

Unizyx Holding Corporation

2023 Annual Shareholders' Meeting Minutes

(Translation)

Time: 9:00 am, June 15, 2023 (Thursday)

Venue: B1, Conference Hall, No. 6, Innovation Road II, Hsinchu Science
Park, Hsin-Chu, Taiwan

Convening Methods: Physical Shareholders' Meeting

Total outstanding shares: 395,419,573 shares (excluding the shares with no voting rights stipulated in Article 179 of the Company Act)

Total shares represented by shareholders present in person or by proxy: 242,751,411 shares

Percentage of shares held by shareholders present in person or by proxy: 61.39%

Directors present: Shun-I Chu, Chairman of the Board of Directors

Gordon Yang, Director

Ping-Chin Li, Director

Wayne Huang, Director

Ping-Jie Chu, Director

Chin-Tang Liu, Independent Director

Attendees: An-Chih Cheng, CPA, KPMG Taiwan

Chairman: Shun-I Chu

Recorder: Woei Lo

I. Call the Meeting to Order

The aggregate of shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.

II. Chairman's Address(omitted)

III. Reports

- (1) 2022 Business Report. (Please refer to Attachment 1)
- (2) Audit Committee's Review Report. (Please refer to Attachment 2)
- (3) Report on 2022 distributable compensation for employees and directors.
- (4) Report on 2022 repurchase of treasury shares.
- (5) Report on amendments to the Company's "Procedures for Ethical Management and Guidelines for Conduct". (Please refer to Attachment 6)

IV. Ratifications

1. To Approve the 2022 Business Report and Financial Statements
(Proposed by the Board of Directors)

Explanation:

- (1) Unizyx's 2022 Financial Statements have been audited by An-Chih Cheng, CPA and Chi-Lung, Yu, CPA from KPMG Taiwan.
- (2) For 2022 Business Report, please refer to Attachment 1.
- (3) For 2022 Independent Auditors' Report and Financial Statements, please refer to Attachment 3 and Attachment 4.

No questions raised by the shareholders.

RESOLVED, that the 2022 Business Report and Financial Statements be and hereby were accepted as submitted.

Voting Results:

Shares represented at the time of voting: 242,751,411

Voting Results*		% of the total represented share present
Votes in favor:	226,257,839 votes (165,636,279 votes)	93.20%
Votes against:	112,468 votes (112,468 votes)	0.04%
Votes invalid:	0 votes	0.00%
Votes abstained:	16,381,104 votes (16,289,585 votes)	6.74%

*including votes casted electronically (numbers in brackets)

2. To Approve the Proposal for 2022 Earning Distribution

(Proposed by the Board of Directors)

Explanation:

- (1) Proceeded pursuant to Paragraph 2, Article 232 of the Company Act and the Articles of Incorporation. It is intended to distribute NTD 1.25 per share as the cash dividends, for total NTD 500,214,963. Please refer the 2022 Earnings Distribution Table at Attachment 5.
- (2) If there is a subsequent change in the number of outstanding shares due to employee stock options, repurchase or transfer of treasury shares causing dividend payout ratio to change, it is proposed for the Board of Directors to have full power and authority to handle all related issues.
- (3) The cash dividends are calculated on a pro rata basis up to the dollar amount (rounded up to the dollar amount), and the fractional amounts less than NTD 1 is adjusted from the decimal point from the largest to the smallest and the account number from the front to the back in order to meet the total amount of cash dividends distributed. After the Annual General Shareholders Meeting recognizes, the board of directors will set the distribution record date and other related matters of the cash dividends.

No questions raised by the shareholders.

RESOLVED, that the proposal for 2022 Earning Distribution be and hereby was accepted as submitted.

Voting Results:

Shares represented at the time of voting: 242,751,411

Voting Results*		% of the total represented share present
Votes in favor:	227,329,214 votes (166,707,654 votes)	93.64%
Votes against:	136,600 votes (136,600 votes)	0.05%
Votes invalid:	0 votes	0.00%
Votes abstained:	15,285,597 votes (15,194,078 votes)	6.29%

*including votes casted electronically (numbers in brackets)

V. Discussion

1. To Discuss the Proposal for amending the “Articles of Incorporation”
(Proposed by the Board of Directors)

Explanation:

- (1) Amending the “Articles of Incorporation” due to the practical demands.
- (2) The comparison table of this amendment is provided in Attachment 7.

No questions raised by the shareholders.

RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results:

Shares represented at the time of voting: 242,751,411

Voting Results*		% of the total represented share present
Votes in favor:	227,531,849 votes (166,910,289 votes)	93.73%
Votes against:	112,801 votes (112,801 votes)	0.04%
Votes invalid:	0 votes	0.00%
Votes abstained:	15,106,761 votes (15,015,242 votes)	6.22%

*including votes casted electronically (numbers in brackets)

2. To Discuss the Proposal for amending the “Procedures for Loaning Funds to Others”
(Proposed by the Board of Directors)

Explanation:

- (1) Amending the “Procedures for Loaning Funds to Others” due to the practical demands.
- (2) The comparison table of this amendment is provided in Attachment 8.

No questions raised by the shareholders.

RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results:

Shares represented at the time of voting: 242,751,411

Voting Results*		% of the total represented share present
Votes in favor:	203,646,145 votes (143,024,585 votes)	83.89%
Votes against:	23,558,318 votes (23,558,318 votes)	9.70%
Votes invalid:	0 votes	0.00%
Votes abstained:	15,546,948 votes (15,455,429 votes)	6.40%

*including votes casted electronically (numbers in brackets)

VI.Extemporary Motions: None.

VII.Meeting Adjourned: June 15, 2023 at 9:13 am

Unizyx Holding Corporation 2022 Business Report

Unizyx Holding Corporation (hereinafter referred to as “Unizyx”) was established through a share swap with Zyxel Communications Corporation (hereinafter referred to as “Zyxel”) on August 16, 2010. Since then, the Group has carried out the reorganization subject to the Group Member’ industrial characteristics in order to upgrade the performance and competitiveness in the industry, as well as its industrial focus and profitability.

1. Business results in 2022:

The operating revenue in Unizyx’s 2022 consolidated statement of comprehensive income is NTD30.52 billion, the gross profit NTD6.99 billion, the gross margin 22.90%, operating expenses are NTD5.14 billion, net income is NTD1.63 billion, and EPS NTD3.87.

(1) Outcome of performance:

Unit: NTD thousand

Item	2022	2021
Operating revenue	30,515,803	25,681,970
Gross profit	6,987,954	6,060,518
Operating income	1,847,262	1,425,434
Income (loss) before income taxes	1,992,303	1,438,064
Net income	1,626,931	1,095,459

(2) Analysis on profitability:

Item	2022	2021
Return on total assets %	6.95	5.46
Return on attributable to shareholders of the parent %	16.92	12.50
As a percentage of paid-in capital %	Operating Income	31.42
	Income (Loss) before income taxes	31.70
Net income %	5.33	4.27
Basic earnings per share/NTD	3.87	2.49

2. Business Outlook:

Unizyx is dedicated to the networking industry to have deeply set its roots in various areas about the network technology and market. Unizyx plans the Group’s business strategies and goals, uses the best effort to plan and utilize its resources effectively and provides the affiliated companies with a better development platform to upgrade its competitiveness and shareholders’ equity. The three subsidiaries, namely Zyxel Communications Corporation (hereinafter referred to as “Zyxel”), MitraStar Technology Corporation (hereinafter referred to as “MitraStar”), and Zyxel Networks Corporation (hereinafter referred to as “ZNet”), are in charge of telecommunication, OEM, and channel business, respectively, and strive in the technologies and markets in the network industry.

Zyxel's brand promise is "Keeping service providers ahead of the competition" It dedicates to developing comprehensive, reliable solutions that accelerate and satisfy the advent of next-generation fixed and mobile broadband technology. Zyxel aims to help operators in 150 markets around the world to open up more opportunities with truly converged services. MitraStar specializes in R&D and OEM of network communication technologies and products; by working with the brand clients around the world, it provides value from the customers' point of view and improves the performance of mass production by virtue of innovative design and control over costs, and satisfy customers' needs with excellent production management, logistic management, technical support and customer services. Looking to 2023, the supply chain problems affected by the pandemic will be normalized again. MitraStar will continue to optimize the deployment of capacities and maintain the partnerships with customers and the supply chain. ZNet is committed to the channel business management, providing customers with localized sales and services, while actively expanding the extent of brand services, and planning products and solutions satisfying customers' needs.

Zyxel provides solutions, rather than products, to meet the needs of service providers, while MitraStar seeks more clients for one technology to expand quantity and scale. Zyxel and MitraStar work together to expand their business and support each other. They jointly contribute to the R&D of broadband access equipment, pursue operational optimization and technological interoperability, increase the return on investment of technologies, and enhance operating efficiency. Zyxel focus on product R&D, positioning itself in the areas of new generation high-performance fixed and mobile broadband technology and digital home multimedia, and provide faster service and better performing products to telecom service providers. ZNet actively positions the cloud networking management, 5G, network security, and smart home living field, providing complete commercial and home solutions; in terms of the operating strategies, it also focuses on the management of Managed Service Providers (MSP) and Value-added Resellers, and continuously launches software subscription licensing services to increase user loyalty.

Zyxel is actively developing 10G active and passive fiber (PON) broadband access network solutions to help telecom service providers meet the challenges of serving high demand for bandwidth and provide users with real Multi-gig services. Except for the active investments in the 10G optical fiber user equipment market, the focus will be on the promotion and sales of All-In-One Whitebox OLT central office terminal equipment in the future. As 5G is formally operated commercially, Zyxel has launched the complete 5G NR Fixed Wireless Access (FWA) product portfolio, including outdoor, indoor, and portable products, which has been chosen by many European leading mobile telecom service providers. Meanwhile, excellent software research and development capabilities are adopted to launch the MPro Mesh® solution.

To respond to climate change issues, Zyxel has made it a core target to launch low-carbon green products aligning with the environmental protection trends in recent years. Zyxel plans to launch the WiFi 7 MPro Mesh® solution in 2023, implementing the concept of green products from the shell material, mechanism design, software functions to packaging materials. Through the specific implementation of ESG and the innovation of green products, the Company further grasps the world trends and advantages.

Furthermore, in terms of development of the networking solutions for business application, ZNet combines the popularity of cloud services to provide products and services that can meet the networking needs of businesses and home users. By successfully launching the Nebula smart cloud networking management solution in Taiwan, ZNet has not only made the Nebula cloud management platform support its popular ATP firewalls and USG FLEX firewalls, but also provided SMEs and MSPs with more comprehensive information security protection. Additionally, ZNet continues to release various WiFi 6/6E commercial wireless access

points, switches and 5G/LTE mobile routers to meet the deployment needs of SMEs or SOHO users in any environment.

As a networking company, Unizyx's expertise in networking technologies is also applied to the areas of national defense communications and information security. Unizyx is one of the few Taiwan-based suppliers capable of researching and developing the information security hardware products, such as radar, military wireless communications and firewalls.

By virtue of professional management and market deployment, Unizyx will increase rewards to employees to encourage employees and increase the incentives to solicit talents. Externally, it will improve profitability and long-term competitiveness. The entire management team will use its best effort to combine the sound technical energy, create more infinite possibilities for network communications, and upgrade the shareholders' equity and create a win-win-win situation for Unizyx Holding Corporation and its employees and shareholders.

At last, we wish all of you good health and everything goes well!

Chairman of Board: Shun-I Chu

Chief Executive Officer: Gordon Yang

Chief Financial Officer: Woei Lo

Unizyx Holding Corporation

Audit Committee's Review Report

Unizyx's 2022 Business Report, Financial Statements and proposal for earnings distribution were prepared and submitted by the Board of Directors. The Financial Statements were audited by Ah-Chih Cheng and Ji-Long Yu, CPA of KPMG and issued an Independent Audit Report. The Business Report, Financial Statements and proposal for earnings distribution, have been reviewed and determined to be correct and accurate by the Audit Committee of Unizyx Holding Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Please review and approve.

To

Unizyx Holding Corporation 2023 Annual Shareholders' Meeting

Chin-Tang Liu, Convener of the Audit Committee

March 13, 2023



安侯建業聯合會計師事務所
KPMG

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Independent Auditors' Report

To the Board of Directors of Unizyx Holding Corporation:

Opinion

We have audited the consolidated financial statements of Unizyx Holding Corporation and its subsidiaries (“the Company”), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) and the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of 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 Unizyx Holding Corporation and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on our judgment, the key audit matters that should be disclosed in this report are as follows:

1. Valuation of Accounts Receivable

Please refer to Note 4(7) “Summary of significant accounting policies—Financial instruments”, Note 5(1) “Major sources of accounting judgments, estimations and assumptions of uncertainty”, and Note 6(5) “Explanation of significant accounts—Notes and accounts receivable, net” to the consolidated financial statements.



Description of key audit matters:

The Company has its customers spread throughout the globe, wherein they are vulnerable to various changes, such as market trend, geopolitical economy as well as regulatory matters. Therefore, the customer credit control is considered to be more complex. When assessing the recoverability of its receivables, it is necessary to consider any changes in the credit quality of the receivables from the original grant date of credit limit to the reporting date. For those receivables that have not been collected within the credit term, the balance of the estimated valuation allowance for bad debts is calculated by reference from the transaction in the past and customers' current financial status. The management's judgment on the balance of allowance for impairment loss of receivables involved uncertainty and it might lead to significant adjustments in estimate, as such, it was one of the key audit matters for our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: testing the completeness and accuracy of the aging analysis; testing the key control of the management for the credit limits and supervision process to assess the appropriateness of approval when sales exceed the credit limits; understanding and evaluating the management's consideration and the rate of lifetime expected credit losses relating to receivables that are overdue, vouching the receipt of cash after the year end and understanding the possibility of remaining receivables collection suggested by historical trends; testing the adequacy of the Company's provisions against the receivables by assessing the relevant assumptions, examining and reviewing related documents, discussing with the management the probability of collecting the remaining receivables, as well as recalculating and evaluating the adequacy of the Company's disclosures.

2. Valuation of Inventories

Please refer to Note 4(8) "Summary of significant accounting policies — Inventories", Note 5(2) "Significant accounting judgments, assumptions, and major sources of estimation uncertainty", and Note 6(6) "Explanation of Significant Accounts — Inventories" to the consolidated financial statements.

Description of key audit matters:

The Company mainly engages in the research and development, as well as the production of networks communication products. Inventories are stated at the lower of cost or net realizable value. The Company used judgment and estimate to determine the net realizable value of inventory at the end of each reporting period. However, the rapid evolution of technology and the fluctuation of market may lead to obsolete inventories and unmarketable items. The net realizable value of the inventory is mainly determined based on assumptions of future demand within a specific time frame, which could result in significant adjustments. As a result, the valuation of inventories is one of the key audit matters of our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: obtaining the inventory aging report and testing the completeness and the accuracy of the aging of inventory based on acceptable documents from the last valid transaction; understanding and evaluating the management's judgment on the calculation of net realizable value, testing the relevant documents to assess the adequacy and reasonableness for identification of slow moving inventories and discussing with the management about the reasonableness for slow moving inventories; as well as understanding the management's assumption on the completeness of inventory provisions and evaluating the adequacy of provision to write down slow moving or obsolete inventories; and evaluating the adequacy of the Company's disclosures.



Other Matter

Unizyx Holding Corporation has additionally prepared its parent-company-only financial statements as of and for the years ended December 31, 2022 and 2021, on which we have issued an unqualified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRIC, and 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the audit committee) are responsible for overseeing the Company's financial reporting process.

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 Standards on Auditing of 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 Standards on Auditing of the Republic of China, we exercise professional judgment and 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 Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 Company to cease to continue as a going concern.



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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are An-Chih Cheng and Chi-Lung Yu.

KPMG

Taipei, Taiwan (Republic of China)
March 13, 2023

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Unizyx Holding Corporation and subsidiaries
Consolidated Balance Sheets
December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollars)

Assets	December 31, 2022		December 31, 2021		Liabilities and Equity	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%		Amount	%	Amount	%
Current assets:					Current liabilities:				
Cash and cash equivalents (note 6(1))	\$ 6,040,344	22	5,293,484	25	Short-term borrowings (note 6(11))	\$ 3,131,230	12	1,557,000	7
Financial assets at fair value through profit or loss—current (note 6(2))	128,308	-	147,076	1	Short-term notes and bills payable (note 6(12))	200,000	1	200,000	1
Financial assets at amortized cost—current (notes 6(3) and 8)	22,277	-	281,149	1	Financial liabilities at fair value through profit or loss—current (note 6(2))	105,448	-	124	-
Notes and accounts receivable, net (note 6(5))	8,327,466	31	5,520,935	26	Contract liabilities—current (notes 6(21) and 7)	827,495	3	175,314	1
Accounts receivable—related parties, net (note 7)	122,021	-	21,995	-	Notes and accounts payable	6,788,608	25	4,820,240	23
Other receivables—related parties (note 7)	3,375	-	3,071	-	Accounts payable—related parties (note 7)	122,608	-	181,775	1
Inventories (note 6(6))	8,001,198	30	6,212,269	29	Payroll and bonus payable	968,599	4	867,201	4
Other financial assets—current	35,929	-	28,415	-	Other payables—related parties (note 7)	4,106	-	8,618	-
Other current assets, others	<u>666,205</u>	<u>3</u>	<u>496,219</u>	<u>2</u>	Income tax payable	319,677	1	179,272	1
	<u>23,347,123</u>	<u>86</u>	<u>18,004,613</u>	<u>84</u>	Provision for warranty obligations—current (note 6(14))	456,506	2	495,545	3
Non-current assets:					Lease liabilities—current (note 6(15))	44,265	-	39,181	-
Financial assets at fair value through other comprehensive income—non-current (note 6(4))	28,979	-	25,713	-	Other current liabilities, others	<u>1,433,540</u>	<u>5</u>	<u>1,000,059</u>	<u>4</u>
Financial assets at amortized cost—non-current (notes 6(3) and 8)	104,563	-	104,659	-		<u>14,402,082</u>	<u>53</u>	<u>9,524,329</u>	<u>45</u>
Investments accounted for using the equity method (note 6(7))	37,208	-	16,292	-	Non-current liabilities:				
Property, plant and equipment (note 6(8))	1,891,464	7	1,699,145	8	Bonds payable (note 6(13))	1,897,056	7	1,896,234	9
Right-of-use assets (note 6(9))	427,554	2	418,997	2	Deferred income tax liabilities (note 6(17))	334,368	1	339,904	1
Intangible assets (note 6(10))	343,892	1	361,893	2	Lease liabilities—non-current (note 6(15))	404,052	2	399,908	2
Deferred income tax assets (note 6(17))	591,094	3	547,606	3	Net defined benefit liabilities (note 6(16))	10,491	-	12,979	-
Refundable deposits (note 8)	162,321	1	135,391	1	Guarantee deposits received	<u>734</u>	<u>-</u>	<u>711</u>	<u>-</u>
Net defined benefit assets (note 6(16))	103,515	-	66,075	-		<u>2,646,701</u>	<u>10</u>	<u>2,649,736</u>	<u>12</u>
Other non-current assets	<u>25,325</u>	<u>-</u>	<u>13,290</u>	<u>-</u>	Total liabilities	<u>17,048,783</u>	<u>63</u>	<u>12,174,065</u>	<u>57</u>
	<u>3,715,915</u>	<u>14</u>	<u>3,389,061</u>	<u>16</u>	Equity (note 6(18)):				
Total assets	<u>\$ 27,063,038</u>	<u>100</u>	<u>21,393,674</u>	<u>100</u>	Equity attributable to the shareholders of the parent company:				
					Capital stock	4,001,720	14	4,536,148	21
					Capital surplus	3,489,988	13	3,680,924	17
					Retained earnings	2,946,870	11	1,513,771	7
					Other equity	(490,256)	(2)	(462,103)	(2)
					Treasury stock	<u>(96,550)</u>	<u>-</u>	<u>(198,448)</u>	<u>(1)</u>
						<u>9,851,772</u>	<u>36</u>	<u>9,070,292</u>	<u>42</u>
					Non-controlling interests	<u>162,483</u>	<u>1</u>	<u>149,317</u>	<u>1</u>
					Total equity	<u>10,014,255</u>	<u>37</u>	<u>9,219,609</u>	<u>43</u>
					Total liabilities and equity	<u>\$ 27,063,038</u>	<u>100</u>	<u>21,393,674</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Unizyx Holding Corporation and subsidiaries
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollars, except for earnings per share)

	2022		2021	
	Amount	%	Amount	%
Operating revenues (notes 6(21) and 7)	\$ 30,515,803	100	25,681,970	100
Cost of goods sold (notes 6(6) and 7)	<u>23,527,849</u>	<u>77</u>	<u>19,621,452</u>	<u>76</u>
Gross profit	<u>6,987,954</u>	<u>23</u>	<u>6,060,518</u>	<u>24</u>
Operating expenses (note 7):				
Selling and marketing	2,267,354	8	2,021,928	8
General and administrative	958,008	3	893,502	3
Research and development	1,872,953	6	1,718,432	7
Expected credit loss (note 6(5))	<u>42,377</u>	<u>-</u>	<u>1,222</u>	<u>-</u>
Total operating expenses	<u>5,140,692</u>	<u>17</u>	<u>4,635,084</u>	<u>18</u>
Operating income	<u>1,847,262</u>	<u>6</u>	<u>1,425,434</u>	<u>6</u>
Non-operating income (expenses):				
Other income (notes 6(22) and 7)	57,769	-	73,430	-
Other gains and losses (note 6(22))	205,676	-	171,074	1
Shares of profit (loss) of associates accounted for using the equity method, net (note 6(7))	(10,773)	-	(6,585)	-
Interest income	65,917	-	16,351	-
Interest expense (note 6(22))	(72,659)	-	(29,133)	-
Foreign exchange loss, net (note 6(24))	<u>(100,889)</u>	<u>-</u>	<u>(212,507)</u>	<u>(1)</u>
	<u>145,041</u>	<u>-</u>	<u>12,630</u>	<u>-</u>
Income (loss) before income taxes	1,992,303	6	1,438,064	6
Income tax expenses (note 6(17))	<u>365,372</u>	<u>1</u>	<u>342,605</u>	<u>2</u>
Net income (loss)	<u>1,626,931</u>	<u>5</u>	<u>1,095,459</u>	<u>4</u>
Other comprehensive income (loss):				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit plans (note 6(16))	40,172	-	(11,069)	-
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (note 6(18))	<u>3,266</u>	<u>-</u>	<u>(1,286)</u>	<u>-</u>
Total items that will not be reclassified subsequently to profit or loss	<u>43,438</u>	<u>-</u>	<u>(12,355)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign financial statements	(32,066)	-	(162,198)	-
Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(17))	<u>2,594</u>	<u>-</u>	<u>32,124</u>	<u>-</u>
Total items that may be reclassified subsequently to profit or loss	<u>(29,472)</u>	<u>-</u>	<u>(130,074)</u>	<u>-</u>
Other comprehensive income for the year	<u>13,966</u>	<u>-</u>	<u>(142,429)</u>	<u>-</u>
Total comprehensive income for the year	<u>\$ 1,640,897</u>	<u>5</u>	<u>953,030</u>	<u>4</u>
Net income (loss) attributable to:				
Shareholders of the parent company	\$ 1,618,460	5	1,096,700	4
Non-controlling interests	<u>8,471</u>	<u>-</u>	<u>(1,241)</u>	<u>-</u>
	<u>\$ 1,626,931</u>	<u>5</u>	<u>1,095,459</u>	<u>4</u>
Total comprehensive income attributable to:				
Shareholders of the parent company	\$ 1,630,285	5	956,098	4
Non-controlling interests	<u>10,612</u>	<u>-</u>	<u>(3,068)</u>	<u>-</u>
	<u>\$ 1,640,897</u>	<u>5</u>	<u>953,030</u>	<u>4</u>
Earnings per share (New Taiwan Dollars) (note 6(20)):				
Basic earnings per share	\$ <u>3.87</u>		\$ <u>2.49</u>	
Diluted earnings per share	\$ <u>3.84</u>		\$ <u>2.45</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Unizyx Holding Corporation and subsidiaries

Consolidated Statements of Changes in Equity

For the years ended December 31, 2022 and 2021

(Expressed in thousands of New Taiwan Dollars)

Equity attributable to the shareholders of the parent company

	Equity attributable to the shareholders of the parent company								Total other equity interest				Subtotal of equity attributable to the shareholders of the parent	Non-controlling interests	Total equity
	Share capital				Retained earnings				Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Treasury stock				
	Common stock	Advance receipts for share capital	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (Accumulated deficits)	Total							
Balance at January 1, 2021	\$ 4,411,773	64,665	4,476,438	3,827,886	279,833	200,347	(32,700)	447,480	(293,572)	(58,338)	(351,910)	(120,861)	8,279,033	27,198	8,306,231
Net income (loss) for the period	-	-	-	-	-	-	1,096,700	1,096,700	-	-	-	-	1,096,700	(1,241)	1,095,459
Other comprehensive income (loss) for the period	-	-	-	-	-	-	(10,946)	(10,946)	(128,370)	(1,286)	(129,656)	-	(140,602)	(1,827)	(142,429)
Total comprehensive income (loss) for the period	-	-	-	-	-	-	1,085,754	1,085,754	(128,370)	(1,286)	(129,656)	-	956,098	(3,068)	953,030
Appropriation and distribution of retained earnings:															
Legal reserve used to offset accumulated deficits	-	-	-	-	(32,700)	-	32,700	-	-	-	-	-	-	-	-
Exercise of disgorgement	-	-	-	2	-	-	-	-	-	-	-	-	2	-	2
Cash dividends distributed from capital surplus	-	-	-	(223,822)	-	-	-	-	-	-	-	-	(223,822)	-	(223,822)
Reorganization	-	-	-	-	-	-	(19,463)	(19,463)	19,463	-	19,463	-	-	-	-
Changes in ownership interests in subsidiaries accounted for using the equity method	-	-	-	(15,041)	-	-	-	-	-	-	-	-	(15,041)	15,041	-
Share-based payments	-	-	-	41,124	-	-	-	-	-	-	-	-	41,124	9,106	50,230
Cash dividends received by subsidiaries from the parent company	-	-	-	4,062	-	-	-	-	-	-	-	-	4,062	-	4,062
Disposal of the Company's share by subsidiaries recognized as treasury share transactions	-	-	-	34,510	-	-	-	-	-	-	-	16,022	50,532	-	50,532
Exercise of employee stock options	78,235	(18,525)	59,710	12,203	-	-	-	-	-	-	-	-	71,913	-	71,913
Purchase of treasury stock	-	-	-	-	-	-	-	-	-	-	-	(93,609)	(93,609)	-	(93,609)
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	102,040	102,040
Cash dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,000)	(1,000)
Balance at December 31, 2021	4,490,008	46,140	4,536,148	3,680,924	247,133	200,347	1,066,291	1,513,771	(402,479)	(59,624)	(462,103)	(198,448)	9,070,292	149,317	9,219,609
Net income (loss) for the period	-	-	-	-	-	-	1,618,460	1,618,460	-	-	-	-	1,618,460	8,471	1,626,931
Other comprehensive income (loss) for the period	-	-	-	-	-	-	39,978	39,978	(31,419)	3,266	(28,153)	-	11,825	2,141	13,966
Total comprehensive income (loss) for the period	-	-	-	-	-	-	1,658,438	1,658,438	(31,419)	3,266	(28,153)	-	1,630,285	10,612	1,640,897
Appropriation and distribution of retained earnings:															
Legal reserve	-	-	-	-	106,629	-	(106,629)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	110,193	(110,193)	-	-	-	-	-	-	-	-
Cash dividends to shareholders	-	-	-	-	-	-	(225,339)	(225,339)	-	-	-	-	(225,339)	-	(225,339)
Capital reduction	(450,678)	-	(450,678)	-	-	-	-	-	-	-	-	8,289	(442,389)	-	(442,389)
Changes in ownership interests in subsidiaries accounted for using the equity method	-	-	-	(105)	-	-	-	-	-	-	-	-	(105)	105	-
Changes in ownership interests in associates accounted for using the equity method	-	-	-	13,826	-	-	-	-	-	-	-	-	13,826	-	13,826
Share-based payments	-	-	-	34,729	-	-	-	-	-	-	-	-	34,729	505	35,234
Cash dividends received by subsidiaries from the parent company	-	-	-	4,144	-	-	-	-	-	-	-	-	4,144	-	4,144
Exercise of employee stock options	68,720	(23,110)	45,610	33,202	-	-	-	-	-	-	-	-	78,812	6,008	84,820
Purchase of treasury stock	-	-	-	-	-	-	-	-	-	-	-	(312,483)	(312,483)	-	(312,483)
Retirement of treasury stock	(129,360)	-	(129,360)	(276,732)	-	-	-	-	-	-	-	406,092	-	-	-
Cash dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,064)	(4,064)
Balance at December 31, 2022	\$ 3,978,690	23,030	4,001,720	3,489,988	353,762	310,540	2,282,568	2,946,870	(433,898)	(56,358)	(490,256)	(96,550)	9,851,772	162,483	10,014,255

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Unizyx Holding Corporation and subsidiaries

Consolidated Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in thousands of New Taiwan Dollars)

	2022	2021
Cash flows from operating activities:		
Income (loss) before income tax	\$ 1,992,303	1,438,064
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	301,659	273,734
Amortization expense	112,117	93,155
Expected credit loss	42,377	1,222
Provision for warranties and after service cost	17,441	21,454
Provision of allowance for sales discounts	79,492	66,833
Net profit on financial assets or liabilities at fair value through profit or loss	(208,634)	(162,875)
Interest expense	72,659	29,133
Interest income	(65,917)	(16,351)
Dividend income	(11,619)	(2,830)
Share-based payments	35,234	50,230
Share of loss of associates accounted for using the equity method	10,773	6,585
Loss (gain) on disposal of property, plant and equipment	17	(2,397)
Provision (reversal) of inventory obsolescence loss	197,528	(35,515)
Others	33	2,111
Total adjustments to reconcile profit (loss)	583,160	324,489
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets or liabilities at fair value through profit or loss	365,516	81,725
Notes and accounts receivable (including related parties)	(2,952,805)	308,466
Other receivables — related parties	(304)	2,888
Inventories	(2,042,095)	(1,245,722)
Other operating assets	(130,965)	385,435
Total changes in operating assets	(4,760,653)	(467,208)
Changes in operating liabilities:		
Notes and accounts payable (including related parties)	1,909,201	(777,349)
Other payables — related parties	(4,512)	(37,871)
Net defined benefit assets and liabilities	244	122
Other operating liabilities	1,052,283	(186,197)
Total changes in operating liabilities	2,957,216	(1,001,295)
Total changes in operating assets and liabilities	(1,803,437)	(1,468,503)
Total adjustments	(1,220,277)	(1,144,014)
Cash inflow generated from operations	772,026	294,050
Interest received	63,154	15,908
Dividends received	13,825	3,768
Interest paid	(68,843)	(22,534)
Income taxes paid	(308,851)	(85,843)
Net cash flows from operating activities	471,311	205,349

(Continued)

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Unizyx Holding Corporation and subsidiaries
Consolidated Statements of Cash Flows (continue)
For the years ended December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollars)

	<u>2022</u>	<u>2021</u>
Cash flows from investing activities:		
Acquisition of financial assets at amortized cost	(397,577)	(892,574)
Proceeds from repayments of financial assets at amortized cost	667,759	1,139,766
Acquisition of financial assets at fair value through profit or loss	(284,181)	(304,723)
Proceeds from disposal of financial assets at fair value through profit or loss	251,391	192,564
Acquisition of investments accounted for using equity method	(20,000)	-
Net cash outflow from acquisition of subsidiaries	-	(8,755)
Acquisition of property, plant and equipment	(435,145)	(379,636)
Proceeds from disposal of property, plant and equipment	859	35,714
Increase in refundable deposits	(26,930)	(3,701)
Acquisition of intangible assets	(74,254)	(183,994)
Proceeds from disposal of intangible assets	-	280
Increase in other non-current assets	(24,076)	(17,047)
Net cash flows used in investing activities	<u>(342,154)</u>	<u>(422,106)</u>
Cash flows from financing activities:		
Increase in short-term borrowings	20,289,090	14,819,598
Decrease in short-term borrowings	(18,703,840)	(14,876,384)
Increase in short-term notes and bills payable	1,220,000	1,390,000
Decrease in short-term notes and bills payable	(1,220,000)	(1,490,000)
Proceeds from issuing bonds (deducting issuance costs)	-	1,895,650
Increase in guarantee deposits received	20	178
Payment of lease liabilities	(44,257)	(46,440)
Cash dividends distributed from capital surplus	-	(219,760)
Cash dividends paid	(221,195)	-
Capital reduction payments to shareholders	(442,389)	-
Exercise of employee stock options	84,820	71,913
Purchase of treasury shares	(312,483)	(93,609)
Proceeds from disposal of treasury shares	-	50,532
Increase in non-controlling interests	-	102,040
Cash dividends paid to non-controlling interests	(4,064)	(1,000)
Exercise of disgorgement	-	2
Net cash flows from financing activities	<u>645,702</u>	<u>1,602,720</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(27,999)</u>	<u>(170,638)</u>
Net increase in cash and cash equivalents	746,860	1,215,325
Cash and cash equivalents at the beginning of period	5,293,484	4,078,159
Cash and cash equivalents at the end of period	<u><u>\$ 6,040,344</u></u>	<u><u>5,293,484</u></u>

See accompanying notes to consolidated financial statements.



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Independent Auditors' Report

To the Board of Directors of Unizyx Holding Corporation:

Opinion

We have audited the financial statements of Unizyx Holding Corporation (“the Company”), which comprise the balance sheets as of December 31, 2022 and 2021, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent-company-only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, 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 Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent-company-only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

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

Evaluation of investments accounted for using the equity method

Please refer to Note 4(7) “Summary of significant accounting policies—Investment in associates”, Note 4(8) “Summary of significant accounting policies—Investment in subsidiaries”, and Note 6(3) “Explanation of significant accounts—Investments accounted for using the equity method” to the parent-company-only financial statements.

Description of key audit matters:

The investments in subsidiaries accounted for using the equity method constituted 85% of total assets of the Company, wherein the amount is material. As a result, the evaluation of investments accounted for using the equity method is our key audit matter.



How the matter was addressed in our audit:

Our principal audit procedures included: recalculating the shares of profit or loss of associates and subsidiaries in accordance with ownership percentage of shares; physically counting the securities and certificates of long-term equity investment; discussing with the management about the evaluation of subsidiary-related significant matters, as well as understanding the reasonableness of the subsidiary's valuation of impairment for accounts receivable and inventories; considering the adequacy of the Company's disclosures on its accounts.

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

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

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

Those charged with governance (including the audit committee) are responsible for overseeing the Company's financial reporting process.

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

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent-company-only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent-company-only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent-company-only financial statements, including the disclosures, and whether the parent-company-only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this parent-company-only financial statements. We are responsible for the direction, supervision and performance of the audit. Furthermore, 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 parent-company-only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are An-Chih Cheng and Chi-Lung Yu.

KPMG

Taipei, Taiwan (Republic of China)
March 13, 2023

Notes to Readers

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

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

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)
Unizyx Holding Corporation

Balance Sheets

December 31, 2022 and 2021

(Expressed in thousands of New Taiwan Dollars)

Assets	December 31, 2022		December 31, 2021		Liabilities and Equity	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%		Amount	%	Amount	%
Current assets:					Current liabilities:				
Cash and cash equivalents (note 6(1))	\$ 310,713	2	780,306	7	Payroll and bonus payable	\$ 49,183	-	35,710	-
Accounts receivable, net (note 7)	65,842	1	40,795	-	Compensation payable due to directors (note 6(13))	17,881	-	15,028	-
Other receivables—related parties (notes 6(8) and 7)	1,433,032	12	921,597	9	Other payables—related parties (note 7)	1,360	-	427	-
Other financial assets—current (note 7)	3,016	-	4,001	-	Income tax payable (note 6(8))	252,496	2	108,957	1
Other current assets, others	<u>5,505</u>	-	<u>1,009</u>	-	Other current liabilities, others	<u>52,223</u>	<u>1</u>	<u>16,246</u>	-
	<u>1,818,108</u>	<u>15</u>	<u>1,747,708</u>	<u>16</u>		<u>373,143</u>	<u>3</u>	<u>176,368</u>	<u>1</u>
Non-current assets:					Non-current liabilities:				
Financial assets at fair value through other comprehensive income—non-current (note 6(2))	9,262	-	9,262	-	Bonds payable (note 6(6))	1,897,056	16	1,896,234	17
Investments accounted for using the equity method (note 6(3))	10,265,492	85	9,393,237	84	Net defined benefit liabilities (note 6(7))	<u>10,491</u>	-	<u>12,979</u>	-
Property, plant and equipment (note 6(4))	7,022	-	4,805	-		<u>1,907,547</u>	<u>16</u>	<u>1,909,213</u>	<u>17</u>
Intangible assets (note 6(5))	31,804	-	103	-	Total liabilities	<u>2,280,690</u>	<u>19</u>	<u>2,085,581</u>	<u>18</u>
Deferred income tax assets (note 6(8))	<u>774</u>	-	<u>758</u>	-					
	<u>10,314,354</u>	<u>85</u>	<u>9,408,165</u>	<u>84</u>	Equity (note 6(9)):				
					Capital stock	4,001,720	33	4,536,148	41
					Capital surplus	3,489,988	29	3,680,924	33
					Retained earnings	2,946,870	24	1,513,771	14
					Other equity	(490,256)	(4)	(462,103)	(4)
					Treasury stock	<u>(96,550)</u>	<u>(1)</u>	<u>(198,448)</u>	<u>(2)</u>
					Total equity	<u>9,851,772</u>	<u>81</u>	<u>9,070,292</u>	<u>82</u>
Total assets	<u>\$ 12,132,462</u>	<u>100</u>	<u>11,155,873</u>	<u>100</u>	Total liabilities and equity	<u>\$ 12,132,462</u>	<u>100</u>	<u>11,155,873</u>	<u>100</u>

See accompanying notes to the parent-company-only financial statements.

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

Unizyx Holding Corporation

Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

(Expressed in thousands of New Taiwan Dollars, except for earnings per share)

	2022		2021	
	Amount	%	Amount	%
Revenues:				
Service revenues (notes 6(12) and 7)	\$ 214,613	11	154,821	12
Shares of profit of subsidiaries and associates accounted for using the equity method (note 6(3))	1,689,159	88	1,130,027	88
Interest income (note 7)	9,946	1	5,144	-
Other income	437	-	163	-
	<u>1,914,155</u>	<u>100</u>	<u>1,290,155</u>	<u>100</u>
Expenses:				
General and administrative expenses (note 7)	257,438	13	194,279	15
Interest expense	16,972	1	7,178	1
Loss on disposal of property, plant and equipment	-	-	35	-
	<u>274,410</u>	<u>14</u>	<u>201,492</u>	<u>16</u>
Income (loss) before income taxes	<u>1,639,745</u>	<u>86</u>	<u>1,088,663</u>	<u>84</u>
Income tax expenses (benefits) (note 6(8))	<u>21,285</u>	<u>1</u>	<u>(8,037)</u>	<u>(1)</u>
Net income (loss)	<u>1,618,460</u>	<u>85</u>	<u>1,096,700</u>	<u>85</u>
Other comprehensive income (loss):				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit plans (note 6(7))	2,569	-	(7,466)	(1)
Shares of remeasurements of the defined benefit plans of subsidiaries accounted for using the equity method	37,409	2	(3,480)	-
Shares of unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income of subsidiaries accounted for using the equity method (note 6(9))	3,266	-	(1,286)	-
Total items that will not reclassified subsequently to profit or loss	<u>43,244</u>	<u>2</u>	<u>(12,232)</u>	<u>(1)</u>
Items that may be reclassified subsequently to profit or loss				
Shares of exchange differences on translation of foreign financial statements of subsidiaries accounted for using the equity method	(39,274)	(2)	(160,463)	(12)
Income tax related to components of other comprehensive income to be reclassified to profit or loss (note 6(8))	7,855	-	32,093	2
Total items that may be reclassified subsequently to profit or loss	<u>(31,419)</u>	<u>(2)</u>	<u>(128,370)</u>	<u>(10)</u>
Other comprehensive income for the year	<u>11,825</u>	<u>-</u>	<u>(140,602)</u>	<u>(11)</u>
Total comprehensive income for the year	<u>\$ 1,630,285</u>	<u>85</u>	<u>956,098</u>	<u>74</u>
Earnings per share (New Taiwan Dollars) (note 6(11)):				
Basic earnings per share	\$ <u>3.87</u>		\$ <u>2.49</u>	
Diluted earnings per share	\$ <u>3.84</u>		\$ <u>2.45</u>	

See accompanying notes to the parent-company-only financial statements.

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)
Unizyx Holding Corporation
Statements of Changes in Equity
For the years ended December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollars)

	Total other equity interest												
	Capital stock				Retained earnings				Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total	Treasury stock	Total equity
	Common stock	Advance receipts for share capital	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (Accumulated deficits)	Total					
Balance at January 1, 2021	\$ 4,411,773	64,665	4,476,438	3,827,886	279,833	200,347	(32,700)	447,480	(293,572)	(58,338)	(351,910)	(120,861)	8,279,033
Net income (loss) for the period	-	-	-	-	-	-	1,096,700	1,096,700	-	-	-	-	1,096,700
Other comprehensive income (loss) for the period	-	-	-	-	-	-	(10,946)	(10,946)	(128,370)	(1,286)	(129,656)	-	(140,602)
Total comprehensive income (loss) for the period	-	-	-	-	-	-	1,085,754	1,085,754	(128,370)	(1,286)	(129,656)	-	956,098
Appropriation and distribution of retained earnings:													
Legal reserve used to offset accumulated deficits	-	-	-	-	(32,700)	-	32,700	-	-	-	-	-	-
Exercise of disgorgement	-	-	-	2	-	-	-	-	-	-	-	-	2
Cash dividends from capital surplus	-	-	-	(223,822)	-	-	-	-	-	-	-	-	(223,822)
Reorganization	-	-	-	-	-	-	(19,463)	(19,463)	19,463	-	19,463	-	-
Changes in ownership interests in subsidiaries accounted for using the equity method	-	-	-	(15,041)	-	-	-	-	-	-	-	-	(15,041)
Share-based payments	-	-	-	41,124	-	-	-	-	-	-	-	-	41,124
Cash dividends received by subsidiaries from the parent company	-	-	-	4,062	-	-	-	-	-	-	-	-	4,062
Disposal of the Company's share by subsidiaries recognized as treasury share transactions	-	-	-	34,510	-	-	-	-	-	-	-	16,022	50,532
Exercise of employee stock options	78,235	(18,525)	59,710	12,203	-	-	-	-	-	-	-	-	71,913
Purchase of treasury stock	-	-	-	-	-	-	-	-	-	-	-	(93,609)	(93,609)
Balance at December 31, 2021	4,490,008	46,140	4,536,148	3,680,924	247,133	200,347	1,066,291	1,513,771	(402,479)	(59,624)	(462,103)	(198,448)	9,070,292
Net income (loss) for the period	-	-	-	-	-	-	1,618,460	1,618,460	-	-	-	-	1,618,460
Other comprehensive income (loss) for the period	-	-	-	-	-	-	39,978	39,978	(31,419)	3,266	(28,153)	-	11,825
Total comprehensive income (loss) for the period	-	-	-	-	-	-	1,658,438	1,658,438	(31,419)	3,266	(28,153)	-	1,630,285
Appropriation and distribution of retained earnings:													
Legal reserve	-	-	-	-	106,629	-	(106,629)	-	-	-	-	-	-
Special reserve	-	-	-	-	-	110,193	(110,193)	-	-	-	-	-	-
Cash dividends to shareholders	-	-	-	-	-	-	(225,339)	(225,339)	-	-	-	-	(225,339)
Capital reduction	(450,678)	-	(450,678)	-	-	-	-	-	-	-	-	8,289	(442,389)
Changes in ownership interests in subsidiaries accounted for using the equity method	-	-	-	(105)	-	-	-	-	-	-	-	-	(105)
Changes in ownership interests in associates accounted for using the equity method	-	-	-	13,826	-	-	-	-	-	-	-	-	13,826
Share-based payments	-	-	-	34,729	-	-	-	-	-	-	-	-	34,729
Cash dividends received by subsidiaries from the parent company	-	-	-	4,144	-	-	-	-	-	-	-	-	4,144
Exercise of employee stock options	68,720	(23,110)	45,610	33,202	-	-	-	-	-	-	-	-	78,812
Purchase of treasury stock	-	-	-	-	-	-	-	-	-	-	-	(312,483)	(312,483)
Retirement of treasury stock	(129,360)	-	(129,360)	(276,732)	-	-	-	-	-	-	-	406,092	-
Balance at December 31, 2022	\$ 3,978,690	23,030	4,001,720	3,489,988	353,762	310,540	2,282,568	2,946,870	(433,898)	(56,358)	(490,256)	(96,550)	9,851,772

See accompanying notes to the parent-company-only financial statements.

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

Unizyx Holding Corporation

Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in thousands of New Taiwan Dollars)

	2022	2021
Cash flows from operating activities:		
Income (loss) before income tax	\$ 1,639,745	1,088,663
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	1,233	940
Amortization expense	1,185	112
Interest expense	16,972	7,178
Interest income	(9,946)	(5,144)
Share-based payments	4,963	6,018
Share of profit of subsidiaries accounted for using the equity method	(1,689,159)	(1,130,027)
Loss on disposal of property, plant and equipment	-	35
Total adjustments to reconcile profit (loss)	(1,674,752)	(1,120,888)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Accounts receivable	(25,047)	(2,211)
Other receivables — related parties	118,410	20,570
Other financial assets and other current assets	(5,210)	(7)
Total changes in operating assets	88,153	18,352
Changes in operating liabilities:		
Other payables — related parties	23	(71)
Accrued expenses and other current liabilities	52,303	33,606
Net defined benefit liabilities	81	17
Total changes in operating liabilities	52,407	33,552
Total changes in operating assets and liabilities	140,560	51,904
Total adjustments	(1,534,192)	(1,068,984)
Cash inflow generated from operations	105,553	19,679
Interest received	10,931	1,174
Dividends received (treated as a reduction of equity-method investment cost)	880,976	239,240
Interest paid	(16,150)	-
Income taxes paid	(105,982)	(10,113)
Net cash flows from operating activities	875,328	249,980
Cash flows from investing activities:		
Acquisition of investments accounted for using the equity method	-	(509,998)
Acquisition of property, plant and equipment	(3,546)	(2,367)
Proceeds from disposal of property, plant and equipment	-	708
Increase in other receivables — related parties	(400,000)	(800,000)
Acquisition of intangible assets	(32,790)	-
Net cash flows used in investing activities	(436,336)	(1,311,657)
Cash flows from financing activities:		
Proceeds from issuing bonds (deducting issuance costs)	-	1,895,650
Cash dividends distributed from capital surplus	-	(223,822)
Cash dividends paid	(225,339)	-
Capital reduction payments to shareholders	(450,678)	-
Exercise of employee stock options	79,915	71,913
Purchase of treasury stocks	(312,483)	(93,609)
Exercise of disgorgement	-	2
Net cash flows from (used in) financing activities	(908,585)	1,650,134
Net increase (decrease) cash and cash equivalents	(469,593)	588,457
Cash and cash equivalents at the beginning of period	780,306	191,849
Cash and cash equivalents at the end of period	\$ 310,713	780,306

See accompanying notes to the parent-company-only financial statements.

Unizyx Holding Corporation

2022 Earning Distribution Table

Unit: NTD

Item	Amount	
	Subtotal	Total
Opening undistributed earnings		\$ 624,129,499
Plus (Less):		
Remeasurement of the defined benefit plans	\$ 39,978,980	
Net income of 2022	1,618,459,721	1,658,438,701
Distributable earnings		2,282,568,200
Plus (Less):		
Legal Reserve	(165,843,870)	
Special Reserve	(179,717,070)	
Distribution Item:		
Cash Dividends(NT\$1.25 per share)	(500,214,963)	(845,775,903)
Unappropriated retained earnings		1,436,792,297

Chairman of Board: Shun-I Chu

Chief Executive Officer: Gordon Yang

Chief Financial Officer: Woei Lo

Unizyx Holding Corporation
Comparison Table for Amendments to the Procedures for Ethical
Management and Guidelines for Conduct

After amendment	Before amendment	Basis of amendment
<p>Article 5 Omitted</p> <p>The internal control mechanism and approval system should cover the precaution methods of unethical conduct to ensure preventing corruptions.</p> <p>The Company designates sustainable development committee as the solely responsible unit in charge of the amendment, advisory services, educational training with respect to these Procedures and Guidelines, and monitoring of implementation. The responsible unit shall be in charge of the following matters and also submit regular reports to board of directors on a regular basis (at least once a year).</p> <p>1. Assisting in incorporating ethics and moral values into this Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.</p> <p>2. Analysing and assessing the risks of unethical conduct within the business scope on a regular basis and</p>	<p>Article 5 Omitted</p> <p>The internal control mechanism and approval system should cover the precaution methods of unethical conduct to ensure preventing corruptions.</p> <p>The Corporation designates human resources department as the solely responsible unit in charge of the amendment, advisory services and educational training with respect to these Procedures and Guidelines, The internal auditing department (hereinafter, "responsible unit") will be designated for the monitoring of implementation and reporting to board of directors on a regular basis (at least once a year).</p>	<p>Amended pursuant to the competent authorities "Sample Template for XXX Co., Ltd. Procedures for Ethical Management and Guidelines for Conduct."</p>

After amendment	Before amendment	Basis of amendment
<p><u>accordingly adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to this Company's operations and business.</u></p> <p><u>3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.</u></p> <p><u>4. Promoting and coordinating awareness and educational activities with respect to ethics policy.</u></p> <p><u>5. Developing a whistle-blowing system and ensuring its operating effectiveness.</u></p> <p><u>6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</u></p> <p><u>7. Preparing and retaining properly documented information such as ethical management policy and</u></p>		

After amendment	Before amendment	Basis of amendment
compliance statements, situations concerning the performance of undertakings and enforcement etc.		
<p>Article 16 The Company shall request its directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.</p> <p>The Company shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.</p>	<p>Article 16 The Corporation shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.</p>	<p>Amended pursuant to the competent authorities "Sample Template for XXX Co., Ltd. Procedures for Ethical Management and Guidelines for Conduct."</p>
<p>Article 25 As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, the Company will grant a reward depending the seriousness of the circumstance concerned after the CEO approval. Insiders having made a false report or malicious accusation shall be subject</p>	<p>Article 25 The Corporation shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:</p> <p>1. An independent mailbox or hotline, either internally</p>	<p>Amended pursuant to the competent authorities "Sample Template for XXX Co., Ltd. Procedures for Ethical Management and Guidelines for Conduct."</p>

After amendment	Before amendment	Basis of amendment
<p><u>to disciplinary action and be removed from office if the circumstance concerned is material. The Company shall internally <u>establish</u> and publicly <u>announce on its website and the intranet</u>, or <u>provide through</u> an independent external institution, <u>an independent mailbox or hotline for insiders and outsiders of the Company</u> to submit reports. <u>A whistleblower shall at least furnish the following information:</u></u></p> <ol style="list-style-type: none"> <u>1. the whistleblower's name and I.D. number (whistleblowing reports may be submitted anonymously), and an address, telephone number and e-mail address where it can be reached.</u> <u>2. the informed party's name or other information sufficient to distinguish its identifying features.</u> <u>3. specific facts available for investigation.</u> <p><u>Personnel of the Company handling whistle-blowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential. The Company also undertakes to protect the whistleblowers from improper treatment due to their whistleblowing. The responsible unit of the</u></p>	<p>established and publicly announced or provided by an independent external institution, to allow company insiders and outsiders to submit reports.</p> <ol style="list-style-type: none"> <u>2. <u>Dedicated personnel or unit appointed</u> to handle whistle-blowing system. Any tip involving a director or senior manager shall be reported to the independent directors or <u>supervisors.</u> <u>Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted.</u></u> <u>3. <u>Follow-up measures to be adopted depending on the severity of the circumstances after investigations of cases reported are completed.</u> Where necessary, a case shall be reported to the competent authority or referred to the judicial authority.</u> <u>4. Documentation of <u>case</u> acceptance, investigation <u>processes</u>, investigation results, and <u>relevant</u> documents.</u> <u>5. <u>Confidentiality of the</u></u> 	

After amendment	Before amendment	Basis of amendment
<p><u>Company shall observe the following procedure in handling whistleblowing matters:</u></p> <p>1. <u>An information shall be reported to the department head if involving the rank and file and to an independent director if involving a director or a senior executive.</u></p> <p>2. <u>The responsible unit of the Company and the department head or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department.</u></p> <p>3. <u>If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or the Company's policy and regulations of ethical management, the Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, the Company will report to the competent authority, refer said person to judicial authority for investigation, or institute legal proceedings and seek damages to</u></p>	<p><u>identity of whistle-blowers and the content of reported cases, and an undertaking regarding anonymous reporting.</u></p> <p>6. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing.</p> <p>7. <u>Whistle-blowing incentive measures.</u></p> <p><u>When material misconduct or likelihood of material impairment to the Corporation comes to their awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors or supervisors in written form.</u></p>	

After amendment	Before amendment	Basis of amendment
<p><u>safeguard its reputation and its rights and interests.</u></p> <p>4. Documentation of case acceptance, investigation processes, <u>and</u> investigation results <u>shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.</u></p> <p>5. <u>With respect to a confirmed information, this Corporation shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.</u></p> <p>6. <u>The responsible unit of the Company shall submit to the board of directors a report on the whistleblowing case, actions taken, and subsequent reviews and corrective measures.</u></p>		
<p>Article 27 Omitted</p> <p>The second amendment was modified on March 9, 2020. <u>The third amendment was modified on November 7, 2022.</u></p>	<p>Article 27 Omitted</p> <p>The second amendment was modified on March 9, 2020.</p>	<p>Adding the date of amendment.</p>

Unizyx Holding Corporation
Comparison Table for Amendments to the Articles of Incorporation

After amendment	Before amendment	Basis of amendment
Article 1: This Company shall be incorporated in accordance with the Company Act, and shall be named " Zyxel Group Corporation ."	Article 1: This Company shall be incorporated in accordance with the Company Act, and shall be named " Unizyx Holding Corporation ."	Amended to adapt to the Company's need.
Article 33:Omitted The seventh amendment was approved on June 15, 2022. The eighth amendment was approved on June 15, 2023.	Article 33:Omitted The seventh amendment was approved on June 15, 2022.	Adding the date of amendment.

Unizyx Holding Corporation
Comparison Table for Amendments to the Procedures for Loaning Funds
to Others

After amendment	Before amendment	Basis of amendment
<p>Article 4: Aggregated amount of loaning, and limit to individual entity</p> <p>The aggregated amount of these loaned funds shall not exceed 40 percent of the Company's net worth. The limits to individual entities, and the reasons are specified as follows:</p> <p>1.Where funds are loaned to those who with business dealings, the upper limit of loan is the higher amount of purchase from or sale to the entity in the most recent year or the current year up to the time of loaning.</p> <p>2.For the short-term financing facility necessary, the individual loan shall not exceed <u>20</u> percent of the Company's net worth.</p>	<p>Article 4: Aggregated amount of loaning, and limit to individual entity</p> <p>The aggregated amount of these loaned funds shall not exceed 40 percent of the Company's net worth. The limits to individual entities, and the reasons are specified as follows:</p> <p>1.Where funds are loaned to those who with business dealings, the upper limit of loan is the higher amount of purchase from or sale to the entity in the most recent year or the current year up to the time of loaning.</p> <p>2.For the short-term financing facility necessary, the individual loan shall not exceed <u>10</u> percent of the Company's net worth.</p>	Amended to adapt to the internal demands.
<p>Article 15: The Operational Procedures were approved on June 17, 2010.</p> <p>The first amendment to the Procedures was approved on June 18, 2013.</p> <p>The second amendment to the Procedures was approved on June 12, 2019.</p> <p>The third amendment to the Procedures was approved on June 12, 2020.</p> <p>The fourth amendment to the Procedures was approved on July 1, 2021.</p> <p>The fifth amendment to the Procedures was approved on June 15, 2023.</p>	<p>Article 15: The Operational Procedures were approved on June 17, 2010.</p> <p>The first amendment to the Procedures was approved on June 18, 2013.</p> <p>The second amendment to the Procedures was approved on June 12, 2019.</p> <p>The third amendment to the Procedures was approved on June 12, 2020.</p> <p>The fourth amendment to the Procedures was approved on July 01, 2021.</p>	Adding the date of amendment.

Unizyx Holding Corporation Rules of Procedure for Shareholders' Meetings

- Article 1: To establish a strong governance system and sound supervisory capabilities for the Company's shareholders' meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 2: The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be provided in these Rules.
- Article 3: Unless otherwise provided by law or regulation, this Company's shareholders meetings shall be convened by the board of directors.
- The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders' meeting or before 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS 21 days before the date of the regular shareholders' meeting or before 15 days before the date of the special shareholders' meeting. In addition, 15 days before the date of the shareholders' meeting, The Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders' at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby, as well as being distributed on-site at the meeting place.
- The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.
- Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, and Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extraordinary motion; the essential contents may be posted on the website designated by the

competent authority in charge of securities affairs or the corporation, and such website shall be indicated in the above notice.

Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders' meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a written proposal for discussion at a regular shareholders' meeting. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. A shareholder proposal for urging the corporation to promote public interests or fulfill its social responsibilities may still be included in the agenda by the board of directors by complying with the requirement of Article 172-1, the Company Act, for one item only; no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Prior to the book closure date before a regular shareholders' meeting is held, this Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda.

Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders' who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the board of directors at the shareholders' meeting to be convened.

Article 4: For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5: The meeting shall be held at the head office of the Company or at any other appropriate place that is convenient for the shareholders to attend. The time to start the meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m. Full consideration shall be given to the independent directors' opinions with respect to the place and time of the meeting.

Article 6: The Company shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

The Company shall furnish the attending shareholders' with an attendance book to sign, or attending shareholders' or their proxies (hereafter "shareholder(s))" may hand in a sign-in card in lieu of signing in. The Company shall furnish attending shareholders' with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished. Shareholders' shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders'. Solicitors soliciting proxy forms shall also bring identification documents for verification. When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.

Article 7: The Chairman of the board of directors shall chair the meeting in the case that the meeting is convened by the Board of Directors. If the Chairman of the board of directors is on leave or absent or can not exercise his power and authority for any cause, the Vice Chairman shall act on his behalf. In case there is no Vice Chairman, or the Vice Chairman is also on leave or absent or unable to exercise his power and authority for any cause, the Chairman of the board of directors shall designate one of the managing directors, or where there is no managing directors, one of the directors to act on his behalf. In the absence of such a designation, the managing directors or the directors shall elect from among themselves an acting Chairman of the board of directors.

When a managing director or director serves as the aforementioned chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for 6 months or more and who understands the financial and business conditions of the Company. This also applies to the chair, who is the representative of a juristic person director.

It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the chairperson of the Board in person and attended by a majority of the directors, at least one independent director in person, and the convener of the Audit Committee. The attendance shall be recorded in the meeting minutes. For a shareholders' meeting convened by any other person having the convening right, he/she shall act as the Chairman of that meeting provided. However, if there are two or more persons having the convening right, the Chairman of the meeting shall be elected from among themselves. The Company may appoint its attorneys, certified public accountants, or related persons to attend the meeting in a non-voting capacity.

Article 8: The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the meeting and the voting and vote counting procedures. The recorded materials shall be retained for at least 1 year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the materials of the meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.

Article 9: The attendance is calculated on the basis of shares. The number of shares represented by shareholders' attending the meeting shall be calculated in accordance with the sign-in book or attendance cards handed in, plus the number of shares exercising voting rights in writing or by way of electronic transmission.

The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders' do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chair shall declare the meeting adjourned.

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

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

Article 10: If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). 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. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders' in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders', and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by

the shareholders'; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders' speak will be set by the chair.

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

A shareholder may not speak more than twice on the same proposal, except with the chair's consent, and a single speech may not exceed 5 minutes. However, if the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech. When an attending shareholder is speaking, other shareholders' may not speak or interrupt unless they have sought and obtained the chair's consent and the shareholder that has the floor; the chair shall stop any violation. When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives appointed may speak on the same proposal.

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

Article 12: The voting is calculated on the basis of shares.

The shares held by shareholders having no voting right shall not be counted in the total number of issued shares while adopting a resolution at a meeting of shareholders. A shareholder who has a personal interest in the matter under discussion at a meeting, which may impair the company's interest, shall not vote nor exercise the voting right on behalf of another shareholder.

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

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

Article 13: 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 the Company holds a shareholder meeting, it shall adopt 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. 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 Company 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. Unless an explicit statement to revoke the previous intention is made in the proxy, which comes later.

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 Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in this Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders'. 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'. When there is an amendment or an 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. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders' of the Company.

Vote counting for proposals or elections shall be conducted in public at the place of the meeting. The voting results, including the statistical tallies of the number of votes, shall be announced on-site at the meeting right after vote counting has been completed and put on record.

Article 14: 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.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the materials of the meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.

Article 15: Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the Chairman of the meeting and shall be distributed to all shareholders' of the company within twenty (20) days after the close of the meeting. The preparation and distribution of the minutes of shareholders' meeting may be effected by means of electronic transmission.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of the Company. Provided, if there is any contest to a proposal by any shareholder, such proposal shall be indicated as voting conducted, with the number of favorable rights and ratio of rights.

Article 16: On the day of a shareholders' meeting, the Company 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.

If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17: Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or armbands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing. When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

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

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 19: These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

Article 20: The Rules were approved on June 17, 2010.

The first amendment to the Rules was approved on June 15, 2011.

The second amendment to the Rules was approved on June 12, 2012.

The third amendment to the Rules was approved on June 18, 2013

The fourth amendment to the Rules was approved on June 15, 2015.

The fifth amendment to the Rules was approved on June 15, 2017.

The sixth amendment to the Rules was approved on June 12, 2019.

The seventh amendment to the Rules was approved on June 12, 2020.

The eighth amendment to the Rules was approved on July 1, 2021

ARTICLES OF INCORPORATION OF Unizyx Holding Corporation

CHAPTER I – GENERAL PROVISIONS

- Article 1: This Company shall be incorporated in accordance with the Company Act, and shall be named “Unizyx Holding Corporation.”
- Article 2: The scope of business of this Company: H201010 Investment.
- Article 3: This Company may, for its business operations or other investment matters, make endorsements or issue guarantees. Procedures Governing Endorsement and Guarantees shall be enacted or revised with Shareholders’ Meeting approval.
- Article 4: The Company is a professional investment company, the total amount of investment made by this Company may exceed forty percent of the amount of its own paid-up capital. The Board of Director is authorized to make investment decisions.
- Article 5: The headquarters of this Company is located in Hsinchu City. If the Company considers it necessary, it may, by a resolution adopted at a meeting by the Board of Directors, set up branch offices in Taiwan or abroad.
- Article 6: Any and all public announcements to be made by the Company shall be published in accordance with Article 28 of the Company Act.

CHAPTER II – CAPITAL STOCK

- Article 7: The total amount of this Company capital stock is NT\$ seven (7) billion divided into seven hundred (700) million shares at par value of NT\$10 per share, within which the Board of Directors is authorized to issue shares in installments. NT\$ five hundred and twenty million of the aforesaid total capital stock, divided into 52 million shares each at a par value of NT\$10, is reserved for exercising stock options of share subscription warrants, special shares under ancillary share subscription rights or corporate bonds with warrants.
- Article 8: The Company’s shares are registered, numbered, and sealed or signed by the directors representing the Company, duly certified or authenticated by the competent authority or a certifying institution appointed by the competent authority before issuance thereof, before issuance. The Company may issue shares without printing share certificate(s), but shall register with a centralized securities depository enterprises.
- Article 9: (Deleted)
- Article 10: All matters concerning shares shall be handled in accordance with “Regulations Governing the Administration of Shareholder Services of Public Companies” provided by competent authority.

Article 11: Registration for transfer of shares shall be suspended sixty (60) days immediately before the date of regular meeting of shareholders, and thirty (30) days immediately before the date of any special meeting of shareholders, or within five (5) days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.

Article 12: (Deleted)

Article 13: (Deleted)

Article 14: After the approval of at least two-thirds of the voting rights represented at a Shareholders' Meeting attended by shareholders representing a majority of the total issued shares, the Company may issue employee stock options at the price lower than the price for buying back such shares, or the price lower than the closing price of this Company stocks as of the issue date.

Article 15: The shares bought by this Company could only be transferred to the staff or employee of parents or subsidiaries of this Company, to the extent qualified under certain requirement specified by the Board of Directors.

This Company may issue employee stock options to the staff or employee of parents or subsidiaries of this Company, to the extent qualified under certain requirement specified by the Board of Directors.

This Company may issue new shares to the staff or employee of parents or subsidiaries of this Company, to the extent qualified under certain requirement specified by the Board of Directors.

This Company may issue restricted stock for employees to the staff or employee of parents or subsidiaries of this Company, to the extent qualified under certain requirement specified by the Board of Directors.

CHAPTER III – SHAREHOLDERS' MEETINGS

Article 16: Shareholders' Meetings of this Company are classified into regular meetings and special meetings:

1. Regular meetings shall be convened at least once a year, within six months after the close of each fiscal year.
2. Special meetings shall be convened, whenever deemed necessary in accordance with the law.

For a Shareholders' Meeting convened by the Board of Directors, the chairman of the meeting shall be appointed in accordance with the relevant regulations. Whereas for a Shareholders' Meeting convened by any other person having the convening right, he/she shall act as the chairman of that meeting provided, however, that if there are two or more persons having the convening right, the chairman of the meeting shall be elected from among themselves.

A Company shall establish the rules governing the proceedings of meetings.

Article 17: Where a shareholder is unable to attend a meeting, such shareholder may appoint a proxy by using the proxy form provided by this Company, which shall specify the scope of proxy. The methods of voting through proxy, besides regulated by Article 177 of

Company Act, should be in compliance with “Regulations Governing the Use of Proxies for Attendance at Shareholders’ Meetings of Public Companies” provided by competent authority.

Article 18: Unless specified by other laws or regulations, each share of stock shall be entitled to one vote.

Article 19: Unless specified by other laws or regulations, a resolution may be adopted by the holders of a simple majority, either attend directly or through proxy, of the votes of the issued and outstanding capital stock represented at a Shareholders’ Meeting at which the holders of a majority of issued and outstanding capital stock are present. According to regulatory requirements, shareholders may also vote via an electronic voting system, and those who do shall be deemed as attending the Shareholders’ Meeting in person; electronic voting shall be conducted in accordance with the relevant laws and regulations.

Article 20: Resolutions adopted at a Shareholders’ Meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the Company within twenty (20) days after the close of the meeting. The preparation and distribution of the minutes of Shareholders’ Meeting may be effected by means of electronic transmission.

The minutes of Shareholders’ Meeting shall record the date and place of the meeting, the name of the chairman, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be kept persistently throughout the life of the Company.

The attendance list bearing the signatures of shareholders present at the meeting and the powers of attorney of the proxies shall be kept by the company for a minimum period of at least one (1) year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act hereof, the minutes of the Shareholders’ Meeting involved shall be kept by the company until the legal proceedings of the foregoing lawsuit have been concluded.

CHAPTER IV – DIRECTORS

Article 21: This Company shall have seven (7) ~ fifteen (15) directors to be elected by Shareholders’ Meeting from competent persons. The term of office for directors shall be three (3) years and are eligible for re-election.

The Company adopts the candidates’ nomination system for the election of directors, shareholders should elect directors from nominees list.

The minimum amount of shares to be owned by the Company’s directors should be handled in accordance with the regulations of the competent authority.

The Company shall take the liability insurance for the directors who have to be responsible for the damages caused by their duties. Any liability insurance and the content thereof, including insurance amount, coverage and insurance rate, acquired or renewed under this section should be submitted to the recent Board meeting.

Article 22: The Company shall establish three (3) or more independent directors to be included in the number of directors designated in the preceding Paragraph. The professional

qualifications, restrictions on both shareholding and concurrent positions held, determination of independence, method of nomination, and other requirements with regard to the independent directors shall be set forth in accordance with the Securities and Exchange Act and other relevant regulations.

Article 23: The Board of Directors shall consist of directors of the Company, directors should attend directors' meeting, where a director is unable to attend the meeting of the Board of Directors, he or she may appoint another director as their proxy to attend the meeting by issuing a letter of proxy. Each director can act as a proxy for only one other director.

The chairman of the Board of Directors shall be elected by a majority of directors in attendance at a meeting attended by over two-thirds of the Board of Directors. The chairman of the Board of Directors is designated to represent the Company.

A Board of Directors shall meet at least quarterly, unless otherwise provided for in the Company Act, resolutions of the Board of Directors shall be adopted by one-half of the directors at a meeting attended by one-half of the directors.

In calling a meeting of the Board of Directors, a notice setting forth therein the subject(s) to be discussed at the meeting shall be given to each director no later than seven (7) days prior to the scheduled meeting date. However, in the case of emergency, the meeting may be convened at any time. The afore-mentioned notice may be conducted by written copy, fax, or email.

The notice set forth in the preceding Paragraph may be affected by means of electronic transmission, after obtaining a prior consent from the recipient(s) thereof.

Any Director attending the meeting via video conference shall be deemed attending the meeting in person.

Article 24: In case the chairman of the Board of Directors is on leave or absent or cannot exercise his power and authority for any cause, the matter should be handled in accordance with Article 208 of the Company Act.

Article 25: (Deleted)

Article 26: The Board of Directors is authorized to determine the salary for the directors, whether the Company earned a profit or suffered a loss, the salary shall be paid by taking into account the standards of the industry.

CHAPTER V – MANAGERS

Article 27: This Company has assigned CEO, the appointment, removal, and compensation of the president and vice presidents shall be made in accordance with Article 29 of the Company Act.

CHAPTER VI – ACCOUNTING

Article 28: At the end of each business fiscal year, the following reports shall be prepared by the Board of Directors, and shall be submitted to the Shareholders' Meeting for approval after they are reviewed by the Audit Committee thirty (30) days before the Shareholders' Meeting:

1. Business Report;
2. Financial Report; and
3. Proposal of Appropriation of Net Profit or the Covering of Losses.

Article 29: Where there is profit at the end of the fiscal year of this Company, this Company shall firstly allocate an amount not less than one ten thousandth (1/10000) of the profit as the employee bonus and an amount not more than two percent (2%) of the profit as director remuneration. If this Company still has losses of previous years, the profit shall be reserved to recover the accumulated losses in advance. In the event that employee bonus is allocated in cash or stocks, the staff or employee of parents or subsidiaries of this Company, to the extent qualified under certain requirement specified by the Board of Directors, is entitled to such employee bonus.

Article 30: Where this Company has earnings at the end of the fiscal year, after paying all relevant taxes and making up losses of previous years, this Company shall allocate 10% of said earnings as legal reserve (unless such legal reserve amounts to the total authorized paid-in capital). thereafter, a special reserve shall be set aside or reversed, the remainders together with the undistributed earnings at the beginning of this period are distributable surplus. The Boards of directors may propose to allocate the distributable surplus, after reserved in whole or in part, as shareholder's dividend on the condition of shareholder's approval.

For the net increases in other equity accumulated in previous periods, the special reserve is set aside from the undistributed earnings of the previous period. Shall that be insufficient, the sum amount of the net profit after tax of the period, plus the items other than the net profit after tax accounted in the undistributed earnings of the current period is set aside as the special reserve.

The Company's dividend policy shall be based on the Company's profitability, future business operation, and shareholders' interests. Dividends distribution, according to this Articles of Incorporation, shall be distributed in compliance with earning distribution stipulated by the Board of Directors, by taking capital increase from retained earnings or cash or dividend distribution, according to Shareholders' Meeting to achieve a stable balance of the dividend policy based on the Company's structure of shares and finance and profits.

When distributing the earnings, at least 10% of the balance where the earnings after tax of the year deducts the special reserve set aside as required by laws, is distributed as the shareholders' bonus. And the bonus shall be distributed as cash dividend as the first priority. The share dividends may be applied; provided the percentage of the share dividends shall not more than 50% of the total dividend amount.

CHAPTER VII – SUPPLEMENTARY PROVISIONS

Article 31: The Company's directors, managers, etc. may not release the Company's confidential documents or other confidential information in terms of technology, marketing, products and other confidential information obtained through participation of the Company's operating to others.

Article 32: The Company Act and related regulations shall govern any matter not provided in the Articles of Incorporation.

Article 33: These Articles of Incorporation were approved on June 17, 2010.
The first amendment was approved on October 4, 2010.
The second amendment was approved on June 12, 2012.
The third amendment was approved on June 15, 2015.
The fourth amendment was approved on June 16, 2016.
The fifth amendment was approved on June 15, 2017.
The sixth amendment was approved on June 12, 2019.
The seventh amendment was approved on June 15, 2022.

Unizyx Holding Corporation

Procedures for Ethical Management and Guidelines for Conduct

- Article 1 The Company engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency, and in order to fully implement a policy of ethical management and actively prevent unethical conduct, these Procedures for Ethical Management and Guidelines for Conduct (hereinafter, "Procedures and Guidelines") are adopted pursuant to the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and the applicable laws and regulations of the places where the Company and its business groups and organizations operate, with a view to providing all personnel of the Company with clear directions for the performance of their duties.
- The scope of application of these Procedures and Guidelines includes subsidiaries of the Company, any incorporated foundation in which the Company's accumulated contributions, direct or indirect, exceed 50 percent of the total funds of the foundation, and other group enterprises and organizations, such as institutions or juristic persons, substantially controlled by the Company (hereinafter, "Group Enterprises and Organizations").
- Article 2 The targets following the ethical management conduct refers to any director, supervisor, managerial officer, employee, mandatary or person having substantial control, of the Company or its group enterprises and organizations (hereinafter, "personnel of the Company").
- Any provision, promise, request, or acceptance of improper benefits by any personnel of the Company through a third party will be presumed to be an act by the personnel of the Company.
- Article 3 For the purposes of these Procedures and Guidelines, "unethical conduct" means that any personnel of the Company, in the course of their duties, directly or indirectly provides, promises, requests, or accepts improper benefits or commits a breach of ethics, unlawful act, or breach of fiduciary duty for purposes of acquiring or maintaining benefits.
- The counterparties of the unethical conduct under the preceding paragraph include public officials, political candidates, political parties or their staffs, and government-owned or private-owned enterprises or institutions and their directors, supervisors, managerial officers, employees, persons having substantial control, or other interested parties.
- Article 4 For the purposes of these Procedures and Guidelines, the term "benefits" means any money, gratuity, gift, commission, position, service, preferential treatment, rebate, facilitating payment, entertainment, dining, or any other item of value in whatever form or name. However, the benefits conforming to accidentally normal social contact, etiquette custom, and no impact for specific rights and obligations are not limited to the unethical conduct.

Article 5 The Company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith and obtain approval from the board of directors, and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.

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

The Company operates based on integrity and ethics. Higher risk of unethical operating activity will not be allowed and strong precautions will be taken as well.

The internal control mechanism and approval system should cover the precaution methods of unethical conduct to ensure preventing corruptions.

The Company designates sustainable development committee as the solely responsible unit in charge of the amendment, advisory services, educational training with respect to these Procedures and Guidelines and monitoring of implementation. The responsible unit shall be in charge of the following matters and also submit regular reports to board of directors on a regular basis (at least once a year).

1. Assisting in incorporating ethics and moral values into this Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.
2. Analyzing and assessing the risks of unethical conduct within the business scope on a regular basis and accordingly adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to this Company's operations and business.
3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.
4. Promoting and coordinating awareness and educational activities with respect to ethics policy.
5. Developing a whistle-blowing system and ensuring its operating effectiveness.
6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.
7. Preparing and retaining properly documented information such as ethical management policy and compliance statements, situations concerning the performance of undertakings and enforcement etc.

Article 6 Except under one of the following circumstances, when providing, accepting, promising, or requesting, directly or indirectly, any benefits as specified in Article 4, the conduct of the given personnel of the Company shall comply

with the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and these Procedures and Guidelines, and the relevant procedures shall have been carried out:

1. The conduct is undertaken to meet business needs and is in accordance with local courtesy, convention, or custom during domestic (or foreign) visits, reception of guests, promotion of business, and communication and coordination.
2. The conduct has its basis in ordinary social activities that are attended or others are invited to hold in line with accepted social custom, commercial purposes, or developing relationships.
3. Invitations to guests or attendance at commercial activities or factory visits in relation to business needs, when the method of fee payment, number of participants, class of accommodations, and the time period for the event or visit have been specified in advance.
4. Attendance at folk festivals that are open to and invite the attendance of the general public.
5. Rewards, emergency assistance, condolence payments, or honorariums from the management.
6. Money, property, or other benefits with a market value of TWD 5,000 or less offered to a person other than relatives or friends; or gifts of property with a total market value of TWD 5,000 or less given by another party to the majority of the personnel of the Company, provided that the total market value of the property offered to the same counterparty or coming from the same source within a single fiscal year shall be limited to TWD 30,000.
7. Money, property, or other benefits with a market value of TWD 1,000 or less accepted from a person other than relatives or friends; or gifts of property with a total market value of TWD 1,000 or less given by another party to the majority of the personnel of the Company, provided that the total market value of the property offered to the same counterparty or coming from the same source within a single fiscal year shall be limited to TWD 3,000.
8. Property with a market value of TWD 1,000 or less received due to engagement, marriage, maternity, relocation, assumption of a position, promotion or transfer, retirement, resignation, or severance, or the injury, illness, or death of the recipient or the recipient's spouse or lineal relative.
9. Other conduct that complies with the rules of the Company.

Article 7 Except under any of the circumstances set forth in the preceding article, when any personnel of the Company are provided with or are promised, either directly or indirectly, any benefits as specified in Article 4 by a third party, the matter shall be handled in accordance with the following procedures:

1. If there is no relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall report to their immediate supervisor within 3 days from the acceptance of the benefit, and the responsible unit shall be notified if necessary.
2. If a relationship of interest does exist between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall return or refuse the benefit, and shall report to his or her immediate supervisor and notify the responsible unit. When the benefit cannot be returned, then within 3 days from the acceptance of the benefit, the personnel shall refer the matter to the responsible unit for handling.

"A relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel," as referred to in the preceding paragraph, refers to one of the following circumstances:

1. When the two parties have commercial dealings, a relationship of direction and supervision, or subsidies (or rewards) for expenses.
2. When a contracting, trading, or other contractual relationship is being sought, is in progress, or has been established.
3. Other circumstances in which a decision regarding the Company's business, or the execution or non-execution of business, will result in a beneficial or adverse impact.

The responsible unit of the Company shall make a proposal, based on the nature and value of the benefit under paragraph 1, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after being reported and approved by Chief Executive Officer.

Article 8 The Company shall neither provide nor promise any facilitating payment.

If any personnel of the Company provides or promises a facilitating payment under threat or intimidation, they shall submit a report to their immediate supervisor stating the facts and shall notify the responsible unit.

Upon receipt of the report under the preceding paragraph, the responsible unit shall take immediate action and undertake a review of relevant matters in order to minimize the risk of recurrence. In a case involving alleged illegality, the responsible unit shall also immediately report to the relevant judicial agency.

Article 9 Political contributions by the Company shall be made in accordance with the following provisions, reported to Chief Executive Officer in charge for approval, and a notification given to the responsible unit, and when the amount of a contribution is TWD 2,000,000 or more, it shall be made only after being reported to and approved by the board of directors:

1. It shall be ascertained that the political contribution is in compliance with the laws and regulations governing political contributions in the country in which the recipient is located, including the maximum amount and the form in which a contribution may be made.
2. A written record of the decision-making process shall be kept.
3. Account entries shall be made for all political contributions in accordance with applicable laws and regulations and relevant procedures for accounting treatment.
4. In making political contributions, commercial dealings, applications for permits, or carrying out other matters involving the interests of the Company with the related government agencies shall be avoided.

Article 10 Charitable donations or sponsorships by the Company shall be provided in accordance with the following provisions and reported to the Chief Executive Officer in charge for approval, and a notification shall be given to the responsible unit. When the amount is TWD 10,000,000 or more, the donation or sponsorship shall be provided only after it has been submitted for adoption by the board of directors:

1. It shall be ascertained that the donation or sponsorship is in compliance with the laws and regulations of the country where the Company is doing business.
2. A written record of the decision making process shall be kept.

3. A charitable donation shall be given to a valid charitable institution and may not be a disguised form of bribery.
4. The returns received as a result of any sponsorship shall be specific and reasonable, and the subject of the sponsorship may not be a counterparty of the Company's commercial dealings or a party with which any personnel of the Company has a relationship of interest.
5. After a charitable donation or sponsorship has been given, it shall be ascertained that the destination to which the money flows is consistent with the purpose of the contribution.

Article 11 The personnel of the Company shall exercise the due care of good administrators to urge the company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.

When a company director , supervisor, officer or other stakeholder attend or present at a board meeting, or the juristic person represented thereby, has a stake in a proposal at the meeting , that director, supervisor, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.

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.

If in the course of conducting company business, any personnel of the Company discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.

No personnel of the Company may use company resources on commercial activities other than those of the Company, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of the Company.

Article 12 The general counsel and patents & intellectual property department of the Company is charged with formulating and implementing procedures for managing and maintaining the confidentiality of the Company's trade secrets, trademarks, patents, works and other intellectual properties and it shall also conduct periodical reviews on the results of implementation to ensure the sustained effectiveness of the confidentiality procedures.

All personnel of the Company shall faithfully follow the operational directions pertaining to intellectual properties as mentioned in the preceding paragraph and may

not disclose to any other party any trade secrets, trademarks, patents, works, and other intellectual properties of the Company of which they have learned, nor may they inquire about or collect any trade secrets, trademarks, patents, and other intellectual properties of the Company unrelated to their individual duties.

- Article 13 All Company personnel shall adhere to the provisions of the Securities and Exchange Act, and may not take advantage of undisclosed information of which they have learned to engage in insider trading. Personnel are also prohibited from divulging undisclosed information to any other party, in order to prevent other party from using such information to engage in insider trading.

Any organization or person outside of the Company that is involved in any merger, demerger, acquisition and share transfer, major memorandum of understanding, strategic alliance, other business partnership plan, or the signing of a major contract by the Company shall be required to sign a non-disclosure agreement in which they undertake not to disclose to any other party any trade secret or other material information of the Company acquired as a result, and that they may not use such information without the prior consent of the Company.

- Article 14 The Company shall follow the Fair Trade Act and applicable competition laws and regulations when engaging in business activities, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.

- Article 15 The Company shall collect and understand the applicable laws and regulations and international standards governing its products and services which it shall observe and gather and publish all guidelines to cause personnel of the Company to ensure the transparency of information about, and safety of, the products and services in the course of their research and development, procurement, manufacture, provision, or sale of products and services.

The Company shall adopt and publish on its website a policy on the protection of the rights and interests of consumers or other stakeholders to prevent its products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders.

Where there are media reports, or sufficient facts to determine, that the Company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the Company shall recall those products or suspend the services, verify the facts and present a review and improvement plan.

The responsible unit of the Company shall report the event as in the preceding paragraph, actions taken, and subsequent reviews and corrective measures taken to the board of directors.

- Article 16 The Company shall request its directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.

The Company shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to

make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.

Article 17 Before developing a commercial relationship with another party, the Company shall evaluate the legality and ethical management policy of the party and ascertain whether the party has a record of involvement in unethical conduct, in order to ensure that the party conducts business in a fair and transparent manner and will not request, offer, or take bribes.

When the Company carries out the evaluation under the preceding paragraph, it may adopt appropriate audit procedures for a review of the counterparty with which it will have commercial dealings with respect to the following matters, in order to gain a comprehensive knowledge of its ethical management:

1. The enterprise's nationality, location of business operations, organizational structure, and management policy, and place where it will make payment.
2. Whether the enterprise has adopted an ethical management policy, and the status of its implementation.
3. Whether enterprise's business operations are located in a country with a high risk of corruption.
4. Whether the business operated by the enterprise is in an industry with a high risk of bribery.
5. The long-term business condition and degree of goodwill of the enterprise.
6. Consultation with the enterprise's business partners on their opinion of the enterprise.
7. Whether the enterprise has a record of involvement in unethical conduct such as bribery or illegal political contributions.

Article 18 Any personnel of the Company, when engaging in commercial activities, shall make a statement to the trading counterparty about the Company's ethical management policy and related rules, and shall clearly refuse to provide, promise, request, or accept, directly or indirectly, any improper benefit in whatever form or name.

Article 19 All personnel of the Company shall avoid business transactions with an agent, supplier or other counterparty in commercial interactions that is involved in unethical conduct. When the counterparty or partner in cooperation is found to have engaged in unethical conduct, the personnel shall immediately cease dealing with the counterparty and blacklist it for any further business interaction in order to effectively implement the Company's ethical management policy.

Article 20 Before entering into a contract with another party, the Company shall gain a thorough knowledge of the status of the other party's ethical management, and shall make observance of the ethical management policy of the Company part of the terms and conditions of the contract, stipulating at the least the following matters:

1. When a party to the contract becomes aware that any personnel has violated the terms and conditions pertaining to prohibition of acceptance of commissions, rebates, or other improper benefits, the party shall immediately notify the other party of the violator's identity, the manner in which the provision, promise, request, or acceptance was made, and the monetary amount or other improper benefit that was provided, promised, requested, or accepted. The party shall also provide the other party with pertinent evidence and cooperate fully with the investigation. If there has been resultant damage to either party, the party

may claim from the other party as damages, and may also deduct the full amount of the damages from the contract price payable.

2. Where a party is discovered to be engaged in unethical conduct in its commercial activities, the other party may terminate or rescind the contract unconditionally at any time.
3. Specific and reasonable payment terms, including the place and method of payment and the requirement for compliance with related tax laws and regulations.

Article 21 The Company shall establish effective accounting system, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results.

The Company shall establish effective internal audit systems, internal audit unit under board of directors and prepare audit reports and submit the same to the board of directors every quarter. The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.

Article 22 When the Company discovers or is informed that the personnel of the Company is involved in unethical conduct, immediate investigation should be taken to clarify the facts. If the violation of the related policies or ethical management regulations is confirmed, the person involved should be asked to cease related conducts and proper actions have to be taken as well. Damage claims through legal procedure is required if necessary to maintain Company's reputation, rights and interests.

For happened unethical conduct, the related department should be responsible for the review of internal control policy and operation procedure. The improved method should be provided to avoid the happening of the same conduct.

The responsible unit of the Company should report unethical conduct, action taken and further improved methods to board of directors.

Article 23 If any personnel of the Company discovers that another party has engaged in unethical conduct towards the Company, and such unethical conduct involves alleged illegality, the Company shall report the relevant facts to the judicial and prosecutorial authorities; where a public service agency or public official is involved, the Company shall additionally notify the governmental anti-corruption agency.

Article 24 The Company shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints.

If any personnel of the Company seriously violates ethical conduct, the Company shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the personnel policy and procedures of the Company.

The Company shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response.

Article 25 As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, the Company will grant a reward depending the seriousness of the circumstance concerned after the CEO approval. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material.

The Company shall internally establish and publicly announce on its website and the intranet, or provide through an independent external institution, an independent mailbox or hotline for insiders and outsiders of the Company to submit reports. A whistleblower shall at least furnish the following information:

1. the whistleblower's name and I.D. number (whistleblowing reports may be submitted anonymously), and an address, telephone number and e-mail address where it can be reached.
2. the informed party's name or other information sufficient to distinguish its identifying features.
3. specific facts available for investigation.

Personnel of the Company handling whistle-blowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential. The Company also undertakes to protect the whistleblowers from improper treatment due to their whistleblowing.

The responsible unit of the Company shall observe the following procedure in handling whistleblowing matters:

1. An information shall be reported to the department head if involving the rank and file and to an independent director if involving a director or a senior executive.
2. The responsible unit of the Company and the department head or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department.
3. If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or the Company's policy and regulations of ethical management, the Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, the Company will report to the competent authority, refer said person to judicial authority for investigation, or institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.
4. Documentation of case acceptance, investigation processes, and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.
5. With respect to a confirmed information, this Corporation shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.
6. The responsible unit of the Company shall submit to the board of directors a report on the whistleblowing case, actions taken, and subsequent reviews and corrective measures.

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

Article 27 The procedures for ethical management guidelines for conduct of the Company shall be implemented after the board of directors grants the approval, and shall be sent to the supervisors and reported at a shareholders' meeting. The same procedure shall be followed when the principles have been amended.

When procedures for ethical management and guides for conduct are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objection or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting. For the Company that has established an audit committee, the provisions regarding supervisors in these Principles shall apply *mutatis mutandis* to the audit committee.

This procedure was drawn up on November 11, 2014.

The first amendment was modified on March 17, 2015.

The English version was drawn up on October 2, 2017.

The second amendment was modified on March 9, 2020.

The third amendment was modified on November 7, 2022.

Unizyx Holding Corporation Procedures for Loaning of Funds to Others

Article 1: The Procedures are established pursuant to the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” imposed by the Financial Supervisory Committee. provided, where financial laws or regulations provide otherwise, such provisions shall govern.

Article 2: Entities to which the Company may loan funds to
Under Article 15 of the Company Act, the Company shall not loan funds to any of its shareholders’ or any other person except under the following circumstances:

1. Where an inter-company or inter-firm business transaction calls for a loan arrangement; or
2. Where an inter-company or inter-firm short-term financing facility is necessary, provided that such financing amount shall not exceed 40 percent of the lender’s net worth.

The term “short-term” as used in the preceding paragraph means one year, or where the Company’s operating cycle exceeds one year, one operating cycle.

The term “financing amount” as used in paragraph 1, sub-paragraph 2 of this Article means the cumulative balance of the Company’s short-term financing.

The restriction in paragraph 1, subparagraph 2 shall not apply to inter-company loans of funds between overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares, nor to the loan of funds to the Company by any overseas company in which the public company holds, directly or indirectly, 100% of the voting shares. However, the Public Company shall still prescribe limits on the aggregate amount of such loans and on the amount of such loans permitted to a single borrower, and shall specify limits on the durations of such loans.

The responsible person of a company who has violated the provisions of Paragraph 1 shall be liable, jointly and severally with the borrower, for the repayment of the loan at issue and the damages, if any, to the company resulted there-from.

Article 3: Evaluation standards for loaning funds to others:

1. Where funds are loaned for reasons of business dealings, the principle is that the business transaction has occurred. The upper limit of loan is the higher amount of purchase from or sale to the entity in the most recent year or the current year up to the time of loaning.
2. Where short-term financing is needed, the reasons for and conditions of extending loans shall be enumerated. Only the following circumstances apply:
 - (1) When the company to which the Company has made equity method investment needs the fund for repaying bank borrowing, buying equipment, or for business liquidity.
 - (2) When the company in which the Company holds 20% indirectly or more stake needs the fund for repaying bank borrowing, buying equipment, or for business liquidity.
 - (3) When the company in which the Company holds 20% directly or indirectly needs the fund for re-investment, such re-investment relates to the

Company's business, positively affecting the Company's future business development.

Article 4: Aggregated amount of loaning, and limit to individual entity

The aggregated amount of these loaned funds shall not exceed 40 percent of the Company's net worth. The limits to individual entities, and the reasons are specified as follows:

1. Where funds are loaned to those who with business dealings, the upper limit of loan is the higher amount of purchase from or sale to the entity in the most recent year or the current year up to the time of loaning.
2. For the short-term financing facility necessary, the individual loan shall not exceed 10 percent of the Company's net worth.

Article 5: Definitions applied in the Procedures:

1. Net worth:
refers to the latest CPA-audited balance sheet equity attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
2. Subsidiaries and parent company:
defined as the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."
3. Announce and report: means the process of entering data to the information reporting website designated by the Financial Supervisory Commission (FSC).
4. Date of occurrence: means the date of contract signing, date of payment, dates of boards of directors' resolutions, or other dates that can confirm the counterparty and monetary amount of the loan of funds or endorsement/guarantee, whichever date is earlier.

Article 6: The Company formulated the Operational Procedures for Loaning Funds to Others in compliance with these Regulations, and, after passage by the one-half or more of all audit committee members, then resolved by the Board of Directors, and submit them for approval by the shareholders' meeting; where any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the dissenting opinion to each supervisor and for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures.

Article 7: Procedures for handling loaning of funds.

1. The loaning is only conducted with the Board of Directors' resolution, and no other party may be authorized to determine. Any material loaning of funds requires the approval of one-half or more of all audit committee members, and furthermore shall be submitted for a resolution by the Board of Directors Provided, for inter-company loans between the Company and subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares, and loans among subsidiaries, the Chairman may be authorized within a certain monetary limit resolved by the board of directors, and within a period not to exceed one year, to give loans in installments or to make a revolving credit line available for the counterparty to drawdown.
The "certain monetary limit" mentioned in the preceding paragraph on authorization for loans extended by the Company or any of its subsidiaries to any single entity shall not exceed 10% of the net worth on the most current financial statements of the lending company, except for the loans between the Company

and subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares.

2. The accountable department shall prepare a memorandum book for its fund-loaning activities and truthfully record the following information: borrower, amount, date of approval by the board of directors, lending/borrowing date, and matters to be carefully evaluated.

The subsidiaries are not subject to the restrictions set forth in Articles 8, 9 and 10 of the Procedures.

3. The accountable department shall prepare a detailed statement for the loan occurrence and cancellation each month to control, track, and publicly announce such loans. The loans shall be assessed and appropriated for adequate allowance losses. The disclosure of related information shall be made in financial reports, and relevant information shall be provided to CPAs for necessary audits.
4. The Company's internal auditors shall audit the Operational Procedures for Loaning Funds to Others and the implementation thereof no less frequently than quarterly and prepare written records accordingly. They shall promptly notify all the Audit Committee in writing of any material violation found.
5. If, as a result of a change in circumstances, an entity for which an endorsement/guarantee is made does not meet the requirements of these Regulations or the loan balance exceeds the limit, a public company shall adopt rectification plans and submit the rectification plans to all the supervisors, and shall complete the rectification according to the timeframe set out in the plan.

Article 8: Review procedures for the loaning of funds

1. When borrowing money from the Company the borrower shall provide the basic information and financial information, with application to specify the loan amount, duration, purpose and collaterals provided.
2. Upon receiving the application, the accountable department shall prudentially assess if the application complies with the regulations imposed by the competent authority and the Company's Procedures for Loaning Funds to Others. The assessment includes if the borrower has any direct/indirect business relationship with the Company, and the financial positions of their business, solvency and credit, profitability and purpose of loans, as well as risks, while taking account into the effects of the Company's aggregated loans on the Company's operational risks, financial positions, and shareholders' equity. Shall the borrower have poor credit or improper purpose of the loan, and thus no loan will be given, the accountable department shall submit the reason of rejection to the President and Chairman for approval and reply to the borrower as soon as possible. Shall the borrower have good credit or proper purpose of loan, and meet the requirements of the related operational procedures, the accountable department shall prepare a report, assessment outcomes, and loaning terms, to be submitted to the President and Chairman for their review, and the Board of Directors for resolutions before proceeding. No other party is allowed to be authorized to determine. Shall there be independent directors in place, loaning of funds to others shall fully take independent directors' opinion into account. Their specific consent or dissent with the reasons shall be recorded in the Board's meeting minute.
3. Any borrower whose total liability exceeds total assets will not be accepted. When the Company loans any fund, unless the borrower is a subsidiary, a promissory note with an identical amount as loan is required as the collateral; chattel or real

estate mortgage may be required if necessary. In case the borrower provides valuable collateral for pledge with risks, the loan may be granted upon the Company's discretion. Other than lands and negotiable securities, all collaterals shall be covered with fire insurances; vehicles are fully insured. The principle is that the insurance amount must not lower than the cost of replacing the collateral. On the policy, the Company shall be specified as the beneficiary. The underlying subject, quantity, location and policy terms set forth in the policy shall be consistent with the Company's terms of the loan. For the collaterals of creditor's rights mentioned in the preceding paragraph, if the debtor provides individual or corporate guarantors for its certain financial capability and credits, to replace collaterals, the Board of Directors may grant the loan based on the accounting department's reports and the Board's discretion; if the guarantor is a company, the articles of incorporation of such company shall permit this company to guarantee others.

Article 9: Duration of loans and calculation of interest.

1. The duration of each loan is one year only.
2. The lending rate is subject to the Company's fund costs and may be changed from time to time; however, it shall never be lower than the maximum interest rate for the Company's borrowings from financial institutions. The interest of the Company's loan shall be collected every month principally; if there is any special circumstance, adjustments may be made upon the Board's approval.

Article 10: Controlling measures, and procedures dealing with creditor's rights.

1. Once a loan is disbursed, the financial position, business, and related credits of the borrower and its guarantors shall be monitored frequently; shall there be any collateral, its value shall be monitored for any fluctuation. In case of major changes, the Chairman shall be immediately reported to, and proceed as his/her instructions.
2. When a borrower fully repay the loan when it is due or before it is due, the interest payable shall be calculated first; with both the principal and interest are both fully repaid, the promissory note may be cancelled and returned to the borrower, or the mortgage may be cancelled.
3. The borrowers shall fully repay principals and interests when loans expire. Any violation will entitle the Company to dispose of their collaterals or recourse the guarantors pursuant to laws.

Article 11: Announcing and reporting procedures.

1. The Company shall announce and report the previous month's loan balances of its head office and subsidiaries by the 10th day of each month.
2. When one of the following levels is reached, it shall announce and report such event within two days commencing immediately from the date of occurrence:
 - (1) The aggregate balance of loans to others by the Company and its subsidiaries reaches 20 percent or more of the public company's net worth as stated in its latest financial statement.
 - (2) The balance of loans by the public company and its subsidiaries to a single enterprise reaches 10 percent or more of the public company's net worth as stated in its latest financial statement.

- (3) The amount of new loans of funds by the public company or its subsidiaries reaches NT\$10 million or more and reaches 2 percent or more of the public company's net worth as stated in its latest financial statement.
3. The Company shall announce and report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to announce and report pursuant to subparagraph 3 of the preceding paragraph.

Article 12: Procedures for controlling and managing loans of funds to others by subsidiaries.

1. Where the Company's subsidiary intends to make loans to others, the Company shall instruct it to formulate its own Operational Procedures for Loaning Funds to Others in compliance with these Regulations to be submitted to the Board and/or AGM for resolutions as required by laws, and it shall comply with the Procedures when loaning funds.
2. When Company's subsidiary intends to make loans to others, its own "Internal Control System" and the "Operational Procedures for Loaning Funds to Others" shall be complied with; and the balances of loans, borrowers, and durations in the previous month shall be reported in writing to the Company by the 5th day of each month. The Company's audit department shall include the subsidiary's loans to others as one of the quarterly audit items; and the outcomes of such audit shall be included in the audit reports to the Audit Committee and the Board of Directors.
3. If the Company's subsidiary is not publicly listed, when its balance of loans reaches the announcing and reporting standards specified in Article 11, paragraph 2, the subsidiary shall report such on the date when the fact occurs. The Company shall announce and report at the assigned website, as required.

Article 13: Disciplinary Actions

1. In case the managerial officers and staff in charge violate the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" imposed by the competent authority, such violations will be recorded and taken into account for their annual personal appraisals.
2. Shall the Board of Directors or any director violate the related regulations or AGM's resolutions when conducting business, the Audit Committee shall inform them to stop such conduct pursuant to Article 218-2.

Article 14: Implementation and Amendments

The formulation and amendment of the Procedures shall be approved by one-half or more of all audit committee members, then resolved by the Board of Directors, and submit them for approval by the shareholders' meeting.

If the approval of one-half or more of all audit committee members as required in the preceding paragraph is not obtained, the Operational Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.

The terms "all audit committee members" in paragraph 1 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.

Article 15: The Operational Procedures were approved on June 17, 2010.

The first amendment to the Procedures was approved on June 18, 2013

The second amendment to the Procedures was approved on June 12, 2019.

The third amendment to the Procedures was approved on June 12, 2020.
The fourth amendment to the Procedures was approved on July 1, 2021.

Unizyx Holding Corporation Shareholding of All Directors

Book Closure Date : April 17, 2023

Title	Name	Date elected	Shareholder Registry on Book Closure Date	
			Number of Shares	Shareholding %
Chairman	Shun-I Chu	2022/06/15	89,981,358	22.34
Director	Gordon Yang	2022/06/15	2,072,909	0.51
Director	Yuh-Long Chen	2022/06/15	7,579,611	1.88
Director	Ping-Chin Li	2022/06/15	579,482	0.14
Director	Wayne Huang	2022/06/15	363,851	0.09
Director	Ping-Jie Chu	2022/06/15	3,156,772	0.78
Independent director	Feng Chian	2022/06/15	0	0.00
Independent director	Chin-Tang Liu	2022/06/15	0	0.00
Independent director	Chin-Liang Wang	2022/06/15	0	0.00
Total			103,733,983	25.74

Note 1: As of April 17, 2023, the Company has issued common shares for 402,736,970 shares.

Note 2: The shareholdings of all directors required by laws are 16,000,000 shares; as of April 17, 2023, the total shareholdings of all directors are 103,733,983 shares (independent directors' shareholdings are excluded).

Note 3: The Company has set up the Audit Committee, hence there is no applicable legal requirement for shareholding of supervisor.

Other Information

1. Effect upon business performance of any stock dividend distribution: not applicable.
2. Acceptance of shareholder's proposal: no shareholder's proposal is received.