations.
- (2)Accounting and financial analysis ability.
- (3)Business management ability.
- (4)Crisis management ability.
- (5)Knowledge of the industry.
- (6)An international market perspective.
- (7)Leadership ability.
- (8)Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.

3. The qualifications for the independent directors of this Corporation shall comply with the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
4. The directors of the Company shall be elected by adopting the candidate nomination system specified in Article 192-1 of the Company Act and the cumulative voting method, each share shall have voting rights equivalent to the number of seats to be elected and such voting rights can be combined to vote for one person or divided to vote for several persons. The names of voters may be represented by shareholders'

numbers.

5. The directors of the Company shall be elected by the shareholders' meeting from among the persons with disposing capacity. The election of independent directors and non-independent directors shall be held together; provided, however, that the number of independent directors and non-independent directors elected shall be calculated separately. According to the quotas stipulated in the Articles of Incorporation, those who have more voting rights are elected as independent directors and non-independent directors. If two or more persons acquire the same number of votes and the number of such persons exceeds the specified seats available, such persons acquiring the same votes shall draw lots to decide who should win the seats available, and the Chairman shall draw lots on behalf of the candidate who is not present.
 - 5-1. The directors of the company shall have more than half of the seats elected and shall not have one of the following relationships.
 - (1) Spousal.
 - (2) The second degree of kinship.
 - 5-2. If the elected director of the company does not comply with Article 5-1, the elected director shall be determined in accordance with the following provisions.
 - (1) If the directors do not meet the requirements, if the votes of the directors who do not meet the requirements are lower, the election will be invalid.
6. At the beginning of the election, the Chairman shall appoint several persons with shareholder status each to check and record the ballots.
7. The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected.6. The ballot box used for voting shall be prepared by this Company and checked in public by the person to check the ballots before voting.
8. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.
9. Ballots shall be deemed void under the following conditions:
 - (1) The ballot was not prepared by a person with the right to convene.
 - (2) A blank ballot is placed in the ballot box.
 - (3) The writing is unclear and indecipherable or has been altered.
 - (4) Other words or marks are entered in addition to the number of voting rights allotted.
 - (5) The candidate whose name is entered in the ballot does not conform to the director candidate list.
10. The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least

one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

11. The Company shall issue notifications to the directors elected.
12. These Rules and any revision thereof shall become effective after approval at the shareholders' meeting.

The Procedures was established in April 12, 2001.

The 1st Amendment on Mar. 28, 2002, the 2nd Amendment on June 15, 2006, the 3rd Amendment on June 13, 2007, the 4th Amendment on June 17, 2015 and the 5th Amendment on May 27, 2021.

The Rules for Election of Directors were implemented after approval in accordance with laws and regulations.

Attachment 8

System Corporation

Table of Rules of Procedures for Shareholders Meetings

Before Amendments	After Amendments	Remark
<p>Article 1: Unless otherwise stipulated by law, shareholders' meetings of the Company shall proceed according to these Rules and Procedures.</p>	<p>Article 1: Unless otherwise stipulated by law <u>or the articles of incorporation</u>, shareholders' meetings of the Company shall proceed according to these Rules and Procedures.</p>	<p>Revised wording of Article 1 in reference to Sample Template for "XXX Co., Ltd. Rules of Procedure for Shareholders Meetings"</p>
<p>New added</p>	<p><u>Article 2</u> <u>Unless otherwise specified by law or the Articles of Incorporation, shareholders' meetings are convened by the Board of Directors.</u> <u>The Company shall prepare an electronic file that contains the meeting notice, a proxy form, a detailed description of various agenda items to be acknowledged or discussed during the meeting, and notes on re-election or dismissal of directors and post it onto the Market Observation Post System (MOPS) at least 30 days before an annual general meeting, or 15 days before an extraordinary shareholders' meeting. An electronic copy of the shareholders' meeting manual and supplementary information shall be posted onto MOPS at least 21</u></p>	<p>This article is added in reference to the Sample Template "XXX Co., Ltd. Rules of Procedure for Shareholders' Meetings".</p>

Before Amendments	After Amendments	Remark
	<p><u>days before an annual general meeting, or 15 days before an extraordinary shareholders' meeting. In addition, the Procedures Manual and supplementary materials for the shareholders' meeting should be made available for shareholders to review at any time at least 15 days in advance. The manual and supplementary materials shall also be displayed at the Company and company-appointed share administration agencies and distributed at the shareholders' meeting.</u></p> <p><u>Meeting notices and announcements must detail the meeting's agenda. Meeting notices may also be delivered electronically to those who have agreed to such a method of delivery.</u></p> <p><u>The following issues must be covered in the meeting agenda and may not be raised in extraordinary motions: election or dismissal of directors or supervisors, amendments to the Articles of Incorporation, capital reduction, motions to suspend public offering, permissions for directors to engage in competitive conduct, capitalization of profits, capitalization of surplus, the dissolution, merger, or demerger of the Company, or matters covered by Article 185, Paragraph 1 of the Company Act, Articles</u></p>	

Before Amendments	After Amendments	Remark
	<p><u>26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers.</u></p> <p><u>If the shareholders' meeting agenda includes the re-election of board directors and the appointment date of new directors, the appointment date may not be altered with extraordinary motions or any other means in the same meeting after re-election is completed.</u></p> <p><u>Shareholders who own more than 1% of the Company's outstanding shares are entitled to propose agenda items for annual shareholders' meetings. Each shareholder may propose one agenda item, and further proposals will be disregarded. The Board of Directors may disregard shareholders' proposals if the proposed agenda item involves matters listed in Article 172-1, Paragraph 4 of the Company Act. Shareholders may propose suggestions urging the Company to promote public interest or fulfill its social responsibility. According to the procedure, each shareholder may submit one proposal in accordance with Article 172-1 of the Company Act. Further proposals will be disregarded.</u></p>	

Before Amendments	After Amendments	Remark
	<p><u>Prior to the book closure date before a shareholders' meeting, the Company shall announce that it is accepting proposals from shareholders, along with acceptance methods for in-writing or electronic proposals, places to submit proposals, and the submission deadline. The submission period shall be no shorter than ten days.</u></p> <p><u>Shareholders shall limit their proposed agenda items to 300 words; proposals that exceed 300 words shall be excluded from the agenda. Shareholders who have successfully proposed agenda items shall attend the annual general meeting in person or through proxy attendance and participate in the discussion.</u></p> <p><u>The Company shall notify the proposing shareholders of the outcome of their proposed agenda items before the meeting notice is sent out. Agenda items that meet the conditions listed in this Article shall be included in the meeting notice. During the shareholders' meeting, the Board of Directors shall explain the reasons why certain proposed agenda items are excluded from discussion.</u></p>	

Before Amendments	After Amendments	Remark
New added	<p><u>Article 3</u></p> <p><u>Shareholders may appoint proxies to attend shareholders' meetings by completing the Company's proxy form specifying the scope of power delegated to the proxy.</u></p> <p><u>Each shareholder may issue one proxy form and delegate one proxy only. All proxy forms must arrive at the Company at least five days before the shareholders' meeting. In the event that multiple proxy forms are issued, only the first proxy form received will be considered valid. Exceptions shall be granted if the shareholder issues a declaration to withdraw previous proxy arrangements.</u></p> <p><u>After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights in writing or electronically, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the withdrawal is made after the prescribed period, then the voting decision exercised by the proxy shall take precedence.</u></p>	This article is added in reference to the Sample Template "XXX Co., Ltd. Rules of Procedure for Shareholders' Meetings".

Before Amendments	After Amendments	Remark
<p>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 <u>head office</u> 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.</p>	<p>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 <u>Company</u> 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.</p>	<p>Revised wording.</p>
<p>Article <u>2</u>: The Company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters 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.</p>	<p>Article <u>5</u>: The Company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters 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.</p>	<p>1.The Article is added in reference to the sample template "XXX Co., Ltd. Rules of Procedure for Shareholders' Meetings". The original Article 5 has been revised as Article 9. 2.Amend the Article order.</p>

Before Amendments	After Amendments	Remark
<p>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.</p> <p><u>The number of shares in attendance shall be calculated according to the shares registered in the attendance book and attendance cards handed in.</u></p>	<p>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.</p> <p><u>This Company shall supply attending shareholders with the Procedures Manual, annual report, attendance card, speech note, voting slips, and other materials pertaining to the meeting. Shareholders shall also be given election ballots if an election of directors is to take place.</u></p>	
<p>Article <u>5</u>: Omitted.</p>	<p>Article <u>6</u>: Omitted.</p>	<p>Amend the Article order.</p>
<p>Article <u>6</u>: The Company may appoint lawyers, certified public accountants, or relevant personnel retained by the Company to be present at shareholders' meetings.</p>	<p>Article <u>7</u>: The Company may appoint lawyers, certified public accountants, or relevant personnel retained by the Company to be present at shareholders' meetings.</p>	<p>1.Paragraph 2 of this article is revised as Paragraph 1 of Article 24. 2.Revised wording and amend</p>

Before Amendments	After Amendments	Remark
<u>Staff handling administrative affairs of the shareholders' meeting shall wear identification badges or arm-bands.</u>		the Article order.
<p>Article <u>7</u>:</p> <p>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.</p> <p>The recorded materials as specified the preceding paragraph shall be retained for at least 1 year.</p>	<p>Article <u>8</u>:</p> <p>The Company, starting from the time it begins accepting shareholder attendance registrations, shall undertake <u>an uninterrupted</u> audio and video recordings of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.</p> <p>The recorded materials as specified the preceding paragraph shall be retained for at least 1 year. <u>If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</u></p>	<p>1.Paragraph 2 added in reference to the sample template "XXX Co., Ltd. Rules of Procedure for Shareholders' Meetings".</p> <p>2.Revised wording and amend the Article order.</p>
<p>Article <u>3</u>:</p> <p>The attendance <u>and votes</u> of a shareholders' meeting shall be calculated based on the number of shares represented by shareholders present at the meeting.</p>	<p>Article <u>9</u>:</p> <p>The attendance of a shareholders' meeting shall be calculated based on the number of shares represented by shareholders present at the meeting. <u>The number of shares represented during the meeting is calculated based on the total amount registered in the attendance log or the attendance cards collected, plus the number of shares where voting rights are exercised in writing or through electronic means.</u></p>	<p>Revised wording and amend the Article order in reference to the sample template "XXX Co., Ltd. Rules of Procedure for Shareholders' Meetings".</p>

Before Amendments	After Amendments	Remark
<p>Article <u>8</u>:</p> <p>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.</p> <p>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 <u>approval</u> in accordance with Article 174 of the Company Act.</p>	<p>Article <u>10</u>:</p> <p>The chair shall announce the commencement of the meeting at the stipulated time <u>and disclosed the number of non-voting shares, number of shares in attendance, and other relevant information.</u></p> <p>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. <u>All shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within 1 month.</u></p> <p>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</p>	<p>Revised wording of paragraph 1, and amend article order in reference to the sample template "XXX Co., Ltd. Rules of Procedure for Shareholders' Meetings".</p>

Before Amendments	After Amendments	Remark
	resolutions to the <u>shareholders</u> meeting for <u>the vote</u> in accordance with Article 174 of the Company Act.	
<p>Article <u>9</u>:</p> <p>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.</p> <p>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.</p> <p>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.</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><u>The shareholders cannot designate any other person as chair and resume the meeting in the same or</u></p>	<p>Article <u>11</u>:</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>If the chair violates the rules of procedure and declares the adjournment of the shareholders' meeting, <u>other members of the Board shall immediately assist the attending shareholders to follow procedures</u> and elect another Chairman with the support of more than half of voting rights represented to resume the meeting.</p>	<p>Revised wording and amend the Article order in reference to the sample template "XXX Co., Ltd. Rules of Procedure for Shareholders' Meetings".</p>

Before Amendments	After Amendments	Remark
<u>another place after the meeting is adjourned.</u>		
<p>Article <u>14</u>: 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.</p>	<p>Article <u>12</u>: When the chairman considers that a matter and <u>amendments or extraordinary motions proposed by shareholders during the meeting</u> have 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.</p>	<p>Revised wording and amend the Article order in reference to the sample template “XXX Co., Ltd. Rules of Procedure for Shareholders’ Meetings”.</p>
<p>Article <u>10~11</u>: Omitted.</p>	<p>Article <u>13~14</u>: Omitted.</p>	<p>Amend the Article order.</p>
<p>Article <u>12</u>: 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.</p>	<p>Article <u>15</u>: <u>When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting.</u> 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.</p>	<p>Revised wording and amend the Article order in reference to the sample template “XXX Co., Ltd. Rules of Procedure for Shareholders’ Meetings”.</p>

Before Amendments	After Amendments	Remark
Article <u>13</u> : Omitted.	Article <u>16</u> : Omitted.	Amend the Article order.
New Added	<p>Article <u>17</u>:</p> <p><u>Voting at a shareholders meeting shall be calculated based the number of shares.</u></p> <p><u>With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.</u></p> <p><u>When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.</u></p> <p><u>The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.</u></p> <p><u>With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more</u></p>	This article is added in reference to the Sample Template “XXX Co., Ltd. Rules of Procedure for Shareholders’ Meetings”.

Before Amendments	After Amendments	Remark
	<p><u>shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.</u></p>	
New Added	<p>Article 18: <u>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.</u> <u>When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of</u></p>	<p>This article is added in reference to the Sample Template “XXX Co., Ltd. Rules of Procedure for Shareholders’ Meetings”.</p>

Before Amendments	After Amendments	Remark
	<p><u>extraordinary motions and amendments to original proposals.</u></p> <p><u>A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</u></p> <p><u>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence</u></p>	

Before Amendments	After Amendments	Remark
	<u>or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</u>	
<p>Article <u>15</u>:</p> <p>The Chairman shall appoint ballot examiners, ballot counters another members of staff for processing proposal votes; ballot examiners must however be shareholders.</p> <p>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.</p> <p>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.</p>	<p>Article <u>19</u>:</p> <p>The Chairman shall appoint ballot examiners, ballot counters another members of staff for processing proposal votes; ballot examiners must however be shareholders.</p> <p>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.</p> <p>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, <u>as well as the names of</u></p>	<p>Revised wording of Paragraph 3, added Paragraph 4, and amend the Article order in reference to sample template "XXX Co., Ltd. Rules of Procedure for Shareholders' Meetings".</p>

Before Amendments	After Amendments	Remark
	<p><u>those unelected and the number of votes they received.</u></p> <p><u>The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of scrutineers and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</u></p>	
<p>Article <u>17~18</u>: Omitted.</p>	<p>Article <u>20~21</u>: Omitted.</p>	<p>Amend the Article order.</p>
<p>New Added</p>	<p>Article <u>22</u>: <u>Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.</u> <u>This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.</u></p>	<p>This article is added in reference to the Sample Template “XXX Co., Ltd. Rules of Procedure for Shareholders’ Meetings”.</p>

Before Amendments	After Amendments	Remark
	<p><u>The minutes must detail the date and venue of the meeting, the Chairman's name, the method of resolution,</u></p> <p><u>and the proceeding and results of various meeting agenda items. For meetings with director elections, the minutes should also include the number of votes received by each candidate. These minutes must be retained for as long as the Company is in existence.</u></p>	
New Added	<p>Article <u>23</u>:</p> <p><u>On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.</u></p>	This article is added in reference to the Sample Template "XXX Co., Ltd. Rules of Procedure for Shareholders' Meetings".
<p>Article <u>19</u>:</p> <p>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."</p>	<p>Article <u>24</u>:</p> <p><u>Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.</u></p> <p>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</p>	Revised wording and amend the Article order in reference to the sample template "XXX Co., Ltd. Rules of Procedure for Shareholders' Meetings".

Before Amendments	After Amendments	Remark
	proctors or security staff shall wear arm bands <u>or identification card bearing the word "Proctor."</u>	
<p>Article <u>16</u>:</p> <p>During the meeting, the chair may, at his/her discretion, allocate and announce intermissions.</p>	<p>Article 25:</p> <p>During the meeting, the chair may, at his/her discretion, allocate and announce intermissions. <u>If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.</u></p> <p><u>If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.</u></p> <p><u>A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.</u></p>	<p>Revised wording and amend the Article order in reference to the sample template "XXX Co., Ltd. Rules of Procedure for Shareholders' Meetings".</p>
<p>Article <u>20</u>:</p> <p>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.</p>	<p>Article <u>26</u>:</p> <p>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.</p>	<p>Addition of revision dates.</p>

Before Amendments	After Amendments	Remark
These Rules and Procedures were established on April 12, 2001, the 1st Amendment on March 28, 2002, the 2nd Amendment on June 21, 2013, <u>and</u> the 3rd Amendment on June 18, 2020.	These Rules and Procedures were established on April 12, 2001, the 1st Amendment on March 28, 2002, the 2nd Amendment on June 21, 2013, the 3rd Amendment on June 18, 2020 <u>and the 4th Amendment on May 27, 2021.</u>	

Systemx Corporation
Rules of Procedures for Shareholders Meetings (Amended)

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

Article 2: Unless otherwise specified by law or the Articles of Incorporation, shareholders' meetings are convened by the Board of Directors.

The Company shall prepare an electronic file that contains the meeting notice, a proxy form, a detailed description of various agenda items to be acknowledged or discussed during the meeting, and notes on re-election or dismissal of directors and post it onto the Market Observation Post System (MOPS) at least 30 days before an annual general meeting, or 15 days before an extraordinary shareholders' meeting. An electronic copy of the shareholders' meeting manual and supplementary information shall be posted onto MOPS at least 21 days before an annual general meeting, or 15 days before an extraordinary shareholders' meeting. In addition, the Procedures Manual and supplementary materials for the shareholders' meeting should be made available for shareholders to review at any time at least 15 days in advance. The manual and supplementary materials shall also be displayed at the Company and company-appointed share administration agencies and distributed at the shareholders' meeting.

Meeting notices and announcements must detail the meeting's agenda. Meeting notices may also be delivered electronically to those who have agreed to such a method of delivery.

The following issues must be covered in the meeting agenda and may not be raised in extraordinary motions: election or dismissal of directors or supervisors, amendments to the Articles of Incorporation, capital reduction, motions to suspend public offering, permissions for directors to engage in competitive conduct, capitalization of profits, capitalization of surplus, the dissolution, merger, or demerger of the Company, or matters covered by Article 185, Paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers.

If the shareholders' meeting agenda includes the re-election of board directors and the appointment date of new directors, the appointment date may not be altered with extraordinary motions or any other means in the same meeting after re-election is completed.

Shareholders who own more than 1% of the Company's outstanding shares are entitled to propose agenda items for annual shareholders' meetings. Each

shareholder may propose one agenda item, and further proposals will be disregarded. The Board of Directors may disregard shareholders' proposals if the proposed agenda item involves matters listed in Article 172-1, Paragraph 4 of the Company Act. Shareholders may propose suggestions urging the Company to promote public interest or fulfill its social responsibility. According to the procedure, each shareholder may submit one proposal in accordance with Article 172-1 of the Company Act. Further proposals will be disregarded.

Prior to the book closure date before a shareholders' meeting, the Company shall announce that it is accepting proposals from shareholders, along with acceptance methods for in-writing or electronic proposals, places to submit proposals, and the submission deadline. The submission period shall be no shorter than ten days.

Shareholders shall limit their proposed agenda items to 300 words; proposals that exceed 300 words shall be excluded from the agenda. Shareholders who have successfully proposed agenda items shall attend the annual general meeting in person or through proxy attendance and participate in the discussion. The Company shall notify the proposing shareholders of the outcome of their proposed agenda items before the meeting notice is sent out. Agenda items that meet the conditions listed in this Article shall be included in the meeting notice. During the shareholders' meeting, the Board of Directors shall explain the reasons why certain proposed agenda items are excluded from discussion.

Article 3: Shareholders may appoint proxies to attend shareholders' meetings by completing the Company's proxy form specifying the scope of power delegated to the proxy.

Each shareholder may issue one proxy form and delegate one proxy only. All proxy forms must arrive at the Company at least five days before the shareholders' meeting. In the event that multiple proxy forms are issued, only the first proxy form received will be considered valid. Exceptions shall be granted if the shareholder issues a declaration to withdraw previous proxy arrangements. After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights in writing or electronically, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the withdrawal is made after the prescribed period, then the voting decision exercised by the proxy shall take precedence.

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 Company 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: 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.

This Company shall supply attending shareholders with the Procedures Manual, annual report, attendance card, speech note, voting slips, and other materials pertaining to the meeting. Shareholders shall also be given election ballots if an election of directors is to take place.

Article 6: 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 7: The Company may appoint lawyers, certified public accountants, or relevant personnel retained by the Company to be present at shareholders' meetings.

Article 8: The Company, starting from the time it begins accepting shareholder attendance registrations, shall undertake an uninterrupted 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. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9: The attendance of a shareholders' meeting shall be calculated based on the number of shares represented by shareholders present at the meeting.

The number of shares represented during the meeting is calculated based on the total amount registered in the attendance log or the attendance cards collected, plus the number of shares where voting rights are exercised in writing or through electronic means.

Article 10: The chair shall announce the commencement of the meeting at the stipulated time and disclosed the number of non-voting shares, number of shares in attendance, and other relevant information.

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. All shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within 1 month.

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 shareholders meeting for the vote in accordance with Article 174 of the Company Act.

Article 11: If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. 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, other members of the Board shall immediately assist the attending shareholders to follow procedures and elect another Chairman with the support of more than half of voting rights represented to resume the meeting.

Article 12: When the chairman considers that a matter and amendments or extraordinary motions proposed by shareholders during the meeting have 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 13: 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 14: 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 15: When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting.

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

Article 17: Voting at a shareholders meeting shall be calculated based the number of shares. With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

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

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

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

Article 18: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall

prevail, except when a declaration is made to cancel the earlier declaration of intent.

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

Article 19: 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, as well as the names of those unelected and the number of votes they received.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of scrutineers and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 20: 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 21: 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 22: Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The minutes must detail the date and venue of the meeting, the Chairman's name, the method of resolution, and the proceeding and results of various meeting agenda items. For meetings with director elections, the minutes should also include the number of votes received by each candidate. These minutes must be retained for as long as the Company is in existence.

Article 23: On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.

Article 24: Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

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 or identification card bearing the word "Proctor."

Article 25: During the meeting, the chair may, at his/her discretion, allocate and announce intermissions. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

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

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

Article 26: 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, the 3rd Amendment on June 18, 2020 and the 4th Amendment on May 27, 2021.

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: 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 2

Systemx 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 Systemx 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 Apparatus
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 Controlled Telecommunications Radio-Frequency Devices
Installation Engineering
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.

Appendix 3

Systemx Corporation Shareholdings of Directors

1. The Company discloses the shares held by Directors in the shareholder's register as of March 29, 2021 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	Lin, Lung-Fen (note)	2019.06.13	3	1,324,762	0.49	1,324,762	0.49
Director	Huang, Tsong-Jen (note)	2019.06.13	3	20,755,750	7.70	20,755,750	7.70
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

Note: The former chairman, Huang, Tsong-Jen, resigned because of personal career planning and the new chairman, Lin, Lung-Fen, was elected by the board of directors on Dec.23, 2020.



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