

BenQ Materials Corp.  
2022 Annual General Shareholders' Meeting Agenda

# BenQ Materials Corp. 2022 Annual General Shareholders' Meeting

**Meeting time: Thursday, June 16, 2022, 9: 00 a.m.**

**Venue: Fullong Hotel Taoyuan (No.200, Sec.I, Daxing West Road., Taoyuan Dist., Taoyuan City )**

**Meeting type: Physical shareholders meeting**

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## **I. Reports Items:**

### **(I) 2021 Annual Business Report**

In 2021, the consolidated revenue of BenQ Materials Corp. was NT \$16.5 billion, net profit after tax was NT \$972 million, and the earnings per share after tax were NT \$3.03 , continuing to achieve the goals of both revenue and profit growth. Despite the COVID-19 pandemic has been raging in the past two years, the BenQ Materials Corp. team continued to overcome the difficulties and achieved an excellent performance, the gross profit margin of company continued to soar to a greater height.

With the joint efforts of everyone, BenQ Materials Corp. has gradually taken shape in the layout of multi-product, multi-technology and multi-application, and the industry which BenQ Materials is located is also on the cusp of epoch. Whether in the fields of display technology, electric vehicles and medical care, in order to seize the opportunity for growth and get into the leaders in various industries, and based on an optimistic vision for the company's future, the board of directors and the management team also decided to expand capital expenditures in the next 3 years, and strengthen the investment in advanced technology field such as polarized surface coating, advanced battery materials and healthcare sector, through the acquisitions of these important technologies and production capacities, it is believed that BenQ Materials Corp. will be able to stand on another commanding heights; meanwhile, in order to accelerate the growth and satisfy the needs from market, in the future, the company will continue to adopt a dual-track strategy of organic growth and acquisition of strategic partners to continue to grow the company.

At the same time, through stakeholder consultation and identification of the major issues of concern to the Company, the Company has followed the three directions including environmental sustainability, social participation and corporate governance, meanwhile, it has thoroughly implemented to management aspect, product design aspect and marketing aspect. In the environmental sustainability sector, "Derma Angel" launched a sunscreen product which is free of harmful ingredients and is ocean-friendly; the functional fabric "Xpore" uses 100% perfluorinated compound (PFC) free materials from the source, combines solvent-free production, and keeps its commitment to environmental sustainability. In the social participation sector, through local procurement of cabbage, bananas and other methods, we assisted the farmers near to Taoyuan and Yunlin factory area, and provided the cleaning pads and other supplies of our own products to local nursing centers to show the practical motivation to give back to the society. In the corporate governance sector, the governance assessment results remain within the top 20% and obtained the affirmation as top 5% company in small and medium market value sector. BenQ Materials Corp. has set an example from the management team level, and hopes that everyone will follow the principles of integrity and transparency, and become a role model for all employees.

Looking forward to 2022, in the face of an unknown environment, we hope to place a greater emphasis on "Lead Change, Drive Value". BenQ Materials Corp. will pursue absolute leadership in various fields such as displaying industry and power battery materials, not only to do what we says, but also to continuously exceed self and challenge the limits. In the future, we will continue to rely on our colleagues to operate the relationships of suppliers and customers, deeply root in the R&D as well as technical foundations, strive to ensure the manufacturing quality and efficiency. We expect BenQ Materials Corp. to fly high against the wind and create a new situation. Here, we look forward to the continuous support of our shareholders to jointly create the Company's sustainable development.

Season ' s greetings

Chairman:  
Chen, Zhien-Chi

General Manager:  
Liu Chia-Jui

Accounting Manager:  
Wang Sheng-Hsing

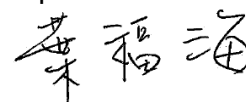
## (II) Audit Committee's Review Report

The Board of Directors of Company submitted the Financial Statements of Year 2021 and issued the Audit Report jointly by two accountants, Mr. Tang Cijie and Mr. Shi Weiming from the accounting firm of KPMG Taiwan, entrusted by the Board of Directors. The above-mentioned financial statements, business reports, and audit reports of accountants, etc., have been reviewed and determined to be correct and accurate by the Audit Committee of BenQ Materials Corp., hereby submitted this report according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Report for inspection.

Sincerely,

BenQ Materials Corp. - 2022 Regular Meeting of Shareholders

Convener of the Audit Committee:  
February 24, 2022, Republic of China



The Board of Directors of the Company finds no inconsistency in the proposal for the distribution of the 2021 year earnings, as verified by this Audit Committee, in accordance with the Provisions of Article 14-4 of the Securities and Exchange Act and Article 219 of the Companies Act, and hereby reports. Report for inspection.

Sincerely,

BenQ Materials Corp. - 2022 Regular Meeting of Shareholders

Convener of the Audit Committee:  
May 3, 2022, Republic of China



## (III) Report on the Distribution of Employees' and Directors' Remuneration in Year 2022

On February 24, 2022, the resolution of the Board of Directors of the company was passed, and the amount of employee remuneration and directors' remuneration distributed in cash was NT \$134,276,412 and NT \$10,070,731, respectively.

## (IV) Report on Cash Dividends Distributed by Surplus in Year 2021

- I. In accordance with the Articles of Incorporation, the distribution of earnings is distributed in the form of cash, the distribution may be approved by the Board of Directors and reported to the shareholders' meeting.
- II. The Company distributes the retained distributable earnings for Year 2021 and distributes NT \$1.35 per ordinary share for cash dividends.
- III. The cash dividend distribution to each shareholder will be paid to the rounded-down full NT dollar, and the Chairman of Board of Directors is authorized to determine the base date and distribution date of dividends and other related matters.
- IV. If the dividend distribution ratio is adjusted and need to be modified due to change of the Company's total number of outstanding common shares, the Chairman of Board of Directors has

full authority to adjust the distribution ratio.

## **(V) Report On The Handling of Private Placement Securities**

- I. On August 25, 2021, the Company passed the Ordinary Shareholders' Meeting authorizing the Board of Directors to deal with the cash increase in issue of ordinary shares within the limit of 31,800,000 ordinary shares to participate in the issue of overseas depository receipts and/or cash increase in issue of ordinary shares and/or cash increase in issue of private ordinary shares and/or private overseas or domestic convertible corporate bonds.
- II. The amount of the above fundraising matters that was not completed on the day before the Ordinary General Meeting of Shareholders in Year 2022 was cancelled as of the date of Ordinary General Meeting of Shareholders of Year 2022.

## **II. Elections:**

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**Subject: Full Re-election of Directors (including Independent Directors). (Proposed by the Board of Directors)**

- Explanation:
- I. The term of office of the current directors and independent directors of the Company expired on June 16, 2022. By the resolution of the Board of Directors of the Company on May 3, 2022, the Company intends to fully re-elect the directors (including independent directors) at this Ordinary General Meeting of Shareholders in accordance with the law.
  - II. In accordance with the provisions of the Articles of Association of the Company and Article 192-I of the Company Law, the Company's directors (including independent directors) shall be nominated in accordance with the nomination system. In this election, nine directors (including four independent directors) shall be elected. The new directors (including independent directors) shall be appointed for a term of three years, commencing on June 16, 2022 and ending on June 15, 2025. The term of office of the original directors (including independent directors) shall expire upon the completion of the meeting of the shareholders.
  - III. The list of candidates for directors and independent directors was approved by the Board of Directors of the Company on May 3, 2022. Please refer to Annex I (P.13~P.14) for the information of candidates for directors and independent directors.

Election Results:

## **III. Ratification and Discussion Matters**

### **Item No. 1**

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**Subject: Acknowledgement of the 2021 Annual Business Report and Financial Statement Proposal, please acknowledge. (Proposed by the Board of Directors)**

Explanation: The Financial Statements of the Company for the Year 2021 were audited by Mr.Tang Cijie and Mr.Shi Weiming, both are accountants from KPMG Taiwan Accounting Firm and were entrusted by the Board of Directors. It was deemed sufficient to articulate the financial position of BenQ Materials Corp. as of December 31, 2021 and the financial results and cash flows for the year 2021, and the business report was attached. Please acknowledge this. The Financial Statements are presented in Annex II (P.15 to P.31).

Resolution:

## Item No.2

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**Subject: Please acknowledge the 2021-year Earnings Distribution Plan. (Proposed by the Board of Directors)**

Explanation: The Company's 2021 Year Earnings Distribution Table was approved by the Board of Directors and sent to the Audit Committee for review.

See Annex III (p.32) for the 2021 Year Earnings Distribution Table.

Resolution:

## Item No. 3

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**Subject: Please kindly discuss the proposal to approve the issuance of common shares by cash to participate in the issuance of overseas depositary receipts and/or the issuance of common shares by cash and/or the private placement of common shares by cash and/or the private placement of overseas or domestic convertible corporate bonds. (Proposed by the Board of Directors)**

- Explanation:
- I. The purpose and amount of the fundraising: In order to enrich the working capital, improve financial structure, overseas materials purchases or satisfy the other financing needs in response to the long-term development of the Company, the Board of Directors is proposed to be authorized by the Shareholders' Meeting to select the appropriate timing and appropriate method, in accordance with the relevant laws and regulations and the following principles of the appropriate method, within the limit of 31,800,000 ordinary shares, depending on the market environment and the needs of the Company. In the case of overseas or domestic conversion of corporate bonds by private placement (hereinafter referred to as "conversion of corporate bonds"), the number of common shares that can be converted from private placement of corporate bonds should be calculated based on the conversion price at the time of private placement within the aforementioned range of 31,800,000 shares.
  - II. Fundraising and handling principles:
    - (I) Participating in the issuance of overseas depositary receipts by issuing common shares with cash capital increase:
      - I. The issue price of the overseas depositary receipts will be determined by reference to (a) the closing price of the common shares of the Company on the Price Adoption Date, or (b) the average closing price of the common shares of the Company calculated one, three, or five business days prior to the Price Adoption Date ((a) or (b) referred to as the "Reference Price"). However, the actual issuance price should be determined by the chairman of the Board of Directors and the foreign lead underwriters based on the prevailing market conditions, and the actual issuance price should not be lower than 90% of the reference price after deducting the free allotment or capital reduction ex-rights and ex-dividends. The above reference price and actual issuance price are determined in accordance with the issuance market practice and laws and regulations, and the proposed common shares, if calculated at the upper limit of 31,800,000 shares, account for 9.92% of the company's outstanding common shares, and the actual issuance price should

not be lower than the reference price before 90% after deduction of free allotment or capital reduction ex-rights and ex-dividends, it will not cause significant dilution of the original shareholders' equity. Therefore, the issue price of overseas depositary receipts should be set reasonable and will not have a significant impact on the equity of the original shareholders.

2. This cash increase to participate in the issuance of overseas depositary receipts, except that 10% to 15% of the issued shares are reserved by the company's employees as required by Article 267 of the Company Act, and the rest are planned to comply with the provisions of Article 28-I of the Securities Exchange Law. The shareholders' meeting is requested to agree that the original shareholders would give up the right of first-hand subscription, and the full allocation was made to participate in the issuance of overseas depositary receipts for public issuance. For the unsubscribed portion of employees, the chairman should be authorized to include the securities with original price in recognition of the issuance of overseas depositary receipts in accordance with the market needs, or negotiate with a specific person to subscribe it.
- (II) The issuance of common shares by way of public offering for cash capital increase:
1. The face value of the capital increase is NT\$10 per share, and the actual issue price will be in accordance with the relevant provisions of the "Self-regulatory rules for underwriter members of the Taiwan Securities Association of the Republic of China to guide issuing companies to raise and issue securities", and to authorize the chairman to negotiate with the underwriters to submit it to the competent authority for review before issuance.
  2. Except in accordance with paragraph 1 of Article 267 of the Company Law, where 10% to 15% of the total number of shares issued with additional capital are reserved for the employees to subscribe at the issue price, for the sales method of the public underwriting part, it is proposed to authorize the board of directors to choose one of the following two methods:
    - (1) In accordance with Article 28-I of the Securities and Exchange Act, it is proposed to request the shareholders' meeting to agree that the original shareholders will give up their right to subscribe firstly based on the original share ratio, and the full allocation will be allocated through the inquiry circle purchase and sale. If employees give up the subscription or the subscription is insufficient, it is proposed to authorize the chairman of the board to contact a specific person to subscribe for it at the issue price.
    - (2) In accordance with Item 2 of Article 28-I of the Securities and Exchange Act, 10% of the total number of shares to be issued shall be allocated for public underwriting, and the remaining shares shall be recognized by the original shareholders of the company in accordance with the original shareholding ratio. If employees and original shareholders give up the subscription or the subscription is insufficient, it is proposed to authorize the chairman of the board to contact a specific person to subscribe at the issue price.



- (III) Handling the cash capital increase and issuance of ordinary shares by means of private placement and/or handling conversion of corporate bonds by means of private placement:
- I. The basis and rationality of private placement price setting:
    - (1) The reference price for the subscription price of the private common shares shall be calculated on the basis of one, three or five business days before the pricing date and the simple arithmetic average of the closing price of the common shares of the 30 business days prior to the pricing date, minus the ex-rights and dividends of the free allotments, plus the stock price after the ex-rights of the capital reduction, taking the higher one as the reference price
    - (2) With respect to the subscription price of the Private Placement Ordinary Shares, the Company intends to request the Board of Directors to authorize the Board of Directors to determine the private placement price based on no less than 80% of the reference price, and the issue price of the Private Placement Convertible Bonds shall be no less than 80% the theoretical price. The actual price shall be within the percentage range of no less than the number of resolutions of the Board of Shareholders, and the Company intends to request the Board of Directors to authorize the Board of Directors to determine the specific person situation and market conditions according to the future.
    - (3) The subscription price of the aforementioned private common shares and the price of private conversion corporate bonds are determined by reference to the company's share price and theoretical price respectively, and are in accordance with the provisions of the matters requiring attention of publicly issued companies when conducting private placement securities, and are subject to the three-year transfer restriction stipulated by the Act, so they should be reasonable.
  2. the selection method, purpose, necessity and expected benefits of the specific person:
    - (1) The investors to subscribe to the Private Placement Shares and/or Private Placement CB must meet the qualifications listed in Article 43-6 of the Securities and Exchange Act and are limited to strategic investor(s). Priority will be given to the investor(s) who could benefit the Company's long term development, competitiveness, and existing shareholders' rights.
    - (2) The purpose, necessity and expected benefits for choosing the strategic investor(s) are to accommodate the Company's operation and development needs to have the strategic investor(s) to assist the Company, directly or indirectly, in its finance, business, manufacturing, technology, procurement, management, and strategy development, etc. so to strengthen the Company's competitiveness and enhance its operational efficiency and long term development and it should be positively beneficial to shareholders' equity.
    - (3) The company currently does not have a specific person that has been

negotiated, and it intends to authorize the Board of Directors to handle matters related to the specific person.

3. Necessary reasons for private placement: It is necessary to consider factors such as the relative timeliness and convenience of the private placement method, and to introduce strategic investors and other plans in response to the development of the company, and to handle the private placement method.
  4. For this private placement of marketable securities, the board of directors is authorized to apply to the Taiwan Stock Exchange for a Letter of Approval that meets the listing standards after three years from the delivery date of the private placement, and subsequently report to the competent authority for the supplementary issuance and the application for listing transactions.
  5. This Private Placement Conversion Corporate Bond Issuance and Conversion Method (tentative) is described in Annex IV (p.33~p.34).
- III. The purpose of the appropriation, the progress of the use of the funds and the expected benefits are expected to be used for one or more purposes, such as replenishing the working capital, sound financial structure, overseas purchasing materials or responding to the long-term development of the Company, and after the completion of the use of the funds, it is expected to strengthen the competitiveness of the Company and improve its operating performance.
- IV. This cash capital increase issuance of common shares to participate in the issuance of overseas depository receipts, cash capital increase issuance of common shares, cash capital increase private placement common shares, private placement conversion corporate bonds and the exchange of common shares are all issued or delivered in a non-physical manner. Except for privately placed securities that are subject to transfer within three years period after delivery in accordance with Article 43-8 of the Securities and Exchange Act, the rights and obligations of common shares issued or privately placed (including common shares exchanged for corporate bonds in private placement) are the same as those of the original common shares.
- V. The price of per share for the ordinary shares issued by cash capital increase to participate in the issuance of overseas depository receipts, the issuance of ordinary shares by cash capital increase, the price per share of private ordinary shares for cash capital increase, and the conversion price of privately placed overseas or domestic convertible corporate bonds, if the price is lower than that in response to market situation changes · and Reasons for not adopting other financing methods in order to issue at a lower par value in response to market changes: It is mainly based on the consideration of the company's stable operation and financial structure safety, and the use of equity-related financing tools is more appropriate than other methods of pure liability. Fundraising methods such as issuing new common shares and overseas depository receipts through cash capital increase, issuing new shares through cash capital increase, and conducting private placement of common shares through cash capital increase do not incur any interest for liabilities, reduce the Company's financial risk, and immediately enhance the Company's financial structure and the flexibility of the

Company's financial allocation. As for private placement of overseas or domestic corporate bonds, if investors convert the bonds into shares, this can improve the Company's financial structure and benefit the Company's long term development. Thus, it should be reasonable for the Company to use the fundraising instruments related to equity. If the price per share and the conversion price are lower than the face value, such would be expected to reduce the Company's book value of capital surplus and retained earnings. In such case, the Company would, depending on the actual operating conditions in the future, make up for the losses. The issue price and conversion price will be determined in accordance with the competent authority's relevant regulations. After efficiency of the capital increase becomes apparent, the Company's financial structure will be effectively improved, which would be favorable to the Company's long-term development and would not have adverse impact on the rights and benefits of shareholders.

- VI. This cash capital increase issuance of common shares participates in the issuance of overseas depository receipts, cash capital increase issuance of ordinary shares, cash capital increase private placement common shares and private placement conversion corporate bonds, after the resolution of the shareholders meeting is passed, the issuance or private placement conditions and private placement of this capital raising, to change the issuance and conversion method of corporate bonds, capital utilization plan, capital use, scheduled progress, expected benefits and other related matters, etc., it is proposed to request the shareholders' meeting to authorize the board of directors to formulate, adjust and deal with them at its sole discretion based on the company's actual needs, market conditions and relevant laws and regulations. In the future, if changes or amendments are required due to changes in laws or regulations or instructions from the competent authority, or based on changes in objective environmental factors such as operational assessments or the market, it is proposed to authorize the board of directors to deal with them at its sole discretion.
- VII. In order to complete the fundraising plan, it is proposed to authorize the chairman of the board or a person designated by him to handle all relevant cash capital increase issuance of ordinary shares on behalf of the company to participate in overseas depository receipts, cash capital increase issuance of common shares, cash capital increase private common stocks, and private equity conversion of corporate bonds related matters and sign relevant contracts and documents.
- VIII. The Board of Directors shall be authorized to deal with any matters not covered herein in accordance with relevant laws and regulations.

Resolution:

#### Item No.4

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**Subject: Proposed Amendments to the Articles of Association, please discuss. (Proposed by the Board of Directors)**

- Explanation:
- I. In conjunction with Presidential Decree No. 11000115851 of December 29, 2021, the 172 and 356 of the Amended Company Articles and proposed to amend the Articles of Association in line with actual needs.
  - II. Refer to Annex V (P.35~P.36) for a comparison table of the provisions before and after the revision.

Resolution:

#### Item No. 5

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**Subject: It is proposed to revise some of the provisions of the "Acquisition or Disposal of Asset Disposal Procedures" and the "Engagement in Derivative Commodity Transaction Disposal Procedures", please discuss them. (Proposed by the Board of Directors)**

- Explanation:
- I. In accordance with the provisions and actual needs of the "Standards for the Treatment of Assets Acquired or Disposed of by Public Offering Companies" as amended by the letter no. 1110380465 dated January 28, 2022, the relevant provisions of the "Procedures for the Treatment of Assets Acquired or Disposed of by Public Offering Companies" and the "Procedures for the Treatment of Transactions Engaged in Derivative Commodities" of the Company are proposed to be amended.
  - II. Please refer to Annex VI and Annex VII (P.37~P.46) for the comparison table of the provisions before and after the revision.

Resolution:

#### Item No. 6

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**Subject: It is proposed to revise some of the texts of "Operation Procedures for Funds Loans to Others" and "Implementation Measures for Endorsement Guarantee", please discuss them. (Proposed by the Board of Directors)**

- Explanation:
- I. It is proposed to revise the relevant provisions of the Company's Operating Procedures for Capital Loans to Others and the Methods for Enforcement of Endorsement Guarantees in the light of the Statutory Orders and actual needs.
  - II. Please refer to Annex VIII and Annex IX (P.47~P.59) for the comparison table of the provisions before and after the revision.

Resolution:

## **Item No. 7**

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**Subject: Please discuss the proposed lifting of the competition restriction for directors and their representatives. (Proposed by the Board of Directors)**

Explanation: I. In accordance with Article 209 of the Company Act, directors who act for themselves or others within the business scope of the company shall explain the important content of their actions to the shareholders' meeting and get the permission for them.

II. Please refer to Annex X (P.60~P.61). The consent of the Board of Shareholders is sought in accordance with the law because the directors of the Company have invested or operate other companies that have the same or similar scope of business as the Company.

Resolution:

**IV. Extempore Motions**

**V. Meeting Adjourn**

## Attachment I

### BenQ Materials Corp.

#### Directors and Independent Directors Candidate Information

Serial No.	Category	Name	Gender	Current shareholding (Note)	Major Learning (Profile) History	Principal incumbent
1	Director	Li Kun-yao	Male	4,580,396	IMD Master of Business Administration, Switzerland Chairman of Yuda Optoelectronics Co., Ltd. Chairman of Qisda Corporation	Chairman of BenQ Corporation Chairman of the Board of Directors of the BenQ Foundation Director of Qisda Corporation Director of Yuda Optoelectronics Co., Ltd. Director of Darfon Electronics Corp. Chairman of the Board of Directors of the BenQ Foundation
2	Director	Qisda Corporation (shareholder) Company Representative :Chen Jian-zhi	Male	43,659,294	Swiss Federal Institute of Technology PhD Master of Materials, University of Utah, US Director of Darfon Electronics Corp. Manager of Koninklijke Philips N.V.	CEO of BenQ Materials Corp. Director of Lagis Co., Ltd. Member of the Board of Directors of the the BenQ Foundation
3	Director	Qisda Corporation (shareholder) Company Representative :Chen Chi-Hong	Male	43,659,294	Technology Management Class of National Chengchi University (NCCU) Master of International Business Administration of Thunderbird, USA Department of Electrical Engineering, National Cheng Kung University (NCKU) General Manager of Product Technology Center, BenQ Corporation	Chairman and CEO of Qisda Corporation Chairman of BenQ Medical Technology Corp. Chairman of the Board of Directors, Partner Tech Corp. Chairman of DFI Inc. Vice Chairman of Alpha Networks Inc. Director of Darfon Electronics Corp. Director of Hitron Technologies Inc. Member of the Board of Directors of the the BenQ Foundation
4	Director	Qisda Corporation (shareholder) Company Representative :Liu Jia-rui	Male	43,659,294	Ph.D. of Photovoltaic Institute, National Chiao Tung University (NCTU) Deputy General Manager of Optical Functional Film Materials Division, BenQ Materials Corp. General Manager of Functional Film Group, BenQ Materials Corp.	General Manager of BenQ Materials Corp.
5	Director	BenQ	Male	80,847,763	Master of Business	Chairman of

Serial No.	Category	Name	Gender	Current shareholding (Note)	Major Learning (Profile) History	Principal incumbent
		Corporation Company Representative :Li Wen-de			Administration, University of Southern Mississippi, US Chairman of BenQ Materials Corp. Deputy General Manager of Qisda Corporation	BenQ Asia Pacific Corporation. Chairman of BenQ INFTY Lab Ltd. Director and General Manager of BenQ Corporation Member of the Board of Directors of the the BenQ Foundation
6	Independent Director	Ye Fu-hai	Male	0	Department of Electronic Engineering, Feng Chia University Director and CEO of WPG Holdings General Manager of Arrow Electronics, Inc.	Director and CEO of WPG Holdings Director of the Reinvestment Company under WPG Holdings
7	Independent Director	Lu Yu-yang	Male	0	Business Administration PhD, Chiao Tung University Master of Computer Engineering, Chiao Tung University Professor of School of Management, Yuan Ze University Senior manager, BenQ Corporation	None
8	Independent Director	Wang Gong	Male	0	PhD in Industrial Economics and Transportation Economics, Massachusetts Institute of Technology Independent Director of Formosa Taffeta Co.,Ltd Independent Director of Qisda Corporation Chair Professor, Enterprise Management Department, China University of Technology (CUTe)	Supervisor of PTOT Inc. Headquarter, Taipei
9	Independent Director	Yu Xi-rong	Female	0	PhD in Materials Science Engineering, Massachusetts Institute of Technology Vice President of R&D, United Microelectronics Corporation (UMC) Chief Technology Officer ( CTO ),Solar Applied Materials Technology Corporation (SOLAR) Consultant of UMC Capital	Distinguished Professor, Department of Materials Science and Engineering, National Tsing Hua University

## Attachment II

### Financial Statements and Independent Auditors' Report of Recent Years

#### Statement of Declaration

The entities that are required to be included in the combined financial statements of BenQ Materials Corporation and subsidiaries as of and for the year ended December 31, 2021 under the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" are the same as those included in the Consolidated Financial Statements prepared in conformity with International Financial Reporting Standards No. 10 endorsed by the Financial Supervisory Commission. In addition, the information required to be disclosed in the combined financial statements is included in the Consolidated Financial Statements. Consequently, BenQ Materials Corporation and subsidiaries do not prepare a separate set of combined financial statements.

Hereby certify

Company Name: BenQ Materials Corporation



Chairman: Chen Chien-Chih



Date: February 24, 2022



# Consolidated Financial Statements and Independent Auditors' Report of BenQ Materials Corporation

To: The Board of Directors of BenQ Materials Corporation

## Opinions on the audit

We have audited the Consolidated Balance Sheets of BenQ Materials Corporation and its subsidiaries (the BenQ Corporation) as of December 31, 2021 and 2020, the Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, and Notes to Consolidated Financial Statements (including Summary of Significant Accounting Policies) for the annual period from January 1 to December 31, 2021 and 2020.

In our opinion, the aforementioned Consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of BenQ Materials Corporation and subsidiaries as of December 31, 2021 and 2020, and its consolidated financial performance and cash flows for the annual periods ended December 31, 2021 and 2020 in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," as well as International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and effected by the Financial Supervisory Commission.

## Basis of opinions on the audit

We conducted our audit in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and Generally Accepted Auditing Standards. Our responsibility under those standards will be further described in the section titled "The Accountants' Responsibilities in Auditing the Consolidated Financial Statements." We have stayed independent from BenQ Materials Corporation as required by The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled other responsibilities as stipulated by the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2021 Consolidated Financial Statements of BenQ Materials Corporation and its subsidiaries. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The accountant's judgment should communicate the key audit matters on the audit report as follows:

### I. Inventory Valuation

For the accounting policies of inventories, please refer to Note 4 [8] of the Consolidated Financial Statements; For the accounting estimates of the inventory evaluation and the description of the uncertainty of the assumptions, please refer to Note 5 of the Consolidated Financial Statements; For the description of important accounting items in inventories, please refer to Note 6 [6] of the Consolidated Financial Statements.

Description:

Inventories of BenQ Materials Corporation are mainly film sheet products. Inventory is measured by the lower of cost and NRV. As BenQ Materials Corporation's inventory is easily affected by the market demand of the products used and the yield rate of the production process, resulting in sluggish or falling prices, inventory evaluation is one of the important evaluation items for the accountants to perform the review of the Consolidated Financial Statements.

Our audit procedures performed in respect of the above area included the following:

The accountant's main audit procedures for the above key verification items include reviewing the inventory age report and analyzing the changes in the inventory age in each period; sampling and testing the inventory cost and net realizable value provided by BenQ Materials Corporation, as well as the inventory age report, reviewing the

management and sales meeting to evaluate the situation of inventory depletion; evaluating whether the assessment of inventory has been handled in accordance with the accounting policies established by BenQ Materials Corporation; performing inventory retrospective testing to verify the rationality of the provision of bad debt losses.

## **Other Matters**

BenQ Materials Corporation has also compiled Individual Financial Statements for 2021 and 2020, and they have also received an unqualified audit opinion from our CPA for your reference.

## **The Management's Responsibility and Governing Body of the Consolidated Financial Statements**

It is the management's responsibility to fairly present the Consolidated Financial Statements in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," as well as International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission, and to maintain internal controls which are necessary for the preparation of the Consolidated Financial Statements so as to avoid material misstatements due to fraud or errors therein.

In preparing for the Consolidated Financial Statement, responsibilities of the management also included assessment of the capacity to continue operation, disclosure of related matters and the accounting approaches to be adopted when the Company continues to operate unless the management intends to liquidate or suspend the business of BenQ Materials Corporation if there was not any other option except liquidation or suspension of the Company's business.

The governing bodies of BenQ Materials Corporation and its subsidiaries (including the Audit Committee or the supervisors) have the responsibility to oversee the process by which the financial statements are prepared.

## **The Accountants' Responsibilities in Auditing the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance on whether the Consolidated Financial Statements as a whole are free from material misstatement arising from fraud or error, and to issue an independent auditors' report. "Reasonable assurance" refers to high level of assurance. Nevertheless, our audit, which was carried out in accordance with the generally accepted auditing standards, does not guarantee that a material misstatement(s) will be detected in the Consolidated Financial Statements. Misstatements can arise from fraud or error. Misstatements 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.

We have utilized our professional judgment and maintained professional skepticism when exercising auditing work in accordance with the generally accepted auditing standards. We also:

1. Identified and evaluated the risk of a material misstatement(s) due to fraud or errors in the Consolidated Financial Statements; designed and carried out appropriate countermeasures for the assessed risks; and obtained sufficient and appropriate evidence as the basis for the audit report. The risk of not detecting a significant 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. Acquired necessary understanding of internal controls pertaining to the audit in order to develop audit procedures appropriate under the circumstances. Nevertheless, the purpose of such understanding is not to provide any opinion on the effectiveness of the internal controls of BenQ Materials Corporation.
3. Assess the appropriateness of the accounting policies adopted by the management level, as well as the reasonableness of their accounting estimates and relevant disclosures.
4. Concluded, based on the audit evidence acquired, on the appropriateness of the management's use of the going-concern basis of accounting, and determined whether a material uncertainty exists where events or conditions that might cast significant doubt on the ability of BenQ

Materials Corporation to continue as going concerns. If we believe there are events or conditions indicating the existence of a material uncertainty, we are required to remind the users of the Consolidated Financial Statements in our audit report of the relevant disclosures therein, or to amend our audit opinion when any inappropriate disclosure was found. Our conclusion is based on the audit evidence acquired as of the date of the audit report. However, future events or conditions may cause BenQ Materials Corporation to cease to continue as a going concern.

5. Evaluated the overall presentation, structure, and content of the Consolidated Financial Statements (including the related notes), and determined whether the Consolidated Financial Statements present related transactions and events fairly.
6. Acquired sufficient and appropriate audit evidence regarding financial information of entities within the Group in order to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion on BenQ Materials Corporation.

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 provided governing bodies with a declaration that we had complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence, and communicated with them all relationships and other matters that might possibly be deemed to impair our independence (including relevant preventive measures).

From the matters communicated with those charged with governance, we determined the key audit matters of the Consolidated Financial Statements of BenQ Materials Corporation of 2021. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

KPMG Taiwan

Accountant:

唐慈杰  
施威銘



Approved audit number:

FSC (6) No. 0940100754  
FSC (6) No. 0950103298

February 24, 2022

**BENQ MATERIALS CORPORATION AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
**December 31, 2021 and 2020**

Unit: NT\$ thousand

Assets	Dec. 31, 2021		Dec. 31, 2020		Liabilities and Equity	Dec. 31, 2021		Dec. 31, 2020	
	Amount	%	Amount	%		Amount	%	Amount	%
<b>Current assets</b>					<b>Current liabilities:</b>				
1100 Cash and cash equivalents (Note 6 [1])	\$ 278,127	2	148,243	1	2100 Short-term borrowings (Note 6 [14])	\$ 586,849	5	150,000	1
1110 Financial Assets at Fair Value through Profit or Loss - Current (Note 6 [2])	5,908	-	18,258	-	2120 Financial assets at fair value through profit or loss - current (Note 6 [2])	9,361	-	5,838	-
1120 Financial assets at fair value through other comprehensive income - Current (Note 6 [3])	55,490	-	57,809	-	2170 Accounts payable	3,141,185	25	3,421,461	31
1170 Notes and accounts receivable, net (Note 6 [4], [22])	2,252,030	18	1,396,423	13	2180 Accounts payable - related parties (Note 7)	48,436	-	29,766	-
1180 Notes and accounts receivable - related parties net amount (Note 6 [4], [22] and 7)	610,135	5	954,445	9	2200 Other payables (Note 6 [23])	1,668,190	13	1,183,091	11
1200 Other receivables (Note 6 [4], [5])	184,842	2	221,153	2	2220 Other payables - related parties (Note 7)	24,108	-	16,218	-
1210 Other receivables - related parties (Note 6 [5] and 7)	20	-	55	-	2320 Long-term borrowings due within one year (Note 6 [15] and 8)	1,666	-	-	-
1310 Inventories, net (Note 6 [6])	2,807,868	23	2,404,889	22	2281 Lease liabilities - current (Note 6 [16])	7,871	-	2,626	-
1479 Other current assets	268,911	2	334,982	3	2282 Lease liabilities - related parties - current (Note 6 [16] and 7)	91,779	1	82,289	1
1476 Other financial assets - current (Note 8)	87,084	1	15,836	-	2399 Other current liabilities (Note 11)	215,073	2	79,570	1
1461 Non-current assets held for sale (Note 6 [7] and 11)	163,909	1	-	-	<b>Total current liabilities</b>	<b>5,794,518</b>	<b>46</b>	<b>4,970,859</b>	<b>45</b>
<b>Total current assets</b>	<b>6,714,324</b>	<b>54</b>	<b>5,552,093</b>	<b>50</b>	<b>Non-current liabilities:</b>				
<b>Non-current assets</b>					2540 Long-term borrowings (Note 6 [15] and 8)	1,305,028	11	1,614,624	15
1517 Financial assets at fair value through other comprehensive income - non-current (Note 6 [3])	9,187	-	1,500	-	2570 Deferred tax liabilities (Note 6 [19])	144,735	1	7,018	-
1550 Investments accounted for using equity method (Note 6 [8])	221,918	2	196,876	2	2581 Lease liabilities - non-current (Note 6 [16])	52,383	-	5,745	-
1600 Real estate, plant, and equipment (Notes 6 [10], 7, and 8)	4,493,229	36	4,349,216	39	2582 Lease liabilities - related parties - non-current (Note 6 [16] and 7)	-	-	91,779	1
1755 Right-of-use asset (Notes 6 [11])	190,290	2	221,590	2	2600 Other non-current liabilities (Note 6 [15], [18])	56,661	1	46,651	-
1760 Net investment property (Note 6 [12])	431,072	3	457,097	4	<b>Total non-current liabilities</b>	<b>1,558,807</b>	<b>13</b>	<b>1,765,817</b>	<b>16</b>
1780 Intangible assets (Note 6 [13] and 7)	165,773	1	34,254	-	<b>Total liabilities</b>	<b>7,353,325</b>	<b>59</b>	<b>6,736,676</b>	<b>61</b>
1840 Deferred tax assets (Note 6 [19])	183,535	1	174,259	2	<b>Equity (Note 6 [20]):</b>				
1920 Guarantee deposits paid	28,974	-	13,930	-	3110 Common stock	3,206,745	26	3,206,745	29
1995 Other non-current assets (Note 6 [18])	71,626	1	58,636	1	3200 Capital reserve	5,808	-	11,427	-
<b>Total non-current assets</b>	<b>5,795,604</b>	<b>46</b>	<b>5,507,358</b>	<b>50</b>	Retained earnings				
					3310 Legal reserve	317,262	2	277,665	3
					3320 Special reserve	83,534	1	33,896	-
					3350 Balance of retained earnings	1,533,290	12	876,576	8
					3400 Other equity	(103,309)	(1)	(83,534)	(1)
					<b>Total equity attributable to the owners of parent company</b>	<b>5,043,330</b>	<b>40</b>	<b>4,322,775</b>	<b>39</b>
					36XX Non-controlling interests (Note 6 [9], [20])	113,273	1	-	-
					<b>Total equity</b>	<b>5,156,603</b>	<b>41</b>	<b>4,322,775</b>	<b>39</b>
<b>Total assets</b>	<b>\$ 12,509,928</b>	<b>100</b>	<b>11,059,451</b>	<b>100</b>	<b>Total liabilities and equity</b>	<b>\$ 12,509,928</b>	<b>100</b>	<b>11,059,451</b>	<b>100</b>

(See the attached notes to Consolidated Financial Statements)  
General Manager: Liu Chia-Jui

Chairman: Chen Chien-Chih

Accounting Manager: Wang Sheng-Hsing

**BENQ MATERIALS CORPORATION AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income**  
**From January 1 to December 31, 2021 and 2020**

Unit: NT\$ thousand

	2021		2020	
	Amount	%	Amount	%
4000 Net sales revenue (Notes 6 [17], [22], 7, and 14)	\$ 16,481,686	100	15,049,948	100
5000 Operating costs (Notes 6 [6], [10], [11], [12], [13], [17], [18], [23], 7, and 12)	(13,425,149)	(81)	(12,776,414)	(85)
<b>Gross operating profit</b>	<u>3,056,537</u>	<u>19</u>	<u>2,273,534</u>	<u>15</u>
<b>Operating expenses (Notes 6 [4], [10], [11], [13], [16], [18], [23], 7, and 12):</b>				
6100 Selling expenses	(1,050,132)	(6)	(869,894)	(6)
6200 General and administrative expenses	(269,767)	(2)	(216,498)	(1)
6300 Research and development expenses	(759,320)	(5)	(639,769)	(4)
	<u>(2,079,219)</u>	<u>(13)</u>	<u>(1,726,161)</u>	<u>(11)</u>
<b>Net Operating Income</b>	<u>977,318</u>	<u>6</u>	<u>547,373</u>	<u>4</u>
<b>Non-operating income and expenses (Notes 6 [8], [9], [15], [16], [24] and 7):</b>				
7100 Interest revenue	1,170	-	975	-
7010 Other income	19,298	-	14,762	-
7020 Other gains or losses	180,995	1	(2,449)	-
7050 Financial costs	(42,068)	-	(61,392)	(1)
7370 Shares of profits (losses) of associates accounted for using the equity method	71,259	-	10,510	-
	<u>230,654</u>	<u>1</u>	<u>(37,594)</u>	<u>(1)</u>
<b>Income before income tax</b>	<u>1,207,972</u>	<u>7</u>	<u>509,779</u>	<u>3</u>
7950 Less: Income tax expense (Note 6 [19])	(238,445)	(1)	(113,806)	-
<b>Net profit</b>	<u>969,527</u>	<u>6</u>	<u>395,973</u>	<u>3</u>
<b>Other comprehensive income (loss):</b>				
8310 <b>Items that will not be reclassified to profit or loss (Notes 6 [18], [20])</b>				
8311 Remeasurement of defined benefit plans	(6,932)	-	(2,134)	-
8316 Unrealized profit (loss) on investments in equity instruments at fair value through other comprehensive income	(3,453)	-	(43,423)	(1)
8349 Income tax related to items that will not be reclassified	-	-	-	-
	<u>(10,385)</u>	<u>-</u>	<u>(45,557)</u>	<u>(1)</u>
8360 <b>Items that may be reclassified subsequently to profit or loss (Notes 6 [18], [20])</b>				
8361 Exchange differences arising on translation of financial statements of foreign operations	8,741	-	2,096	-
8370 Share of other comprehensive income of associates accounted for using the equity method	(19,265)	-	(6,177)	-
8399 Income tax related to items that may be reclassified	-	-	-	-
	<u>(10,524)</u>	<u>-</u>	<u>(4,081)</u>	<u>-</u>
<b>Other comprehensive income (loss)</b>	<u>(20,909)</u>	<u>-</u>	<u>(49,638)</u>	<u>(1)</u>
8500 <b>Total comprehensive income for the year</b>	<u>\$ 948,618</u>	<u>6</u>	<u>346,335</u>	<u>2</u>
<b>Net profit for the period attributable to:</b>				
8610 Owners of the parent company	\$ 971,555	6	395,973	3
8720 Non-controlling interests	(2,028)	-	-	-
	<u>\$ 969,527</u>	<u>6</u>	<u>395,973</u>	<u>3</u>
<b>Total comprehensive income attributable to:</b>				
8710 Owners of the parent company	\$ 950,646	6	346,335	2
8720 Non-controlling interests	(2,028)	-	-	-
	<u>\$ 948,618</u>	<u>6</u>	<u>346,335</u>	<u>2</u>
<b>Earnings per share (Unit: NT\$) (Note 6 [21])</b>				
9750 <b>Basic earnings per share</b>	<u>\$ 3.03</u>		<u>1.23</u>	
9850 <b>Diluted earnings per share</b>	<u>\$ 2.99</u>		<u>1.23</u>	

(See the attached notes to Consolidated Financial Statements)

Chairman:  
Chen Chien-Chih

General Manager:  
Liu Chia-Jui

Accounting Manager:  
Wang Sheng-Hsing

# BENQ MATERIALS CORPORATION AND SUBSIDIARIES

## Consolidated Statements of Changes in Equity

From January 1 to December 31, 2021 and 2020

Profit and/or loss attributable to the owners of parent company

Unit: NT\$ thousand

	Retained earnings						Other equity item				Total equity attributable to the owners of parent company	Non-controlling interests	Total equity
	Common stock	Capital reserve Capital reserve	Legal reserve	Special reserve	Balance of retained earnings	Total	Exchange differences arising on translation of financial statements of foreign operations	Unrealized profits and losses of financial assets at fair value through other comprehensive income	Defined benefit plans remeasurement	Total			
<b>Balance as of January 1, 2020</b>	\$3,206,745	5,618	251,953	-	700,548	952,501	(36,865)	22,832	(19,863)	(33,896)	4,130,968	-	4,130,968
Appropriation and distribution of retained earnings:													
Account for legal reserve	-	-	25,712	-	(25,712)	-	-	-	-	-	-	-	-
Account for special reserve	-	-	-	33,896	(33,896)	-	-	-	-	-	-	-	-
Cash dividend of common stock	-	-	-	-	(160,337)	(160,337)	-	-	-	-	(160,337)	-	(160,337)
Other changes in capital surplus:													
Change in capital surplus from investments in associates under equity method	-	5,809	-	-	-	-	-	-	-	-	5,809	-	5,809
Net profit	-	-	-	-	395,973	395,973	-	-	-	-	395,973	-	395,973
Other comprehensive income (loss)	-	-	-	-	-	-	(4,801)	(43,423)	(2,134)	(49,638)	(49,638)	-	(49,638)
<b>Total comprehensive income for the year</b>	-	-	-	-	395,973	395,973	(4,801)	(43,423)	(2,134)	(49,638)	346,335	-	346,335
<b>Balance as of December 31, 2020</b>	3,206,745	11,427	277,665	33,896	876,576	1,188,137	(40,946)	(20,591)	(21,997)	(83,534)	4,322,775	-	4,322,775
Appropriation and distribution of retained earnings:													
Account for legal reserve	-	-	39,597	-	(39,597)	-	-	-	-	-	-	-	-
Account for special reserve	-	-	-	49,638	(49,638)	-	-	-	-	-	-	-	-
Cash dividend of common stock	-	-	-	-	(224,472)	(224,472)	-	-	-	-	(224,472)	-	(224,472)
Other changes in capital surplus:													
Change in capital surplus from investments in associates under equity method	-	(5,619)	-	-	-	-	-	-	-	-	(5,619)	-	(5,619)
Disposal of equity instruments measured at fair value through other comprehensive gains and losses:													
Net profit	-	-	-	-	971,555	971,555	-	-	-	-	971,555	(2,028)	969,527
Other comprehensive income (loss)	-	-	-	-	-	-	(10,524)	(3,453)	(6,932)	(20,909)	(20,909)	-	(20,909)
<b>Total comprehensive income for the year</b>	-	-	-	-	971,555	971,555	(10,524)	(3,453)	(6,932)	(20,909)	950,646	(2,028)	948,618
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	115,301	115,301
<b>Balance as of December 31, 2021</b>	\$3,206,745	5,808	317,262	83,534	1,533,290	1,934,086	(51,470)	(22,910)	(28,929)	(103,309)	5,043,330	113,273	5,156,603

(See the attached notes to Consolidated Financial Statements)

Chairman: Chen, Zhien-Chi

General Manager: Liu Chia-Jui

Accounting Manager: Wang Sheng-Hsing

**BENQ MATERIALS CORPORATION AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
**From January 1 to December 31, 2021 and 2020**

Unit: NT\$ thousand

	2021	2020
<b>Cash flows from operating activities</b>		
Income before income tax for the year	\$ 1,207,972	509,779
<b>Adjusted items</b>		
Depreciation	569,065	579,840
Amortization expenses	45,816	40,296
Expected credit losses (reverse benefits)	(645)	79
Valuation loss (profit) on financial liabilities measured at fair value through net profit or loss	15,873	(5,715)
Interest expenses	42,068	61,392
Interest revenue	(1,170)	(975)
Dividend income	(1,344)	(2,400)
Shares of profits of associates accounted for using the equity method	(71,259)	(10,510)
(Profits) losses on disposal of real estate, plant and equipment interests	(1,414)	479
Profits from disposal of investment	(7,814)	(11,975)
Gains on bargain purchase	(99)	-
Amortization of deferred expenses transferred to expenses	139,660	127,429
Amortization of syndication fee costs	1,900	1,900
Gains on lease modifications	(2)	-
Total adjustments to reconcile profit (loss)	730,635	779,840
Changes in operating assets/liabilities:		
Net changes in operating assets:		
(Increase) decrease in notes and account receivable	(756,508)	295,456
(Increase) decrease in account receivable - related parties	286,336	(807,260)
(Increase) decrease in other receivable	1,095	(7,758)
Increases in other receivables - related parties	35	109
Increase in inventory	(392,675)	(441,372)
Increase in other current assets	(39,061)	(58,792)
(Increase) decrease in other non-current assets	(604)	40
Total net changes in operating assets	(901,382)	(1,019,577)
Total net changes in operating liabilities:		
Increase (decrease) in account payables	(285,318)	850,943
Increase in account payables - related parties	18,670	7,936
Increase in other payables	253,939	79,813
Increase (decrease) in other payables - related parties	7,890	(2,059)
Increase (decrease) in other current liabilities	42,505	(36,102)
Decrease in net defined benefit liability	(1,842)	(1,924)
Total net changes in operating liabilities	35,844	898,607
Total net changes in operating assets and liabilities	(865,538)	(120,970)
Total adjustments	(134,903)	658,870
Cash inflow generated from operations	1,073,069	1,168,649
Interests received	1,170	975
Interests paid	(41,841)	(61,707)
Income tax paid	(19,449)	(4,615)
<b>Net cash flow from operating activities</b>	<b>1,012,949</b>	<b>1,103,302</b>

(continued)

(See the attached notes to Consolidated Financial Statements)

Chairman:  
Chen Chien-Chih

General Manager:  
Liu Chia-Jui

Accounting Manager:  
Wang Sheng-Hsing

**BENQ MATERIALS CORPORATION AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows (continued)**  
**From January 1 to December 31, 2021 and 2020**

Unit: NT\$ thousand

	<b>2021</b>	<b>2020</b>
<b>Cash flows from investing activities</b>		
Purchase from acquisition of financial assets at fair value through profit or loss	\$ (9,187)	(1,500)
Acquisition of investment using the equity method	(4,480)	(16,001)
Disposal of investment using the equity method	-	14,955
Return of capital from investee companies accounted for using the equity method due to liquidation	2,372	-
Net cash inflows from merger of subsidiaries	32,926	-
Acquisition of real estate, plant and equipment	(600,176)	(520,211)
Disposal of real estate, plant and equipment	2,257	198
(Increases) decrease in guarantee deposits paid	(14,106)	3,272
Acquisition of intangible assets	(44,260)	(30,884)
Acquisition of investment properties	-	(6,048)
Increase in other financial assets	(69,657)	(11,197)
Advance receipts on disposal of real estate, plant, and equipment	84,000	-
Increase in other non-current assets	(37,619)	(125,169)
Dividends received	12,161	30,355
<b>Net cash outflows from investing activities</b>	<b>(645,769)</b>	<b>(662,230)</b>
<b>Cash flows from financing activities:</b>		
Increase (decrease) in short-term borrowings	420,093	93,200
Proceeds from long-term borrowings	3,096,690	7,165,810
Repayments of long-term borrowings	(3,423,450)	(7,527,500)
Increase (decrease) in guarantee deposits paid	4,725	(1,369)
Repayments of lease principal	(86,773)	(92,110)
Issuance of cash dividend	(224,472)	(160,337)
<b>Net cash outflows from financing activities</b>	<b>(213,187)</b>	<b>(522,306)</b>
<b>Effect of changes in exchange rates</b>	<b>(24,109)</b>	<b>33,223</b>
<b>Increase (decrease) in cash and cash equivalents for the year</b>	<b>129,884</b>	<b>(48,011)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>148,243</b>	<b>196,254</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 278,127</b>	<b>148,243</b>

(See the attached notes to Consolidated Financial Statements)

Chairman:  
Chen Chien-Chih

General Manager:  
Liu Chia-Jui

Accounting Manager:  
Wang Sheng-Hsing



## Individual Financial Statements and Independent Auditors' Report of Recent Years

### Individual Financial Statements and Independent Auditors' Report of BenQ Materials Corporation

To: The Board of Directors of BenQ Materials Corporation

#### **Opinions on the audit**

We have audited the Balance Sheets of BenQ Materials Corporation as of December 31, 2021 and 2020, the Statements of Comprehensive Income, Statements of Changes in Equity, Statements of Cash Flows, and Notes to Individual Financial Statements (including Summary of Significant Accounting Policies) for the annual period from January 1 to December 31, 2021 and 2020.

In our opinion, the aforementioned Individual Financial Statements present fairly, in all material respects, the individual financial position of BenQ Materials Corporation as of December 31, 2021 and 2020, and its individual financial performance and cash flows for the annual periods ended December 31, 2021 and 2020 in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."

#### **Basis of opinions on the audit**

We conducted our audit in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and Generally Accepted Auditing Standards. Our responsibility under those standards will be further described in the section titled "The Accountants' Responsibilities in Auditing the Individual Financial Statements." We have stayed independent from BenQ Materials Corporation as required by The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled other responsibilities as stipulated by the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2021 Individual Financial Statements of BenQ Materials Corporation and its subsidiaries. These matters were addressed in the context of our audit of the Individual Financial Statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on these matters individually. The accountant's judgment should communicate the key audit matters on the audit report as follows:

##### **I. Inventory Valuation**

For the accounting policies of inventories, please refer to Note 4 [7] of the Individual Financial Statements; For the accounting estimates of the inventory evaluation and the description of the uncertainty of the assumptions, please refer to Note 5 of the Individual Financial Statements; For the description of important accounting items in inventories, please refer to Note 6 [6] of the Individual Financial Statements.

##### **Description:**

Inventories of BenQ Materials Corporation are mainly film sheet products. Inventory is measured by the lower of cost and NRV. As BenQ Materials Corporation's inventory is easily affected by the market demand of the products used and the yield rate of the production process, resulting in sluggish or falling prices, inventory evaluation is one of the important evaluation items for the accountants to perform the review of Individual Financial Statements.

Our audit procedures performed in respect of the above area included the following:

The accountant's main audit procedures for the above key verification items include reviewing the inventory age report and analyzing the changes in the inventory age in each period; sampling and testing the inventory cost and net realizable value provided by BenQ Materials Corporation, as well as the

inventory age report, reviewing the management and sales meeting to evaluate the situation of inventory depletion; evaluating whether the assessment of inventory has been in accordance with the accounting policies established by BenQ Materials Corporation; performing inventory retrospective testing to verify the rationality of the provision of bad debt losses.

### **The Management's Responsibility and Governing Body of the Individual Financial Statements**

It is the management's responsibility to fairly present the Individual Financial Statements in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," and to maintain internal controls which are necessary for the preparation of the Individual Financial Statements so as to avoid material misstatements due to fraud or errors therein.

In preparing for the individual financial statement, responsibilities of the management also included assessment of the capacity to continue operation, disclosure of related matters and the accounting approaches to be adopted when the Company continues to operate unless the management intends to liquidate or suspend the business of BenQ Materials Corporation if there was not any other option except liquidation or suspension of the Company's business.

The governing bodies of BenQ Materials Corporation (including the Audit Committee or the supervisors) have the responsibility to oversee the process by which the financial statements are prepared.

### **The Accountants' Responsibilities in Auditing the Individual Financial Statements**

Our objectives are to obtain reasonable assurance on whether the Individual Financial Statements as a whole are free from material misstatement arising from fraud or error, and to issue an independent auditors' report. "Reasonable assurance" refers to high level of assurance. Nevertheless, our audit, which was carried out in accordance with the generally accepted auditing standards, does not guarantee that a material misstatement(s) will be detected in the Individual Financial Statements. Misstatements can arise from fraud or error. Misstatements 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 Individual Financial Statements.

We have utilized our professional judgment and maintained professional skepticism when exercising auditing work in accordance with the generally accepted auditing standards. We also:

1. Identified and evaluated the risk of a material misstatement(s) due to fraud or errors in the Individual Financial Statements; designed and carried out appropriate countermeasures for the assessed risks; and obtained sufficient and appropriate evidence as the basis for the audit report. The risk of not detecting a significant 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. Acquired necessary understanding of internal controls pertaining to the audit in order to develop audit procedures appropriate under the circumstances. Nevertheless, the purpose of such understanding is not to provide any opinion on the effectiveness of the internal controls of BenQ Materials Corporation.
3. Assess the appropriateness of the accounting policies adopted by the management level, as well as the reasonableness of their accounting estimates and relevant disclosures.
4. Concluded, based on the audit evidence acquired, on the appropriateness of the management's use of the going-concern basis of accounting, and determined whether a material uncertainty exists where events or conditions that might cast significant doubt on the ability of BenQ Materials Corporation to continue as going concerns. If we believe there are events or conditions indicating the existence of a material uncertainty, we are required to remind the users of the Individual Financial Statements in our audit report of the relevant disclosures therein, or to amend our audit opinion when any inappropriate disclosure was found. Our conclusion is based on the audit evidence acquired as of the date of the audit report. However, future events or conditions may cause BenQ Materials Corporation to cease to continue as a going concern. However, future events or conditions may cause BenQ Materials Corporation to cease to continue as a going concern.
5. Evaluated the overall presentation, structure, and content of the Individual Financial Statements (including

the related notes), and determined whether the Individual Financial Statements present related transactions and events fairly.

6. Acquire sufficient and appropriate audit evidence for the financial information of the investee company that adopts the equity method to express opinions on Individual Financial Statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion on BenQ Materials Corporation.

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 provided governing bodies with a declaration that we had complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence, and communicated with them all relationships and other matters that might possibly be deemed to impair our independence (including relevant preventive measures).

From the matters communicated with those charged with governance, we determined the key audit matters of the Individual Financial Statements of BenQ Materials Corporation of 2021. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

KPMG Taiwan

Accountant:

Approved audit number:

February 24, 2022

唐慈杰   
施威銘 

FSC (6) No. 0940100754  
FSC (6) No. 0950103298



**BENQ MATERIALS CORPORATION**  
**Statements of Comprehensive Income**  
**From January 1 to December 31, 2021 and 2020**

Unit: NT\$ thousand

		2021		2020	
		Amount	%	Amount	%
4000	<b>Operating revenue (Note 6 [18] and 7)</b>	\$ 15,898,350	100	14,207,202	100
5000	<b>Operating costs (Notes 6 [6], [8], [9], [10], [13], [14], [19], 7, and 12)</b>	(13,543,517)	(85)	(12,366,320)	(87)
	<b>Gross operating profit</b>	2,354,833	15	1,840,882	13
5910	(Unrealized) realized sales profit and loss	(13,596)	-	2,721	-
	<b>Realized operating profit and loss</b>	2,341,237	15	1,843,603	13
	<b>Operating expenses (Notes 6 [4], [8], [9], [10], [13], [14], [19], 7, and 12):</b>				
6100	Selling expenses	(575,694)	(4)	(483,161)	(4)
6200	General and administrative expenses	(209,090)	(1)	(163,361)	(1)
6300	Research and development expenses	(741,194)	(5)	(623,197)	(4)
	<b>Total operating expenses</b>	(1,525,978)	(10)	(1,269,719)	(9)
	<b>Net Operating Income</b>	815,259	5	573,884	4
	<b>Non-operating income and expenses (Notes 6 [7], [12], [13], [20] and 7):</b>				
7100	Interest revenue	589	-	207	-
7010	Other income	11,583	-	9,666	-
7020	Other gains or losses	168,311	1	(13,141)	-
7050	Financial costs	(41,288)	-	(59,524)	(1)
7070	Shares of (losses) profits of associates accounted for using the equity method	243,963	2	(19,153)	-
		383,158	3	(81,945)	(1)
	<b>Income before income tax</b>	1,198,417	8	491,939	3
7950	<b>Less: Income tax expense (Note 6 [15])</b>	(226,862)	(2)	(95,966)	-
	<b>Net profit</b>	971,555	6	395,973	3
	<b>Other comprehensive income (loss):</b>				
8310	<b>Items that will not be reclassified to profit or loss (Notes 6 [7], [14], [16])</b>				
8311	Remeasurement of defined benefit plans	(9,143)	-	(2,067)	-
8316	Unrealized profit (loss) on investments in equity instruments at fair value through other comprehensive income	(3,453)	-	(43,423)	(1)
8330	Share of other comprehensive income from subsidiaries accounted for using equity method	2,211	-	(67)	-
8349	Income tax related to items that will not be reclassified	-	-	-	-
		(10,385)	-	(45,557)	(1)
8360	<b>Items that may be reclassified subsequently to profit or loss (Note 6 [16])</b>				
8361	Exchange differences arising on translation of financial statements of foreign operations	(10,524)	-	(4,081)	-
8399	Income tax related to items that may be reclassified	-	-	-	-
		(10,524)	-	(4,081)	-
	<b>Other comprehensive income (loss)</b>	(20,909)	-	(49,638)	(1)
8500	<b>Total comprehensive income for the year</b>	\$ <b>950,646</b>	<b>6</b>	<b>346,335</b>	<b>2</b>
	<b>Earnings per share (Unit: NT\$) (Note 6 [17])</b>				
9750	<b>Basic earnings per share</b>	\$ <b>3.03</b>		<b>1.23</b>	
9850	<b>Diluted earnings per share</b>	\$ <b>2.99</b>		<b>1.23</b>	

(See the attached notes to Individual Financial Statements)

Chairman: Chen Chien-Chih

General Manager: Liu Chia-Jui

Accounting Manager: Wang Sheng-Hsing

**BENQ MATERIALS CORPORATION**  
**Statements of Changes in Equity**  
**From January 1 to December 31, 2021 and 2020**

Unit: NT\$ thousand

	Retained earnings						Other equity item			Total	Total equity
	Common stock	Capital reserve	Legal reserve	Special reserve	Balance of retained earnings	Total	Exchange differences arising on translation of financial statements of foreign operations	Unrealized profits and losses of financial assets at fair value through other comprehensive income	Defined benefit plans remeasurement		
<b>Balance as of January 1, 2020</b>	\$ 3,206,745	5,618	251,953	-	700,548	952,501	(36,865)	22,832	(19,863)	(33,896)	4,130,968
Appropriation and distribution of retained earnings:											
Account for legal reserve	-	-	25,712	-	(25,712)	-	-	-	-	-	-
Account for special reserve	-	-	-	33,896	(33,896)	-	-	-	-	-	-
Cash dividend of common stock	-	-	-	-	(160,337)	(160,337)	-	-	-	-	(160,337)
Other changes in capital surplus:											
Change in capital surplus from investments in associates under equity method	-	5,809	-	-	-	-	-	-	-	-	5,809
Net profit	-	-	-	-	395,973	395,973	-	-	-	-	395,973
Other comprehensive income (loss)	-	-	-	-	-	-	(4,081)	(43,423)	(2,134)	(49,638)	(49,638)
Total comprehensive income for the year	-	-	-	-	395,973	395,973	(4,081)	(43,423)	(2,134)	(49,638)	346,335
<b>Balance as of December 31, 2020</b>	3,206,745	11,427	277,665	33,896	876,576	1,188,137	(40,946)	(20,591)	(21,997)	(83,534)	4,322,775
Appropriation and distribution of retained earnings:											
Account for legal reserve	-	-	39,597	-	(39,597)	-	-	-	-	-	-
Account for special reserve	-	-	-	49,638	(49,638)	-	-	-	-	-	-
Cash dividend of common stock	-	-	-	-	(224,472)	(224,472)	-	-	-	-	(224,472)
Other changes in capital surplus:											
Change in capital surplus from investments in associates under equity method	-	(5,619)	-	-	-	-	-	-	-	-	(5,619)
Disposal of equity instruments measured at fair value through other comprehensive gains and losses:											
Disposal of equity instruments measured at fair value through other comprehensive gains and losses:	-	-	-	-	(1,134)	(1,134)	-	1,134	-	1,134	-
Net profit	-	-	-	-	971,555	971,555	-	-	-	-	971,555
Other comprehensive income (loss)	-	-	-	-	-	-	(10,524)	(3,453)	(6,932)	(20,909)	(20,909)
Total comprehensive income for the year	-	-	-	-	971,555	971,555	(10,524)	(3,453)	(6,932)	(20,909)	950,646
<b>Balance as of December 31, 2021</b>	\$ 3,206,745	5,808	317,262	83,534	1,533,290	1,934,086	(51,470)	(22,910)	(28,929)	(103,309)	5,043,330

(See the attached notes to Individual Financial Statements)  
General Manager: Liu Chia-Jui

Chairman: Chen Chien-Chih

Accounting Manager: Wang Sheng-Hsing

**BENQ MATERIALS CORPORATION**  
**Statements of Cash Flows**  
**From January 1 to December 31, 2021 and 2020**

Unit: NT\$ thousand

	2021	2020
<b>Cash flows from operating activities</b>		
<b>Income before income tax for the year</b>	\$ 1,198,417	491,939
<b>Adjusted items</b>		
Depreciation	425,802	421,292
Amortization expenses	36,481	31,919
Expected credit losses	-	94
Valuation loss (profit) on financial liabilities measured at fair value through net profit or loss	15,873	(5,715)
Interest expenses	41,288	59,524
Interest revenue	(589)	(207)
Dividend income	(1,344)	(2,400)
Shares of losses (profits) of associates accounted for using the equity method	(243,963)	19,153
Profits from disposal of real estate, plant, and equipment	-	(51)
Profits from disposal of investment using equity method	(7,814)	(11,975)
Unrealized (realized) sales profit and loss	13,596	(2,721)
Amortization of deferred expenses transferred to expenses	108,775	107,542
Amortization of syndication fee costs	1,900	1,900
Gains on bargain purchase	(99)	-
Gains on lease modifications	(2)	-
Total adjustments to reconcile profit (loss)	<u>389,904</u>	<u>618,355</u>
Changes in operating assets/liabilities:		
Net changes in operating assets:		
Decrease (Increase) in notes and account receivable	(733,250)	323,122
Decrease (increase) in account receivables - related parties	44,414	(813,341)
Decreases (increases) in other receivables	(138)	177
Decreases (increases) in other receivables - related parties	3,178	(95)
Increase in inventory	(276,797)	(491,987)
Increase in other current assets	(110,026)	(38,356)
Total net changes in operating assets	<u>(1,072,619)</u>	<u>(1,020,480)</u>
Total net changes in operating liabilities:		
Increase (decrease) in account payables	(258,399)	849,916
Increase in account payables - related parties	192,140	102,166
Increase in other payables	229,328	6,228
Decrease in other payables - related parties	(8,064)	(83,006)
Increase (decrease) in other current liabilities	29,128	(35,161)
Decrease in net defined benefit liability	(1,842)	(1,857)
Total net changes in operating liabilities	<u>182,291</u>	<u>838,286</u>
Total net changes in operating assets and liabilities	<u>(890,328)</u>	<u>(182,194)</u>
Total adjustments	<u>(500,424)</u>	<u>436,161</u>
Cash inflow generated from operations	697,993	928,100
Interests received	589	207
Interests paid	(41,061)	(59,838)
(Payment) refund of income tax	(10,503)	24
<b>Net cash flow from operating activities</b>	<u>647,018</u>	<u>868,493</u>

(Continued)

(See the attached notes to Individual Financial Statements)

Chairman:  
Chen Chien-Chih

General Manager:  
Liu Chia-Jui

Accounting Manager:  
Wang Sheng-Hsing

**BENQ MATERIALS CORPORATION**  
**Statements of Cash Flows (continued)**  
**From January 1 to December 31, 2021 and 2020**

Unit: NT\$ thousand

	2021	2020
<b>Cash flows from investing activities</b>		
Purchase from acquisition of financial assets at fair value through profit or loss	(9,187)	(1,500)
Acquisition of investment using the equity method	(110,931)	(16,001)
Disposal of investment using the equity method	-	14,955
Return of capital from investments accounted for using the equity method due to capital reduction	328,273	-
Return of capital from investments accounted for using the equity method due to liquidation	2,372	-
Acquisition of real estate, plant, and equipment	(606,896)	(371,236)
Disposal of real estate, plant, and equipment	-	1,154
Increase in Guarantee Deposits Paid	(5,734)	(56)
Acquisition of intangible assets	(44,079)	(30,884)
Increase in other financial assets	(943)	(331)
Increase in other non-current assets	(2,054)	(106,388)
Dividends received	12,161	30,355
<b>Net cash outflows from investing activities</b>	<u>(437,018)</u>	<u>(479,932)</u>
<b>Cash flows from financing activities:</b>		
Increase in short-term borrowings	426,800	150,000
Proceeds from long-term borrowings	3,096,690	7,131,310
Repayments of long-term borrowings	(3,410,000)	(7,460,000)
Increase in guarantee deposits received	80	220
Repayments of lease principal	(86,645)	(92,110)
Issuance of cash dividend	(224,472)	(160,337)
<b>Net cash outflows from financing activities</b>	<u>(197,547)</u>	<u>(430,917)</u>
<b>Increase (decrease) in cash and cash equivalents for the year</b>	12,453	(42,356)
<b>Cash and cash equivalents at beginning of year</b>	95,267	137,623
<b>Cash and cash equivalents at end of year</b>	<u>\$ 107,720</u>	<u>95,267</u>

(See the attached notes to Individual Financial Statements)

Chairman:  
Chen Chien-Chih

General Manager:  
Liu Chia-Jui

Accounting Manager:  
Wang Sheng-Hsing



## Attachment III

### BenQ Materials Corp.

#### 2021 Profits Distribution Table

Unit: NTD

<b>Net profit after tax in 2021</b>	<b>\$ 971,554,936</b>
<b>Deduction: Disposal of equity instruments measured at fair value through other comprehensive profit or loss</b>	<b>(1,132,934)</b>
<b>Net profit after tax plus items other than net profit for the current period are included in the amount of undistributed earnings for the current year</b>	<b>970,422,002</b>
<b>Deduction: Withdrawal of statutory surplus reserve</b>	<b>(97,042,200)</b>
<b>Deduction: Withdrawal of special surplus reserve</b>	<b>(19,774,606)</b>
<b>Earnings available for distribution of Year 2021</b>	<b>\$853,605,196</b>
<b>Surplus: undistributed earnings at the beginning of the period</b>	<b>562,866,990</b>
<b>Accumulated distributable earnings as of Year 2021</b>	<b>\$1,416,472,186</b>
<b>Distributable items :</b>	
<b>Shareholders' dividend - cash (NT\$ 1.35 per share)</b>	<b>(481,011,771)</b>
<b>Unappropriated retained earnings</b>	<b>\$935,460,415</b>

Note:

The cash dividend distribution to each shareholder will be paid to the rounded-down full NT dollar. Amounts less than one whole NT dollar are rounded-down to the nearest NT dollar. The aggregate unpaid cash dividend resulting from the above rounded-down, will be distributed to shareholders in the descending order of decimal point and the ascending order of shareholder account numbers, until the total amount of the approved cash dividend has been fully distributed.

Chairman: Chen, Zhien-Chi

General Manager: Liu Chia-Jui

Accounting Manager: Wang Sheng-Hsing

## Attachment IV

### Measures of issuance and conversion of private equity overseas or domestic convertible corporate bonds (tentative)

- I. **Issuing Company:**  
BenQ Materials Corp. (hereinafter referred to as the "the company" or "BenQ Materials").
- II. **Total issuance:**  
To authorize the board of directors to limit the common stock limit of 31,800,000 shares, One or a combination of cash capital increase issuance of ordinary shares to participate in the issuance of overseas depositary receipts and/or cash capital increase to issue ordinary shares and/or cash capital increase to private placement of ordinary shares and/or private placement of overseas or domestic convertible corporate bonds, When dealing with overseas or domestic convertible corporate bonds (hereinafter referred to as "our corporate bonds") by private placement, then the resulting number of ordinary shares after conversion shall be within the aforementioned range of 31,800 thousand shares, the calculation is based on the conversion price at the time of the private placement.
- III. **Issuing date**  
Issued once within one year after the shareholders' meeting of 2022.
- IV. **Method of issuance**  
The company's bonds will be issued in accordance with Article 43-6 of the Securities Exchange Act and local laws and regulations of the issuance place. The investors to subscribe to the Private Placement Shares and/or Private Placement CB must meet the qualifications listed in Article 43-6 of the Securities and Exchange Act and are limited to strategic investor(s). Priority will be given to the investor(s) who could benefit the Company's long term development, competitiveness, and existing shareholders' rights. The Board is fully authorized to determine the specific investor(s). The purpose, necessity and expected benefits for choosing strategic investor(s) are to accommodate the Company's operation and development needs to have the strategic investor(s) to assist the Company, directly or indirectly, in its finance, business, manufacturing, technology, procurement, management, and strategy development, etc. so to strengthen the Company's competitiveness and enhance its operational efficiency and long term development.
- V. **Types, denominations and issue prices of corporate bonds:**  
The company's bonds are privately placed registered convertible corporate bonds with a denomination of US\$10,000 or its multiples, or NT\$100,000 or its multiples, and the issue price should not be less than 80% of the theoretical price.
- VI. **Coupon interest rate and payment method of corporate bonds:**  
Authorize the Board of Directors to decide based on the status of the financial market.
- VII. **Period of issuance:**  
Not exceeding seven years from the date of issue.
- VIII. **Repayment method:**  
Except for those that have been converted, sold, redeemed or repurchased and cancelled, the company's bonds will be repaid in cash at the maturity date by the company's face value or additional interest compensation.
- IX. **Object of conversion:**

Newly issued ordinary shares of BenQ Materials Corp.

X. **Conversion:**

1. During the conversion period of the Company's bonds: Except for the period during which the company has redeemed, repurchased, cancelled, exercised the conversion right or is not convertible according to the provisions of the issuance contract, the bondholders of the Company may request the conversion of the common shares of the Company at any time from a certain period after the issuance to a certain period before the maturity date of the Company's bonds, in accordance with the relevant laws and regulations and the provisions of the issuance contract.
2. The company's bond conversion procedure:  
Upon request for conversion, the holder shall apply to the Company for conversion by preparing the "Conversion Notice" together with the bonds and all documents or evidence required by the laws and regulations of the Republic of China.
3. The determination and adjustment of the conversion price of the company's bonds:  
The conversion price should not be lower than the simple arithmetic average closing price of the common stocks for either one, three or five business days before the price determination date, and added back any distribution of stock dividends, cash dividends or capital reduction after adjustment or the simple arithmetic average closing price of the common stocks for 30 business days before the price determination date and added back 80% of the stock price after reduction of the capital stock of the anti-ex eighty percent. For the actual price, it is proposed to the shareholders' meeting to authorize the Board of Directors to determine in accordance with relevant laws and regulations. The Board of Directors is authorized to determine the adjustment of the conversion price.
4. Attribution of dividends in the conversion year:  
The bondholders of the company should not claim the interests or dividends before the conversion; the common shares of the issuing company after the conversion may claim the distributed interests or dividends in accordance with the law, which is the same as that of other common shareholders of the company.
5. Rights and obligations after conversion:  
The company's bonds are subject to the restrictions of being transferred within three years period after delivery in accordance with Article 43-8 of the Securities Exchange Act. The rights and obligations of the company's bonds exchanged for ordinary shares are the same as the original ordinary shares.

XI. **Pre-redemption conditions of the issuing company:**

The Board of Directors is authorized to determine this.

XII. **Conditions for bondholders to sell back:**

The Company may choose not to offer sell-back rights, or after a designated period has elapsed following issuance of the bonds, holders may require the issuer to redeem all or part of these bonds at a price calculated based on certain annual yield.

XIII. **Other important agreed matters:**

The Board of Directors should be authorized to make necessary adjustments to the issuance conditions for the issuance of the Company's bonds and other matters not covered herein, and to deal with them at its sole discretion.

## Attachment V

### BenQ Materials Corp.

#### Comparison Table of Articles Before and After Amendments of "Articles of Association"

No.	Before revision	After revision	Reason for revision
Article 7	<p>The company's total capital is rated at NT \$ 4 billion, divided into 400 million shares at \$ 10 per share. The council decided to issue in batches. 15 million shares are reserved in the aforementioned total shares as shares for issuing employee stock option certificates. The company may issue employee stock options at a stock price lower than the market price, or less than the actual share repurchase price, with the consent of the shareholders representing more than half of the total number of issued shares and the presence of more than two-thirds of the shareholders' voting rights. Average price transferred to employees.</p>	<p>The total capital of the Company is designated as NTD (hereinafter the same) in the amount of four <b>4.8</b> billion, divided into <b>480</b> millions shares of NT\$ 10 each, which shall be issued by the Board of Directors by resolution in installments. 15 million shares are reserved in the aforementioned total shares as shares for issuing employee stock option certificates. The company may issue employee stock options at a stock price lower than the market price, or less than the actual share repurchase price, with the consent of the shareholders representing more than half of the total number of issued shares and the presence of more than two-thirds of the shareholders' voting rights. Average price transferred to employees.</p>	In line with actual needs
Article 10	<p>The company's shareholders' meeting is divided into two types: regular meetings and extraordinary meetings. Regular meetings are convened by the Board of Directors within 6 months after the end of the fiscal year each year. Extraordinary meetings are convened according to law when necessary.</p>	<p>The company's shareholders' meeting is divided into two types: regular meetings and extraordinary meetings. Regular meetings are convened by the Board of Directors within 6 months after the end of the fiscal year each year. Extraordinary meetings are convened according to law when necessary.</p> <p><u>The meeting of the shareholders of the Company may be held by videoconference or other means announced by the central competent authority.</u></p>	Amendment according to the legal

No.	Before revision	After revision	Reason for revision
Article 12	<p>The Company shall have seven to nine directors, and the term of office for all directors shall be three (3) years. The board of shareholders shall choose and appoint the candidates from the list of directors, and should be re-elected by consecutive election. The total number of shares of the company held by all directors shall not be less than the number prescribed by the competent authority according to law.</p> <p>The Company may purchase liability insurance for Directors to protect them against potential liabilities arising from exercising their duties during their tenure.</p> <p>The Board is authorized to determine the compensation for the directors, taking into account the extent and value of the services provided for the Company's operation and with reference to the standards of local and overseas industry.</p>	<p>The Company has 7 to <del>9</del> directors, at <del>most</del> in <b>11</b> directors, who are appointed by the Board of Shareholders for a term of three years. They shall be appointed by the Board of Shareholders from a list of candidates for directors and may be re-elected by consecutive election. The total number of shares of the company held by all directors shall not be less than the number prescribed by the competent authority according to law.</p> <p>The Company may purchase liability insurance for Directors to protect them against potential liabilities arising from exercising their duties during their tenure.</p> <p>The Board is authorized to determine the compensation for the directors, taking into account the extent and value of the services provided for the Company's operation and with reference to the standards of local and overseas industry.</p>	In line with actual needs
Article 22	<p>The Articles of Association were established on July 3, 1998 (Omitted)</p> <p>The 22th Amended was made on June 18, 2020</p>	<p>The Articles of Association were established on July 3, 1998 (Omitted)</p> <p>The 22th Amended was made on June 18, 2020</p> <p><b>The 23th Amended was made on June 16, 2022</b></p>	Amendment Added Date

## Attachment VI

### BenQ Materials Corp.

#### The Comparison Table of the Provisions Before and After the Amendment of the “Procedures for Acquiring or Disposing of Assets”

No.	Before revision	After revision	Reason for revision
Article 4	<p><b>Information Disclosure</b> (Omitted)</p> <p>(IV) After a transaction that meets the transaction standards specified in this Article and has been declared, there is a change, termination or rescission of the relevant contract concluded in the original transaction; or the merger, division, acquisition or transfer of shares has not been completed in accordance with the scheduled schedule of the contract; or there is a change in the content of the original declaration.</p> <p>(V) In addition to the four preceding paragraphs, the amount of assets traded or invested in mainland China shall be 20% of the paid-in capital of the Company or more than NT \$300 million.</p> <p>II. The acquisition or disposal of the following assets amounting to NT \$500 million shall be declared within two days from the date of occurrence in accordance with the nature and prescribed format:</p> <p>(I) Assets are classified as machinery and equipment for business use or right-of-use assets, and the counterparty is not a related party.</p> <p>(II) Real estate was acquired by way of land commission, land lease commission, split house construction, split house construction and split sale, and the</p>	<p><b>Information Disclosure</b> (Omitted)</p> <p>(IV) The asset class is the machinery and equipment acquired or disposed of for business use or the right-of-use assets thereof, and the transaction amount is NT \$500 million or more, and the counterparty is not a related party.</p> <p>(V) (2) Immovable property obtained through land commission, land lease commission, split house construction, split house construction and split sale, and the transaction object is not related party, and the expected transaction amount invested by the company is NT \$500 million or more.</p> <p>(VI) (5) Transactions in assets other than the preceding Article Four and Five or investments in mainland China, the transaction amount of which is 20% of the company's paid-in capital or more than NT \$300 million.</p> <p>II. (3) The amount of the above transactions referred to in Items 1 and 2 shall be calculated as follows:</p> <p>(I) Amount per transaction.</p> <p>(II) The cumulative amount of transactions within one year with the same counterparty to acquire or dispose of the same nature of the target.</p> <p>(III) Amount of real estate under the same development plan or its right-of-use assets cumulatively acquired or disposed of (respectively acquired or</p>	Amendments and adjustments with legal orders

No.	Before revision	After revision	Reason for revision
	<p>trading partner is not a related party. The expected transaction amount invested by the company is more than NTD 500 million.</p> <p>III. The amount of the first and second transactions shall be calculated as the following method:</p> <p>(I) Amount per transaction.</p> <p>(II) The cumulative amount of transactions within one year with the same counterparty to acquire or dispose of the same nature of the target.</p> <p>(III) Amount of real estate under the same development plan or its right-of-use assets cumulatively acquired or disposed of (respectively acquired or disposed of) within one year duration.</p> <p>(IV) The amount of the same marketable securities acquired or disposed of (respectively acquired or disposed of) cumulatively within one year duration.</p> <p>IV. The acquisition or disposal of the following assets shall be exempted from the declaration of announcement:</p> <p>(I) Trade bonds subject to repurchase, repurchase conditions, subscribe or redeem domestic money market funds.</p> <p>(II) Buy and sell domestic government bonds.</p> <p>(III) Investors are professionals in securities trading on domestic and overseas stock exchanges or brokerage houses.</p> <p>(Omitted)</p>	<p>disposed of) within one year duration.</p> <p>(IV) The amount of the same marketable securities acquired or disposed of (respectively acquired or disposed of) cumulatively within one year duration.</p> <p>III. (4) After the transaction that meets the transaction standard specified in this Article and has been declared in the announcement, the relevant contract signed in the original transaction is modified, terminated or rescinded; or the merger, division, acquisition or transfer of shares is not completed in accordance with the scheduled schedule of the contract; or the content of the original announcement is changed.</p> <p>IV. The acquisition or disposal of the following assets shall be exempted from the declaration of announcement:</p> <p>(I) Trade bonds subject to repurchase, repurchase conditions, subscribe or redeem domestic money market funds.</p> <p>(II) <u>Buying and selling domestic bonds or foreign bonds with a credit rating not lower than our sovereign rating, etc.</u></p> <p>(III) Investors are professionals in securities trading on domestic and overseas stock exchanges or brokerage houses.</p> <p>(Omitted)</p>	
Article 5	<p>(Omitted)</p> <p>(III) If the valuation result of a professional valuer is any of the following, in addition to the valuation result of the assets obtained being higher than the transaction amount or the valuation result of the assets disposed being</p>	<p>(Omitted)</p> <p>(III) If the valuation result of a professional valuer is any of the following, in addition to the valuation result of the assets obtained being higher than the transaction amount or the valuation result of the assets disposed being</p>	Amendment according to the legal

No.	Before revision	After revision	Reason for revision
	<p>lower than the transaction amount, the Accounting Research and Development Foundation in Taiwan(hereinafter referred to as the Accounting Research and Development Foundation) shall be requested to handle the matter in accordance with the provisions of the Auditing Standards Bulletin No. 20, and express specific opinions on the reason for the difference and the fairness of the transaction price:</p> <ol style="list-style-type: none"> <li>1. The difference between the valuation result and the transaction amount is more than 20% of the transaction amount.</li> <li>2. The difference between the valuation results of two or more professional valuers reaches more than 10% of the transaction amount.</li> </ol> <p>(Omitted)</p>	<p>lower than the transaction amount, the Accounting Research and Development Foundation in Taiwan(hereinafter referred to as the Accounting Research and Development Foundation) shall be requested to handle the matter in accordance with the provisions of the Auditing Standards Bulletin No. 20, and express specific opinions on the reason for the difference and the fairness of the transaction price:</p> <ol style="list-style-type: none"> <li>1. The difference between the valuation result and the transaction amount is more than 20% of the transaction amount.</li> <li>2. The difference between the valuation results of two or more professional valuers reaches more than 10% of the transaction amount.</li> </ol> <p>(Omitted)</p>	
Article 6	<p>The acquisition or disposal of marketable securities, membership cards, intangible assets or their right-of-use assets shall be subject to the advice of an accountant.</p> <ol style="list-style-type: none"> <li>I. If the valuation result of a professional valuer is any of the following, in addition to the valuation result of the assets obtained being higher than the transaction amount or the valuation result of the assets disposed being lower than the transaction amount, the Accounting Research and Development Foundation in Taiwan(hereinafter referred to as the Accounting Research and Development Foundation) shall be requested to handle the matter in accordance with the provisions of the Auditing Standards Bulletin No. 20, and express specific opinions on the reason</li> </ol>	<p>The acquisition or disposal of marketable securities, membership cards, intangible assets or their right-of-use assets shall be subject to the advice of an accountant.</p> <ol style="list-style-type: none"> <li>I. The Company shall obtain or dispose of the marketable securities prior to the date of occurrence, the latest financial statements of the Company, which shall be checked and verified by an accountant, shall be used as a reference for evaluating the transaction price. In addition, if the transaction amount reaches 20% of the paid-in capital of the Company or NT \$300 million or more, the Company shall contact the accountant before the date of occurrence to express an opinion on the reasonableness of the transaction price. If the accountant needs to</li> </ol>	Amendment according to the legal



No.	Before revision	After revision	Reason for revision
	<p>for the difference and the fairness of the transaction price: Except as otherwise provided by the public quotation of the market in which the market is active or by the Financial Supervisory Commission.</p> <p>II. Where the Company acquires or disposes of membership certificates, intangible assets or their right-of-use assets for a transaction amounting to 20% of the Company's paid-in capital or NT \$300 million or more, in addition to transactions with domestic government agencies, it shall contact an accountant to express its opinion on the reasonableness of the transaction price before the date of occurrence, and the accountant shall handle the transaction in accordance with the provisions of the Audit Standards Bulletin No. 20 issued by the Accounting Research and Development Foundation.</p> <p>(Omitted)</p>	<p>employ an expert reporter, it shall be handled in accordance with the provisions of the Audit Standards Bulletin No. 20 issued by the Accounting Research and Development Foundation. Except as otherwise provided by the public quotation of the market in which the market is active or by the Financial Supervisory Commission.</p> <p>II. Where the Company acquires or disposes of membership certificates, intangible assets or their right-of-use assets for a transaction amounting to 20% of the Company's paid-in capital or NT \$300 million or more, in addition to transactions with domestic government agencies, it shall contact an accountant to express its opinion on the reasonableness of the transaction price before the date of occurrence, and the accountant shall handle the transaction in accordance with the provisions of the Audit Standards Bulletin No. 20 issued by the Accounting Research and Development Foundation.</p> <p>(Omitted)</p>	
Article 7	<p><b>Exclusion of related parties</b></p> <p>I. A valuation report or statement of opinion obtained by the Company from an accountants, lawyers or securities underwriters that the professional valuer and his clerk, accountant, lawyers or securities underwriters shall comply with the following requirements:</p> <p>(Omitted)</p> <p>II. When issuing a valuation report or opinion, the aforementioned person</p>	<p><b>Exclusion of related parties</b></p> <p>I. A valuation report or statement of opinion obtained by the Company from an accountants, lawyers or securities underwriters that the professional valuer and his clerk, accountant, lawyers or securities underwriters shall comply with the following requirements:</p> <p>(Omitted)</p> <p>II. When issuing a valuation report or opinion, the aforementioned person</p>	Amendment according to the legal

No.	Before revision	After revision	Reason for revision
	<p>shall comply with the following matters:</p> <p>(I) You should evaluate your professional ability, practical experience, and independence carefully before accepting the case.</p>	<p>shall act in accordance with the self-regulatory regulations of the industry associations to which he belongs and the following matters:</p> <p>(I) You should evaluate your professional ability, practical experience, and independence carefully before accepting the case.</p>	
	<p>(II) When reviewing a case, proper operational procedures should be planned and implemented to formulate conclusions and issue reports or opinions; and the procedures, aggregated information and conclusions should be detailed in the case working paper.</p> <p>(III) The completeness, correctness and reasonableness of the data sources, parameters and information used shall be assessed on a case-by-case basis as the basis for the issuance of the valuation report or opinion.</p> <p>(IV) The statement should include matters such as the professionalism and independence of the relevant personnel, the reasonableness and correctness of the information used in the assessment, and compliance with the relevant laws and regulations.</p>	<p>(II) When reviewing the execution of a case, appropriate operational procedures should be properly planned and executed to formulate conclusions and issue reports or opinions based thereon; and the procedures, aggregated information and conclusions executed should be recorded on the working papers in detail.</p> <p>(III) The completeness, correctness, appropriateness and reasonableness of the data sources, parameters and information used shall be assessed on a case-by-case basis as the basis for the issuance of the valuation report or opinion.</p> <p>(IV) The statement shall include matters such as the professionalism and independence of the relevant personnel, the appropriateness, reasonableness and correctness of the information used, and compliance with the relevant laws and regulations.</p>	
Article 9	<p><b>Related Party Transactions</b> (Omitted)</p> <p>II. The following information, in addition to buying and selling domestic bonds, bonds subject to repurchase conditions, currency market funds issued by securities investment trust undertakings, purchases or repurchases, shall be submitted to the</p>	<p><b>Related Party Transactions</b> (Omitted)</p> <p>II. The following information, in addition to buying and selling domestic bonds, bonds subject to repurchase conditions, currency market funds issued by securities investment trust undertakings, purchases or repurchases, shall be submitted to the</p>	Amendment according to the legal

No.	Before revision	After revision	Reason for revision
	<p>Audit Committee and the Board of Directors for approval before entering into a transaction contract or payment agreement. If an independent director has been established, he or she shall give full consideration to the opinions of the independent directors when reporting to the Board of Directors for discussion. If the independent director has any objections or reservations, he or she shall make a statement in the minutes of the Board of Directors. Where an audit committee has been established, it shall be approved by at least one half of all the members of the audit committee and a resolution of the board of directors, it shall apply to Article 15 (4) and (5):</p> <p>(Omitted) (New Added)</p> <p>The calculation of the transaction amount in this item shall be implemented in accordance with the provisions of Paragraph 5 of Article 4-1, and so-called term within one year duration shall be based on the date of the actual occurrence of this transaction, and shall be retrospectively calculated for one year in accordance with this procedure. It is stipulated that the part submitted to the Audit Committee and the Board of Directors for approval will be exempted from re-</p>	<p>Audit Committee and the Board of Directors for approval before entering into a transaction contract or payment agreement. If an independent director has been established, he or she shall give full consideration to the opinions of the independent directors when reporting to the Board of Directors for discussion. If the independent director has any objections or reservations, he or she shall make a statement in the minutes of the Board of Directors. Where an audit committee has been established, it shall be approved by at least one half of all the members of the audit committee and a resolution of the board of directors, it shall apply to Article 15 (4) and (5):</p> <p>(Omitted)</p> <p><u>If the Company has a second transaction and the transaction amount is more than ten percent of the total assets of the Public Offering Company, the information listed in the second transaction shall be submitted to the shareholders' meeting for approval before the transaction contract and payment can be concluded. However, this shall not apply to transactions between the Company and its parent company, subsidiaries, or its subsidiaries.</u></p> <p>This transaction amount shall be calculated in accordance with the provisions of Article 4, Paragraph 1-5 and 6, and the so-called one year duration means base on the date of the occurrence of the transaction, and has been retroactively calculated for one year. It has been submitted to the Board of Shareholders, the Audit Committee and the Board of Directors in accordance with these Procedures for partial exemption from</p>	

No.	Before revision	After revision	Reason for revision																																																																										
	accounting.	recalculation.																																																																											
Article 16	<p>(Omitted)</p> <p>The total amount of the company's investment in marketable securities, the limit of individual investment and the total amount of real estate not for business usage are authorized by the Board of Directors to specify the limit and set in this procedure. The "Authority to acquire or dispose of assets and the schedule of amount to invest in securities" is set out as follows:</p>	<p>(Omitted)</p> <p>The total amount of the company's investment in marketable securities, the limit of individual investment and the total amount of real estate not for business usage are authorized by the Board of Directors to specify the limit and set in this procedure. The "Authority to acquire or dispose of assets and the schedule of amount to invest in securities" is set out as follows:</p>	In line with actual needs																																																																										
	<p>(Unit: NT \$1000)</p> <table border="1" data-bbox="220 786 762 1592"> <thead> <tr> <th>Asset item</th> <th>Approver</th> <th>Verification authority</th> <th>Total investable amount</th> <th>Individual investment limit</th> </tr> </thead> <tbody> <tr> <td>Real estate that is not for business use and the right to use real estate</td> <td colspan="2">are subject to the approval of the board of directors</td> <td>30% of net worth</td> <td>15% of net worth</td> </tr> <tr> <td rowspan="2">Equity investment</td> <td>Board of Directors</td> <td>More than 100,000</td> <td rowspan="2">200% of net worth</td> <td rowspan="2">200% of net worth</td> </tr> <tr> <td>Chairman of the Board</td> <td>Less than 100,000 (inclusive)</td> </tr> <tr> <td rowspan="2">Long-term covered bonds</td> <td>Chairman of the Board</td> <td>More than 100,000</td> <td rowspan="2">30% of net worth</td> <td rowspan="2">15% of net worth</td> </tr> <tr> <td>General manager</td> <td>Less than 100,000 (inclusive)</td> </tr> <tr> <td>Short-term bonds and money market funds</td> <td colspan="2">All must be approved by the chief financial officer</td> <td>30% of net worth</td> <td>15% of net worth</td> </tr> <tr> <td rowspan="2">Other negotiable securities</td> <td>Chairman of the Board</td> <td>More than 50,000</td> <td rowspan="2">10% of net worth</td> <td rowspan="2">5% of net worth</td> </tr> <tr> <td>General manager</td> <td>Less than 50,000 (inclusive)</td> </tr> </tbody> </table> <p>* Short-term bonds should not be operated through the principle of doubling the multiplier by any means of pledge, margin or similar manipulation, which will result in the effect of expanding profits and losses.</p> <p>* Investment and establishment of the company's direct or indirect holdings of 100% of the shares of subsidiaries are not subject to the limitation of the total investment of long-term equity.</p>	Asset item	Approver	Verification authority	Total investable amount	Individual investment limit	Real estate that is not for business use and the right to use real estate	are subject to the approval of the board of directors		30% of net worth	15% of net worth	Equity investment	Board of Directors	More than 100,000	200% of net worth	200% of net worth	Chairman of the Board	Less than 100,000 (inclusive)	Long-term covered bonds	Chairman of the Board	More than 100,000	30% of net worth	15% of net worth	General manager	Less than 100,000 (inclusive)	Short-term bonds and money market funds	All must be approved by the chief financial officer		30% of net worth	15% of net worth	Other negotiable securities	Chairman of the Board	More than 50,000	10% of net worth	5% of net worth	General manager	Less than 50,000 (inclusive)	<p>(Unit: NT \$1000)</p> <table border="1" data-bbox="791 786 1334 1809"> <thead> <tr> <th>Asset item</th> <th>Approver</th> <th>Verification authority</th> <th>Total investable amount</th> <th>Individual investment limit</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Real estate that is not 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net worth	Chairman's preliminary reports	NT \$100 million (inclusive) or less	Long-term covered bonds	Chairman of the Board	NT \$100 million or more	30% of net worth	15% of net worth	General manager	NT \$100 million (inclusive) or less	Short-term bonds and money market funds	All must be approved by the chief financial officer		30% of net worth	15% of net worth	Other negotiable securities	Chairman of the Board	NT \$50 million +	10% of net worth	5% of net worth	General manager	NT \$50 million (inclusive) or less	
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No.	Before revision	After revision	Reason for revision
	<p>* The so-called net worth refers to the equity attributable to the owners of the parent company on the balance sheet.</p>	<p>* Investment and establishment of the company's direct or indirect holdings of 100% of the shares of subsidiaries are not subject to the limitation of the total investment of long-term equity.</p> <p>* The so-called net worth refers to the equity attributable to the owners of the parent company on the balance sheet.</p>	
Article 17	<p>The processing procedure was established on July 20, 1999</p> <p>The 1st amendment was made on July 26, 1999</p> <p>The 2nd amendment was made on May 21, 2003</p> <p>The 3rd amendment was made on May 22, 2007</p> <p>The 4th amendment was made on June 10, 2009</p> <p>The 5th amendment was made on June 21, 2012</p> <p>The 6th amendment was made on June 19, 2014</p> <p>The 7th amendment was made on June 19, 2019</p>	<p>The processing procedure was established on July 20, 1999</p> <p>The 1st amendment was made on July 26, 1999</p> <p>The 2nd amendment was made on May 21, 2003</p> <p>The 3rd amendment was made on May 22, 2007</p> <p>The 4th amendment was made on June 10, 2009</p> <p>The 5th amendment was made on June 21, 2012</p> <p>The 6th amendment was made on June 19, 2014</p> <p>The 7th amendment was made on June 19, 2019</p> <p><u>The 8th amendment was made on June 16, 2022</u></p>	Number of amendments and dates

## Attachment VII

### BenQ Materials Corp.

#### Comparison Table of Provisions Before and After the Revision of the "Procedure for Dealing In Derivative Products"

No.	Before revision	After revision	Reason for revision
Article 7	<p>Operating Procedures (Omitted)</p> <p>(V) Execute Transaction</p> <p>I. Counterparties: Limited to domestic and foreign financial institutions, otherwise the top decision-making director of the financial department should sign for approval.</p> <p>(Omitted)</p>	<p>Operating Procedures (Omitted)</p> <p>(V) Execute Transaction</p> <p>I. Counterparties: Limited to domestic and foreign financial institutions,<del>otherwise the top</del> <u>decision-making director of the financial department should sign for approval.</u></p> <p>(Omitted)</p>	In line with actual needs
Article 10	<p>Internal control system</p> <p>(I) Risk management measures</p> <p>I. Credit risk management: In principle, the transaction object is limited to domestic and foreign financial institutions, otherwise, the top decision-making director of the financial department should sign for approval.</p> <p>(Omitted)</p>	<p>Internal control system</p> <p>(I) Risk management measures</p> <p>I. Credit risk management: In principle, the transaction object is limited to domestic and foreign financial institutions, <del>otherwise, the top decision-making director of the</del> <u>financial department should sign for approval.</u></p> <p>(Omitted)</p>	In line with actual needs
Article 14	<p>Penalties</p> <p>The manager and the principal personnel of the Company who intentionally or through gross negligence violate these Operating Procedures shall be dealt with in accordance with the relevant rules and regulations of the personnel administration of the Company.</p>	<p>Penalties</p> <p>The manager and the principal personnel of the Company who intentionally or through gross negligence violate these Operating Procedures shall be dealt with in accordance with the relevant rules and regulations of the personnel administration of the Company.</p>	In line with actual needs
Article 15	<p>Others</p> <p>(I) The subsidiaries referred to in this procedure shall be recognized in accordance with the provisions of the Financial Accounting Standards Bulletin Nos. 5 and 7 issued by the</p>	<p>Others</p> <p>(I) Subsidiaries referred to in this procedure shall be recognized in accordance with the requirements of the <b>International Financial Reporting Standards (IFRS), Nos. 5 and 7, of</b></p>	Amendment according to the legal

No.	Before revision	After revision	Reason for revision
	<p>Accounting Research and Development Foundation of the Republic of China, a incorporated foundation.</p> <p>(Omitted)</p>	<p><del>the Financial Accounting Standards Bulletin issued by the Accounting Research and Development Foundation of the Republic of China, a corporation.</del></p> <p>(Omitted)</p>	
Article 22	<p>The processing procedure was established on July 20, 1999</p> <p>The 1st amendment was made on May 21, 2003</p> <p>The 2nd amendment was made on May 22, 2007</p> <p>The 3rd amendment was made on June 10, 2009</p> <p>The 4th amendment was made on June 9, 2010</p> <p>The 5th amendment was made on June 19, 2019</p>	<p>This processing procedure was established on July 20, 1999</p> <p>The 1st amendment was made on May 21, 2003</p> <p>The 2nd amendment was made on May 22, 2007</p> <p>The 3rd amendment was made on June 10, 2009</p> <p>The 4th amendment was made on June 9, 2010</p> <p>The 5th amendment was made on June 19, 2019</p> <p><b><u>The sixth amendment was made on June 16, 2022</u></b></p>	Amendment Added Date

## Attachment VIII

### BenQ Materials Corp.

#### Comparison Table of Provisions Before and After the Revision of "Procedures for Lending Funds To Others"

No.	Before revision	After revision	Reason for revision
Article 3	<p>Total amount of funds lent and the limits of individual counterparties (Omitted)</p> <p>II. The limit for the same borrower shall be determined separately according to the following circumstances:</p> <p>(I) Company or institution which the Company conducts business with, the amount of individual loans shall not exceed the amount of business transactions between the two parties. The amount of business transactions is the higher of the purchases or sales between the two parties.</p> <p>(II) Subsidiaries that have the necessary short-term financing shall not exceed 20% of the net value of the latest financial statements of the Company.</p>	<p>Total amount of funds lent and the limits of individual counterparties (Omitted)</p> <p>II. The limit for the same borrower shall be determined separately according to the following circumstances:</p> <p>(I) The amount of individual loans to companies or institutions that do business with the Company shall not exceed the amount of business transactions that can be expected in the most recent year or future years between the two parties, and shall not exceed 20% of the net value of the latest financial statements of the Company. The amount of business transactions is the higher of the purchases or sales between the two parties.</p> <p><del>(II) Subsidiaries that have the necessary short term financing funds shall not exceed 20% of the net value of the latest financial statements of the Company.</del></p>	In line with actual needs
Article 4	<p>Capital loan period and interest accrual method</p> <p>When a borrower takes a loan from the Company, the term shall not exceed one year. Interest is accrued on a monthly basis or settled once upon maturity based on the Company's short-term capital cost overrides.</p>	<p>Capital loan period and interest accrual method</p> <p><u>The term of each Loan shall not exceed one year duration from the date of the loan or one Business Periods (whichever is earlier) on the Loan Period.</u></p> <p><u>The interest rate of the loan funds shall be adjusted according to the actual situation of the Company's deposits with financial institutions and the interest rate of the borrowings. Unless otherwise specified,</u></p>	Comply with statutory orders and actual needs



No.	Before revision	After revision	Reason for revision
		<p><u>interest on loans may be collected on a monthly, quarterly or mature basis, based on the principle of monthly interest accrual.</u></p>	
Article 7	<p>Subsequent control measures and overdue debt handling procedures for the loan amount (Omitted)</p> <p>II. When the Borrower repays the loan at or before the maturity of the loan, it shall calculate the interest payable firstly, and only after repayment together with the principal can the debentures such as promissory note borrowings be cancelled or the mortgage can be cancelled.</p> <p>III. The Borrower shall repay the principal and interest immediately upon the maturity of the Loan.</p> <p>IV. The matters to be resolved by the Board of Directors in accordance with these Procedures shall firstly be agreed by more than one half of all the members of the Audit Committee. If more than one half of all the members of the Audit Committee have not consented, such consent shall be given by more than two thirds of all the directors and shall be reflected in the minutes of the meeting of the Board of Directors in the resolution of the Audit Committee.</p> <p>V. The Board of Directors shall take full account of the views of the Directors in its deliberations and shall include any objections or reservations in the minutes of the Board of Directors.</p> <p>VI. All members of the Audit</p>	<p>Subsequent control measures and overdue debt handling procedures for the loan amount (Omitted)</p> <p>II. When the Borrower repays the loan at or before the maturity of the loan, it shall calculate the interest payable firstly, and only after repayment together with the principal can the debentures such as promissory note borrowings be cancelled or the mortgage can be cancelled.</p> <p>III. The Borrower shall repay the principal and interest immediately upon the maturity of the Loan.</p> <p><del>IV. The matters to be resolved by the Board of Directors in accordance with these Procedures shall be approved by more than one half of all the members of the Audit Committee. If more than one half of all the members of the Audit Committee have not consented, such consent shall be given by more than two thirds of all the directors and shall be reflected in the minutes of the meeting of the Board of Directors in the resolution of the Audit Committee.</del></p> <p><del>V. The Board of Directors shall give due consideration to the opinions of each director when discussing the matter, and if there are any objections or reservations, they shall be recorded in the minutes of the Board of Directors.</del></p> <p><del>VI. All the members of the Audit Committee referred to in this</del></p>	Amendment according to the legal

No.	Before revision	After revision	Reason for revision
	<p>Committee referred to in this procedure and all directors referred to in the preceding paragraph shall be counted as actual holders.</p>	<p><del>procedure and all the directors referred to in the preceding paragraph shall be counted as actual holders.</del></p>	
Article 10	<p>Others</p> <p>I. Subsidiaries referred to in these operating procedures shall be recognized in accordance with the requirements of the Standards for the Preparation of Financial Statements of Securities Issuers. The financial statements of the Company are prepared in accordance with International Financial Reporting Standards (IFRS). For the purposes of these Standards, the net value refers to the equity attributable to the owners of the parent company as defined in the Standards for the Preparation of Financial Reporting by Securities Issuers.</p> <p>II. For the purposes of this procedure, the announcement is entered into the information reporting website designated by the Financial Supervisory Commission.</p> <p>III. The Company's internal auditors shall audit the operation procedures and their execution at least on a quarterly basis and keep written records. The Audit Committee shall be notified in writing of any material non-compliance.</p> <p>IV. The Company shall make improvements within a certain period of time in the event that the</p>	<p>Others</p> <p>I. Subsidiaries referred to in these operating procedures shall be recognized in accordance with the requirements of the Standards for the Preparation of Financial Statements of Securities Issuers. The financial statements of the Company are prepared in accordance with International Financial Reporting Standards (IFRS). For the purposes of these Standards, the net value refers to the equity attributable to the owners of the parent company as defined in the Standards for the Preparation of Financial Reporting by Securities Issuers.</p> <p>II. For the purposes of this procedure, the announcement is entered into the information reporting website designated by the Financial Supervisory Commission.</p> <p>III. The Company's internal auditors shall audit the operation procedures and their execution at least on a quarterly basis and keep written records. The Audit Committee shall be notified in writing of any material non-compliance.</p> <p>IV. The Company shall make improvements within a certain period of time in the event that the Loan Object fails to comply with the provisions of this Procedure or the</p>	Amendment according to the legal

No.	Before revision	After revision	Reason for revision
	<p>Loan Object fails to comply with the provisions of this Procedure or the balance exceeds the limit due to a change in circumstances, and shall send the relevant improvement plan to the Audit Committee and complete the improvement according to the planned schedule.</p> <p>V. Matters not covered in these Procedures shall be handled in accordance with the provisions of the relevant laws and regulations and the relevant rules and regulations of the Company.</p> <p>VI. The date of the occurrence of the facts referred to in this Procedure refers to the date of the transaction, the date of payment, the date of the resolution of the Board of Directors or the date of the determination of the object and amount of the loan of funds, etc.</p> <p>(New Added)</p>	<p>balance exceeds the limit due to a change in circumstances, and shall send the relevant improvement plan to the Audit Committee and complete the improvement according to the planned schedule.</p> <p>V. Matters not covered in these Procedures shall be handled in accordance with the provisions of the relevant laws and regulations and the relevant rules and regulations of the Company.</p> <p>VI. The date of the occurrence of the facts referred to in this Procedure refers to the date of the transaction, the date of payment, the date of the resolution of the Board of Directors or the date of the determination of the object and amount of the loan of funds, etc.</p> <p>VII. <u>The Board of Directors shall take full account of the opinions of the independent directors in its deliberations and, if there are objections or reservations, they shall be set forth in the minutes of the Board meeting.</u></p>	
Article II	<p>(Newly added title)</p> <p>I. This procedure shall be finalized or amended with the prior consent of at least one half of all the members of the Audit Committee. If more than one half of all the members of the Audit Committee have not consented, such consent shall be given by more than two thirds of all the directors and shall be reflected in the minutes of the meeting of the Board of Directors in the</p>	<p><u>Implementation and revision</u></p> <p>I. This procedure shall be finalized or amended with the prior consent of at least one half of all the members of the Audit Committee. If more than one half of all the members of the Audit Committee have not consented, such consent shall be given by more than two thirds of all the directors and shall be reflected in the minutes of the meeting of the Board of Directors in the resolution of the Audit</p>	Amendment according to the legal

No.	Before revision	After revision	Reason for revision
	<p>resolution of the Audit Committee.</p> <p>II. The Board of Directors shall take full account of the views of the Directors in its deliberations and shall include any objections or reservations in the minutes of the Board of Directors.</p>	<p>Committee.</p> <p>II. The Board of Directors shall take full account of the opinions of the independent directors in its deliberations and, if there are objections or reservations, they shall be set forth in the minutes of the Board meeting.</p>	
Article 12	<p>This operation procedure was established on July 20, 1999</p> <p>The 1st amendment was made on May 21, 2003</p> <p>The 2nd amendment was made on May 30, 2008</p> <p>The 3rd amendment was made on June 10, 2009</p> <p>The 4th amendment was made on June 9, 2010</p> <p>The 5th amendment was made on June 11, 2013</p> <p>The 6th amendment was made on June 19, 2019</p>	<p>This operation procedure was established on July 20, 1999</p> <p>The 1st amendment was made on May 21, 2003</p> <p>The 2nd amendment was made on May 30, 2008</p> <p>The 3rd amendment was made on June 10, 2009</p> <p>The 4th amendment was made on June 9, 2010</p> <p>The 5th amendment was made on June 11, 2013</p> <p>The 6th amendment was made on June 19, 2019</p> <p><b>The 7th amendment was made on June 16, 2022</b></p>	Amendment Added Date

## Attachment IX

### BenQ Materials Corp.

#### Comparison Table of Provisions Before and After the Revision of the "Implementation Method of Endorsement Guarantee"

No.	Before revision	After revision	Reason for revision
Name	Approaches to Enforcement of Endorsement Guarantees	Endorsement Warranty Enforcement Practice Procedures	In line with actual needs
Article 1	<p>Purpose</p> <p>There are clear and specific operating rules for the Company's endorsement or guarantee, and the Measures are established in accordance with the "Guidelines for the Treatment of Fund Lending and Endorsement Guarantees of Public Offering Companies" established by the Financial Supervisory Commission.</p>	<p>Purpose</p> <p>There are clear and specific operating rules for the Company's endorsement or guarantee, and the procedures for these procedures are established in accordance with the "Guidelines for the Treatment of Fund Lending and Endorsement Guarantees of Public Offering Companies" established by the Financial Supervisory Commission.</p>	In line with actual needs
Article 3	<p>Object of the endorsement guarantee</p> <p>I. The Company directly and indirectly holds more than fifty percent of the voting shares of the Company.</p> <p>II. Companies which has business dealings with the Company</p> <p>III. Due to the joint investment relationship, all investing shareholders provide endorsement guarantees to the invested company according to their shareholding ratio.</p> <p>Capital contribution referred to in the preceding paragraph refers to the capital contribution of the Company directly or through the holding of 100% of the voting shares of the Company.</p>	<p>Object of the endorsement guarantee</p> <p>I. 2. Companies which has business dealings with the Company</p> <p>II. - Companies in which the Company directly or indirectly holds more than fifty percent of the voting shares.</p> <p>III. <u>Companies holding more than fifty percent of the voting shares directly or indirectly in the Company.</u></p> <p>IV. Due to the joint investment relationship, all investing shareholders provide endorsement guarantees to the invested company according to their shareholding ratio.</p> <p>Capital contribution referred to in the preceding paragraph refers to the direct capital contribution of the Company or capital contribution through the holding of 100% of voting shares of the Company.</p>	Comply with statutory orders and actual needs

No.	Before revision	After revision	Reason for revision
Article 4	<p>Amount of endorsement guarantee (Omitted)</p> <p>II. The Company's external endorsement guarantee amount is as follows:</p> <p>(I) The total amount of endorsement guarantees is limited to the net value of the Company's most recent financial statements.</p> <p>(II) Endorsement guarantees are provided to investee companies by all investing shareholders in accordance with their shareholding ratio for companies with more than fifty percent of the voting rights directly and indirectly held by the Company, companies which has business dealings with the Company or joint investment relationships, and the amount of the endorsement guarantee shall not exceed fifty percent of the net value of the latest financial statements of the Company.</p> <p>(New Added)</p> <p>III. The total amount of endorsement guarantees of the Company and its subsidiaries as a whole shall be limited to the net value of the Company's</p>	<p>Amount of endorsement guarantee (Omitted)</p> <p>II. The Company's external endorsement guarantee amount is as follows:</p> <p>(I) The total amount of endorsement guarantees is limited to the net value of the Company's most recent financial statements.</p> <p>(II) <del>The Company directly and indirectly holds more than fifty percent of the voting shares of the Company, companies which has business dealings with the Company or due to the joint investment relationship by all the invested shareholders according to their shareholding ratio to provide the same endorsement guarantee to the invested company, the amount of the endorsement guarantee shall not exceed fifty percent of the net value of the latest financial statements of the Company.</del></p> <p>(III) Individual endorsement guarantees issued by an endorsement guarantor for business transactions shall not exceed the estimated amount of business transactions between the parties in the most recent financial year or in future financial years, and shall not exceed fifty percent of the net value of the latest financial statements of the Company. The amount of business transactions refers to the highest amount of goods purchased or sold between the parties.</p> <p>III. The total amount of endorsement</p>	<p>Comply with statutory orders and actual needs</p>

No.	Before revision	After revision	Reason for revision
	<p>latest financial statements. If the total amount of endorsement guarantees exceeds 50% of the net value of the Company, it shall be stated by the shareholders' meeting. The amount of endorsement guarantees for a single enterprise shall be limited to 50% of the net value of the Company's latest financial statements.</p>	<p>guarantees of the Company and its subsidiaries as a whole shall be limited to the net value of the Company's latest financial statements. If the total amount of endorsement guarantees exceeds 50% of the net value of the Company, it shall be stated by the shareholders' meeting. The amount of endorsement guarantees for a single enterprise shall be limited to 50% of the net value of the Company's latest financial statements.</p>	
Article 5	<p>Procedures (Omitted)</p> <p>II. The Finance Department shall establish a stand-by check book on the matters of endorsement guarantees, which shall be published in detail on the date of issue by the Board of Directors or the Chairman of the Board of Directors, the date of the endorsement guarantee, the matter of the undertaking guarantee, the object of the endorsement guarantee, the amount of the endorsement guarantee, the results of the risk assessment, the content of the guarantee obtained and the date and conditions for the release of the endorsement guarantee.</p> <p>III. The financial department shall prepare the relevant statements of endorsement guarantees and submit them to the Board of Directors for future reference.</p>	<p>Procedures (Omitted)</p> <p>II. The Finance Department shall establish a stand-by check book on the matters of endorsement guarantees, which shall be published in detail on the date of issue by the Board of Directors or the Chairman of the Board of Directors, the date of the endorsement guarantee, the matter of the undertaking guarantee, the object of the endorsement guarantee, the amount of the endorsement guarantee, the results of the risk assessment, the content of the guarantee obtained and the date and conditions for the release of the endorsement guarantee.</p> <p><del>III. The financial department shall prepare the relevant statement of endorsement guarantee and submit it to the board of directors for information.</del></p>	Amendment according to the legal
Article 7	<p>Control procedures for handling endorsement guarantees for subsidiaries</p> <p>I. The Subsidiary of the Company intends to endorse the Guarantor externally and shall order the</p>	<p>Control procedures for handling endorsement guarantees for subsidiaries</p> <p>I. The Subsidiary of the Company intends to endorse the Guarantor externally and shall order the</p>	In line with actual needs

No.	Before revision	After revision	Reason for revision
	<p>Subsidiary to formulate the Endorsement Guarantee Method in accordance with the “Fund Loan and Endorsement Guarantee Handling Standards for Public Offering Companies” established by the Financial Supervisory Commission and taking into account the opinion of the Company, and shall submit the same to the Board of Shareholders of the Company after being adopted by the Board of Directors of the Subsidiary. When a subsidiary engages in endorsement and guarantee work, it shall do so in accordance with its operating procedures.</p> <p>(Omitted)</p> <p>V. If the net value of the endorsement is less than one-half of the paid-in capital of a subsidiary, the financial department shall assess the operational risk of the subsidiary and its effect on the Company and report to the Board of Directors of the Company.</p>	<p>Subsidiary to formulate the Operating Procedures for the Endorsement Guarantee Method in accordance with the “Guidelines for the Treatment of Fund Loans and Endorsement Guarantees of Public Offering Companies” established by the Financial Supervisory Commission and taking into account the opinion of the Company. After being adopted by the Board of Directors of the Subsidiary, the Subsidiary shall submit the same to the Board of Shareholders of the Company for amendment. When a subsidiary engages in endorsement and guarantee work, it shall do so in accordance with its operating procedures.</p> <p>(Omitted)</p> <p>V. If the net value of the endorsement is less than one-half of the paid-up capital of a subsidiary, the financial department shall assess the operational risk of the subsidiary and its effect on the Company and submit a quarterly report to the Board of Directors of the Company. <b>However, the Company directly and indirectly holds 100% of the voting shares of the Company, except for the Company.</b></p>	
Article 9	<p>Decision and Authorization Hierarchy (Omitted)</p> <p>(Added the third clause newly , moved the previous third clause to fourth, deleted the previous clauses from fourth to sixth)</p> <p>III. If the endorsement of the subject of the endorsement does not comply with the provisions of this method or the amount exceeds the limit due to the change of circumstances, the audit</p>	<p>Decision and Authorization Hierarchy (Omitted)</p> <p><b>III. If the Company's endorsement guarantee is necessary for the business needs to exceed the amount stipulated in this Procedure and meets the conditions stipulated in this Procedure.</b></p>	Amendment according to the legal



No.	Before revision	After revision	Reason for revision
	<p>committee shall submit a report to the audit committee after the improvement plan is drawn up, and the improvement shall be completed according to the plan schedule; if the amount of the endorsement guarantee exceeds the limit due to the change of circumstances, the board of directors shall cancel the excess within a certain period of time.</p> <p>IV. The matters to be resolved by the Board of Directors in accordance with these Articles shall be agreed by more than one half of all the members of the Audit Committee. If more than one half of all the members of the Audit Committee have not consented, such consent shall be given by more than two thirds of all the directors and shall be reflected in the minutes of the meeting of the Board of Directors in the resolution of the Audit Committee.</p> <p>V. The Board of Directors shall take full account of the views of the Directors in its deliberations and shall include any objections or reservations in the minutes of the Board of Directors.</p> <p>VI. All members of the Audit Committee and all directors referred to in the preceding paragraph, shall be calculated based on the actual incumbents.</p>	<p><u>it shall be subject to the consent of the Board of Directors and be jointly insured by more than half of the directors against the losses that may be incurred by the Company in excess of the limit, and this Procedure shall be amended and reported to the shareholders' meeting for approval; if the shareholders' meeting does not agree, it shall stipulate the plan to cancel the excess within the specified period.</u></p> <p>IV. If the endorsement of the subject of the endorsement does not comply with the procedural provisions of these Measures or the amount exceeds the limit due to the change of circumstances, the improvement plan shall be determined and sent to the Audit Committee for reporting after the improvement plan is finalized, and the improvement shall be completed according to the planned timetable; if the amount of the endorsement guarantee exceeds the limit due to the change of circumstances, the board of directors shall cancel the excess within a certain period of time.</p> <p><del>IV. Matters to be resolved by the Board of Directors in accordance with these Measures shall be approved by more than one half of all the members of the Audit Committee. If more than one half of all the members of the Audit Committee have not consented, such consent shall be given by more than two thirds of all the directors and shall be reflected in the minutes of the meeting of the Board of Directors in the resolution of the Audit Committee.</del></p>	

No.	Before revision	After revision	Reason for revision
		<p><del>V. The Board of Directors shall give due consideration to the opinions of each director when discussing the matter, and if there are any objections or reservations, they shall be recorded in the minutes of the Board of Directors.</del></p> <p><del>VI. All members of the Audit Committee and all directors referred to in the preceding paragraph, shall be calculated based on the actual incumbents.</del></p>	
Article 12	<p>Penalties</p> <p>Any violation of these Measures by the Company's managers and officers due to intentional or gross negligence shall be handled in accordance with the relevant rules and regulations of the Company on personnel administration.</p>	<p>Penalties</p> <p>Any violation of these Procedures by the Company's managers and officers due to intentional or gross negligence shall be handled in accordance with the relevant rules and regulations of the Company on personnel administration.</p>	
Article 13	<p>Others</p> <p>I. Subsidiaries referred to in these Measures shall be recognized in accordance with the requirements of the Standards for the Preparation of Financial Statements of Securities Issuers. The financial statements of the Company are prepared in accordance with International Financial Reporting Standards (IFRS). For the purposes of this approach, the net value refers to the equity attributable to the owners of the parent company as defined in the Standards for the Preparation of Financial Reporting by Securities Issuers.</p> <p>II. Matters not covered in these Measures shall be handled in accordance with the provisions of the relevant laws and regulations and the relevant rules of the Company.</p>	<p>Others</p> <p>I. Subsidiaries referred to in these Procedures shall be recognized in accordance with the requirements of the Standards for the Preparation of Financial Statements of Securities Issuers. The financial statements of the Company are prepared in accordance with International Financial Reporting Standards (IFRS). For the purposes of this approach, the net value refers to the equity attributable to the owners of the parent company as defined in the Standards for the Preparation of Financial Reporting by Securities Issuers.</p> <p>II. Matters not covered in these Procedures shall be handled in accordance with the provisions of the relevant laws and regulations and the relevant rules and regulations of the</p>	In line with actual needs

No.	Before revision	After revision	Reason for revision
	<p>III. For the purposes of these Measures, the announcement shall mean the entry into the information declaration website designated by the Financial Supervisory Commission of the Executive Council.</p> <p>IV. The date of the occurrence of the facts referred to in this approach refers to the date on which the transaction is entered into, the date of payment, the date of the resolution of the Board of Directors or other date on which sufficient funds are available to determine the subject of the endorsement guarantee and the amount of the transaction.</p> <p>(Omitted)</p>	<p>Company.</p> <p>III. For the purposes of these Procedures, the announcement shall mean the entry into the information declaration website designated by the Financial Supervisory Commission of the Executive Council.</p> <p>IV. The date of the occurrence of the facts referred to in these Procedures refers to the date on which the transaction is entered into, the date of payment, the date of the resolution of the Board of Directors or other date on which sufficient funds are available to determine the subject of the Endorsement Guarantee and the amount of the Transaction.</p> <p>(Omitted)</p>	
Article 14	<p>(Newly added title)</p> <p>I. The determination or amendment of this approach shall be subject to the prior consent of at least one half of all the members of the Audit Committee. If more than one half of all the members of the Audit Committee have not consented, such consent shall be given by more than two thirds of all the directors and shall be reflected in the minutes of the meeting of the Board of Directors in the resolution of the Audit Committee.</p> <p>II. The Board of Directors shall take full account of the views of the Directors in its deliberations and shall include any objections or reservations in the minutes of the Board of Directors.</p> <p>III. These Measures shall be implemented</p>	<p>Implementation and revision</p> <p>I. Determining or amending these procedures shall be subject to the prior consent of at least one half of all the members of the Audit Committee. If more than one half of all the members of the Audit Committee have not consented, such consent shall be given by more than two thirds of all the directors and shall be reflected in the minutes of the meeting of the Board of Directors in the resolution of the Audit Committee.</p> <p>II. The Board of Directors shall take full account of the opinions of the independent directors in its deliberations and, if there are objections or reservations, they shall be set forth in the minutes of the Board meeting.</p> <p>III. These Procedures shall be</p>	Comply with statutory orders and actual needs

No.	Before revision	After revision	Reason for revision
	after being approved by the Board of Directors and submitted to the Board of Shareholders for approval, and the same shall apply at the time of amendment.	implemented after being approved by the Board of Directors and submitted to the Board of Shareholders for approval, and the same shall apply when amendments are made.	
Article 15	<p>The Measure was established on March 4, 2000</p> <p>The 1st amendment was made on May 21, 2003</p> <p>The 2nd amendment was made on May 18, 2006</p> <p>The 3rd amendment was made on May 30, 2008</p> <p>The 4th amendment was made on June 10, 2009</p> <p>The 5th amendment was made on June 9, 2010</p> <p>The 6th amendment was made on June 15, 2011</p> <p>The 7th amendment was made on June 11, 2013</p> <p>The 8th amendment was made on June 19, 2019</p>	<p>The Measure was established on March 4, 2000</p> <p>The 1st amendment was made on May 21, 2003</p> <p>The 2nd amendment was made on May 18, 2006</p> <p>The 3rd amendment was made on May 30, 2008</p> <p>The 4th amendment was made on June 10, 2009</p> <p>The 5th amendment was made on June 9, 2010</p> <p>The 6th amendment was made on June 15, 2011</p> <p>The 7th amendment was made on June 11, 2013</p> <p>The 8th amendment was made on June 19, 2019</p> <p><b><u>The 9th amendment was made on June 16, 2022</u></b></p>	Amendment Added Date

## Attachment X

### List of non-competition restrictions on directors

Director	Released restriction items
Qisda Corporation (shareholder) Company	Director of DFI Inc. Director of Qisda Optronics Corp. Director of Qisda Vietnam Co., Ltd Director of Partner Tech Corp. Director of Alpha Networks Inc. Director of BenQ Corporation Director of Simula Technology Inc. Directors of Golden Spirit Co., Ltd. Director of Data Image Corporation Director of K2 International Medical Inc. Director of Topview Optronics Corp. Director of Darfon Electronics Corp. Director of APLEX Technology Inc. Director of qs control corp. Director of BenQ Biotechnology (Shanghai) Co., Ltd. Director of BenQ Dialysis Technology Corp.
Li Kun-yao	Representative of the Chairman of the Board of Directors, BenQ Corporation Director of AU Optronics Corporation Director of Qisda Optronics Corp. Director of Darfon Electronics Corp.
Qisda Corporation (shareholder) Company Representative: Chen Jian-zhi	Corporate Director Representative of Lagis Enterprise Co., Ltd. Representative of the Chairman of the Board of Directors, Cenefom Corporation

<b>Director</b>	<b>Released restriction items</b>
<p>Qisda Corporation (shareholder) Company Representative: Chen Chi-Hong</p>	<p>Representative of the Chairman of the Board of Directors, DFI Inc.            Director of Hitron Technologies Inc.            Chairman and CEO of Qisda Optronics Corp.            Representative of the Chairman of the Board of Directors, Partner Tech Corp.            Representative of the Vice Chairman, the Corporate of Alpha Networks Inc.            Director of BenQ Corporation            Director of Darfon Electronics Corp.            Director of Mingji (Nanjing) Hospital Management Consulting Co., Ltd.            Representative of the Chairman of the Board of Directors, BenQ Medical Tech            Director of BenQ Healthcare Consulting Corporation            Director of BenQ Medical Center (Nanjing)            Director of BenQ Medical Center (Suzhou)</p>
<p>BenQ Corporation Company</p>	<p>Director of BenQ Asia Pacific Corp.            Director of BenQ INFTY Lab Ltd.            Director of BenQ Medical Tech</p>
<p>BenQ Corporation Company Representative: Li Wen-de</p>	<p>Director and General Manager of BenQ Corporation            Representative of the Chairman of the Board of Directors, BenQ Asia Pacific Corp.            Representative of the Chairman of the Board of Directors, BenQ INFTY Lab Ltd.</p>
<p>Ye Fu-hai</p>	<p>Director of WPG Holdings</p>
<p>Wang Gong</p>	<p>Supervisor of Platinum Optics Technology Inc.</p>

## Appendix I

### Shareholding of Directors

- I. The paid-in capital of the Company is NT \$ 3,206,745,140, totalling 320,674,514 shares. The minimum number of shares to be held by all the directors is 12,826,980 shares in accordance with Article 26 of the Securities and Exchange Law.
- II. According to Article 2 of the "Public Issuing Company Directors and Supervisors' Shareholding Ratio and Implementation Rules for Inspection", if more than 2 independent directors are elected, the total shareholding percentage calculated by all directors and supervisors other than the independent directors will be reduced to 80 %. In addition, if the company has set up an audit committee in accordance with this law, the regulations concerning the number of shares held by the supervisor shall not be less than a certain ratio.
- III. As of the date of cessation of the shareholders' meeting on April 18, 2022, the actual number of shares held by all directors (excluding independent directors) of the Company was 130,340,324, accounting for 40.64% of the total number of shares of the Company. The actual collective shareholding of directors was shown as below :

<b>Position</b>	<b>First and last name</b>		<b>Shareholding (shares)</b>	<b>Shareholding Ratio (%)</b>
Director	Zhien-Chi Chen	Qisda Corporation	43,659,294	13.61
Director	Kuen-Yao (K.Y.) Lee		4,580,396	1.43
Director	Ko-Yung Yu		1,252,871	0.39
Director	Peter Chen	Qisda Corporation	43,659,294	13.61
Director	Wen-Der Lee	BenQ Corporation	80,847,763	25.21
Independent Director	Frank Yeh		0	0%
Independent Director	Chiou-Ming Chen		0	0%
Independent Director	Yu-Yang Lu		0	0%
Subtotal			130,340,324	40.64%

- IV. The number of shares held by all the directors has reached the legally stipulated ownership of shares.

## Appendix II

### Rules and Procedures of the Shareholders' Meeting

Settled at the regular shareholders meeting on March 14, 2000

- I. The Rules and Procedures for Shareholders' Meeting are enacted in accordance with the "Rules Governing the Conduct of Shareholders Meetings by Public Companies" promulgated by the Securities and Futures Commission (86) Ministry of Finance (3) No.04109.
- II. Shareholders or proxies attending the shareholders meeting shall sign in, and the sign-in procedure shall be replaced by the sign-in card; the number of shares attended is calculated based on the sign-in card submitted.
- III. Attendance and voting at the shareholders' meeting shall be calculated on the basis of shares.
- IV. 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.
- V. The chairman of the Board of Directors shall be the chair presiding at the Meeting in the case that the Meeting is convened by the Board of Directors. In case the chairman of the Board of Directors is on leave or cannot exercise his power and authority for any reason, the vice chair shall act on behalf of the chair. In case the Company has no vice chairman, or the vice chairman is also on leave or unable to exercise his and authority for any reason, the chairman of the Board of Directors shall designate one of the directors to act on behalf of the chair. If the chairman does not make such designation, the directors shall elect from and among themselves an acting chair of the Board of Directors. If the Meeting is convened by the person other than the Board of Directors who is permitted to convene such Meeting, such person shall be the chair presiding the Meeting.
- VI. The Company should appoint the designated counsel, Certified Public Accountant or other related persons to attend the Meeting.
- VII. The process of the Meeting shall be tape-recorded or videotaped and these tapes or videos shall be preserved for at least for one year duration.
- VIII. Chair shall call the Meeting to order at the time scheduled for the meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chair may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one-third of the total outstanding shares of the Company, tentative resolutions may be made in accordance with Paragraph I, Article 175 of the Company Act of the Republic of China. If during the process of the Meeting the number of shares represented by the shareholders present becomes sufficient to constitute the quorum, the chair may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Act of the Republic of China.
- IX. The agenda of the Meeting shall be set by the Board of Directors, if the Meeting is convened by the Board of Directors. The Meeting shall proceed in accordance with the agenda unless otherwise resolved at the Meeting. During the Meeting, the chair may, at his/her discretion, set time for intermission. Unless otherwise resolved at the Meeting, the chair cannot announce adjournment of the Meeting before all the



discussion items listed in the agenda are resolved. The shareholders cannot designate any other person as chair and continue the Meeting in the same or other place after the Meeting is adjourned.

- X. When a shareholder present at the Meeting wishes to speak, a speech note should be filled out with summary of the speech, the shareholder's number, and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman. If any shareholder presenting the Meeting submits a speech note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the speech note, the contents of actual speech shall prevail. Unless otherwise permitted by the chair and the shareholder in speaking, no shareholder shall interrupt the speeches of the other shareholder, otherwise the chair shall stop such interruption.
- XI. Unless otherwise permitted by the chair, each shareholder shall not, for each discussion item, speak more than two times or longer than 5 minutes each time. In case the speech of any shareholder violates this provision or exceeds the scope of the discussion item, the chair may stop the speech of such shareholder.
- XII. Any legal entity designated as proxy by a shareholder(s) to be present at the Meeting may appoint only one representative to attend the Meeting. If a legal entity is a shareholder and designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.
- XIII. After the speech of a shareholder, the chair may respond him/herself or appoint an appropriate person to respond.
- XIV. The chair may announce to end the discussion of any discussion item and go into voting if the chair deems it appropriate.
- XV. The person(s) to monitor and the person(s) to count the ballots shall be appointed by the chair. The person(s) monitoring the ballots shall be a shareholder(s). The result of voting shall be announced at the Meeting and recorded in the minutes of the Meeting.
- XVI. Except otherwise provided in the Company Act of the Republic of China or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting. The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after solicitation by the chair.
- XVII. If there is amendment to or substitute for a discussion item, the chair shall decide the sequence of voting for such discussion item, the amendment or the substitute. If any of them has been adopted, the other shall be deemed vetoed and no further voting is necessary.
- XVIII. The chair may require or supervise the disciplinary officers or the security guards to assist in keeping order of the Meeting place. Such disciplinary officers or security guards shall wear badges marked "Disciplinary Officer" for identification purpose.
- XIX. In case of incident due to force majeure, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.
- XX. Any matter not provided in the Rules and Procedures shall be handled in accordance with the Company Act of Republic of China and the Articles of Incorporation of the Company.
- XXI. The Rules and Procedures shall become effective from the date on which the Rules and Procedures are approved by the Meeting. The same shall apply to amendments to the Rules and Procedures.

## Appendix III

### BenQ Materials Corp. Articles of Incorporation

#### Chapter I            **General Principles**

Article 1            The Company is organized as a company limited by shares in accordance with the Company Act of the Republic of China (the "Company Act") and the Company's English name is BenQ Materials Corp.

the Company's English name is BenQ Materials Corp.

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

- I.    CC01110      Computer and peripheral equipment manufacturing
- II.   F401010      International Trade
- III.  CC01080      Electronic parts and components manufacturing business
- IV.  C801100      Synthetic resin and plastic manufacturing
- V.    C801990      Other Chemical Materials Manufacturing
- VI.  F219010      Retail Sale of Electronic Materials
- VII. CC01120      Data storage media manufacturing and reproduction industry
- VIII. C802160      industry
- IX.  CF01011      Adhesive tape manufacturing
- X.    C801030      Medical Materials and Equipment Manufacturing
- XI.  IG01010      Precision chemical material manufacturing
- XII. CC01090      Biotechnology service industry
- XIII. F108031      Battery manufacturing
- XIV. F208031      Medical equipment wholesale industry
- XV.  ZZ99999      Retail sale of Medical Equipment

In addition to licensed business, business that is not prohibited or restricted by law

In addition to licensed business, business that is not prohibited or restricted by law

Article 3            Due to business or investment relations, the company may endorse and guarantee external parties.

Article 4            The total amount of the Company's reinvestment shall not be restricted by Article 13 of the Company Law.

Article 5            The seat of the Company is located in Taoyuan City, and the establishment of branches in other appropriate locations or Office when necessary.

Article 6            The company's announcement method is in accordance with the provisions of Article 28 of the Company Act.

#### Chapter 2            **Shares**

Article 7            The company's total capital is rated at NT \$ 4 billion, divided into 400 million shares at \$ 10 per share. The council decided to issue in batches. 15 million shares are reserved in the aforementioned total shares as shares for issuing employee stock option certificates. The company may issue employee stock options at a stock price lower than the market price, or less than the actual share repurchase price, with the consent of the shareholders representing more than half of the total number of issued shares and the presence of more than two-thirds of the shareholders' voting rights. Average price transferred to employees.

Article 7-1          The Corporation's treasury stock acquired under the Company Act may be transferred to

the employees of the controlled or subordinate companies who meet certain criteria. Employees of parent company or subsidiary meeting certain specific requirements are included to be entitled to receive share subscription warrant of the Company. When the Company issues new shares, eligible employees who can subscribe to the shares shall include employees of controlling or subordinate companies that meet certain criteria. Employees of parent company or subsidiary meeting certain specific requirements are included to be entitled to receive new shares issued by the Company.

Article 8 The share certificates of the Company shall be all in registered form. The share certificates shall be affixed with the signatures or personal seals of the director representing the company, and shall be duly certified or authenticated by the bank which is competent to certify shares under the laws before issuance. The Company may deliver shares by book-entry method in accordance with relevant rules and regulations, without printing share certificate(s); the same applies with other securities issuance.

Article 9 The change of name and transfer of the Company's stocks shall be terminated within 60 days before the opening of the shareholders' meeting, within 30 days before the opening of the shareholders' extraordinary meetings, or within 5 days before the benchmark date when the Company decides to distribute dividends and bonuses or other benefits.

### **Chapter 3 Shareholders' Meetings**

Article 10 The company's shareholders' meeting is divided into two types: regular meetings and extraordinary meetings. Regular meetings are convened by the Board of Directors within 6 months after the end of the fiscal year each year.

Extraordinary meetings are convened according to law when necessary.

Article 11 Unless otherwise provided in applicable law and regulations, a resolution shall be adopted at a meeting attended by the shareholders holding and representing a majority of the total issued and outstanding shares and at which meeting a majority of the attending shareholders shall vote in favor of the resolution. In case a shareholder is unable to attend a shareholders' meeting, such shareholder may issue a proxy in the form issued by the Company, setting forth the scope of authorization by signing and affixing such shareholder's seal on the proxy form for the representative to be present on such shareholder's behalf. Except for trust enterprises or other stock transfer agencies approved by the securities authorities, if a person is designated as proxy by more than two shareholders, any of such person's voting rights representing in excess of 3% of the total issued and outstanding shares shall not be considered. The formalities for the exercise and revocation of the power of attorney mentioned in the preceding paragraph shall be handled in accordance with the provisions of laws and regulations.

Article 11-1 This article has been deleted.

### **Chapter 4 Board of Directors and Audit Committee**

Article 12 The Company shall have seven to nine directors, and the term of office for all directors shall be three (3) years. The board of shareholders shall choose and appoint the candidates from the list of directors, and should be re-elected by consecutive election. The total number of shares of the company held by all directors shall not be less than the number prescribed by the competent authority according to law.

The Company may purchase liability insurance for Directors to protect them against potential liabilities arising from exercising their duties during their tenure.

The remuneration of the directors of the Company authorizes the Board of Directors to participate in the operations of the Company in accordance with the extent and value of their contribution, and to participate in the

Agree according to the same level of industry.

Article 13 The Directors of the Company shall be elected from the nomination list prepared by the

Company. The directors referred to in this constitution include independent directors.

List of shareholders

Voting rights, except as otherwise provided by statute, one vote per share.

Included in the above quota of directors of the Company are at least three independent directors, and a candidate nomination system is adopted by the Board of Shareholders shall be elected from the list of candidates for independent directors. Relevant professional qualifications of independent directors, shareholding, part-time job restrictions,

Name and method of election and other matters to be complied with, in accordance with the relevant laws and regulations.

Independent directors and non-independent directors of the company shall be elected together to calculate the number of elected candidates.

Article 13-1 The Company has established an Audit Committee in accordance with the Securities and Exchange Act, which is composed of all independent directors, one of whom serves as the convener at least one person should have professional knowledge in accounting or finance. The resolution of the Audit Committee shall be agreed by more than half of all members.

Article 13-2 The audit committee established by the company in accordance with the law is responsible for the implementation of the company law, securities trading law, other laws and regulations and the company's articles of association and various measures as the supervisory authority.

Article 13-3 This article has been deleted.

Article 14 The chairman of the Board shall be elected by and among the directors by a majority of directors present at a meeting attended by more than two thirds of directors. The chairman of the Board shall externally represent the Company.

Article 15 Where a director is unable to attend a meeting of the Board, he may appoint another director to represent him by proxy in accordance with Article 208 of the Company Act. Where a director is unable to attend a meeting of the Board, he may appoint another director to represent him by proxy. Each director may act as a proxy for one other director only.

The meeting of the Board of Directors shall be convened in accordance with the Company Act. In calling a meeting of the Board of Directors, a notice may be given to each director by means of electronic mail or facsimile.

## **Chapter 5 President & Vice Presidents**

Article 16 The Company shall have one or more managerial personnel. Appointment, dismissal, and remuneration of the president and vice presidents shall be subject to the provisions of the Company Act.

## **Chapter 6 Accounting**

Article 17 The company's fiscal year is from January 1 to December 31 of the same year.

Article 18 After the end of each fiscal year, the Board shall prepare and submit the following documents: (1) business report, (2) financial statements, (3) proposal for allocation of earnings or recovery of loss, which shall be submitted to the audit committee for verification 30 days before the shareholders' meeting. The audit committee issued a report to the shareholders' general meeting for approval.

Article 19 If the Company has annual profits, it shall allocate 5% to 20% for employee remuneration and not more than 1% Remuneration for directors. When there are accumulated losses, the Company shall offset the appropriate amounts before remuneration.

The Company may allocate employee's remuneration prescribed in the preceding paragraph in the form of stock or cash to employees of parent company or subsidiary meeting certain conditions.

The Board or the person duly designated by the Board is authorized to decide the conditions and allocation method.

Article 19-1 If the Company has any earnings in its annual general accounts, it shall pay taxes and make up the past losses firstly, and the the second withdrawal in 10% shall be statutory, and set aside or reverse the special surplus reserve according to laws and regulations. If there is still surplus and accumulated undistributed surplus the Board of Directors proposes a profit distribution proposal and submits it to the shareholders' meeting for distribution.

When the legal reserve and capital surplus are to be distributed in cash, the distribution may be approved by the Board of Directors and reported to the shareholders' meeting.

Article 19-2 The Company distributing dividends and bonus in the form of new shares to be issued by the company in accordance with Paragraphs 2 · Article 241 of the Company Act. When the legal reserve and capital surplus are to be distributed in cash, the distribution may be approved by the Board of Directors and reported to the shareholders' meeting. Profits of Company may be distributed in form of cash dividends and/or stock dividends.

Article 20 As the Company is technology- and capital-intensive enterprise in its growth phase, the Company has adopted remaining earnings appropriation method as its dividend policy in order to meet long-term capital needs and cash requirements of stockholders, and thereby maintain continuous development and steady growth. If there is a surplus in the company ' s annual final accounts, tax shall be paid in accordance with the provisions of Article 19-1, to make up for the previous losses, the second 10% shall be the statutory surplus reserve, and the special surplus reserve shall be set or converted according to the provisions of the law Afterwards, if there is still a surplus, the dividend distribution shall not be less than 10% of the previously calculated surplus. The annual cash dividend shall not be less than 10% of the total cash and stock dividends paid in the current year in order to take into account the need to expand the operating scale and cash flow in the future.

## **Chapter 7                    Supplementary Articles**

Article 21 With respect to the matters not provided herein, the Company Act and other applicable laws and regulations shall govern.

Article 22 The Articles of Association were established on July 3, 1998; the 1st amendment was made on August 30, 1998; The 2nd amendment was made on September 10, 1998; the 3rd amendment was made on October 9, 1998; The 4th amendment shall be made on March 14, 2000; the 5th amendment shall be made on August 25, 2000; The 6th amendment was made on May 8, 2001; the 7th amendment was made on April 23, 2002; The 8th amendment was made on May 21, 2003; and the 9th amendment was made on May 18, 2004; The 10th amendment was made on May 18, 2004; and the 11th amendment was made on May 18, 2006; The 12th amendment was made on May 22, 2007; and the 13th amendment was made on November 16, 2007; The 14th amendment was made on May 30, 2008; and the 15th amendment was made on June 10, 2009; The 16th amendment was made on June 9, 2010; and the 17th amendment was made on June 15, 2011; The 18th amendment was made on June 21, 2012; and the 19th amendment was made on June 24, 2015; The 20th amendment was made on June 14, 2016; the 21st amendment was made on June 19, 2019; The 22th Amended was made on June 18, 2020.

## Appendix IV

### BenQ Materials Corp. Rules for the Election of Directors

- Article 1 : The election of the Directors of the Company shall be conducted in accordance with these Procedures, except as otherwise provided by statute or bylaw.
- Article 2 : The election of the Directors of the Company shall be held at the Meeting of the Shareholders.
- Article 3 : The election of the Directors of the Company shall be based on a cumulative voting system.
- Article 4 : In the election of the Directors of the Company, each share has the same voting rights as the number of the Directors to be elected according to its voting rights. One person may be elected collectively, or a number of people may be allocated for election.
- Article 5 : The directors of the Company shall be appointed by the Board of Shareholders on the list of candidates for directors, and shall be elected as independent directors and non-independent directors in accordance with the number of candidates specified in the Articles of Association of the Company, and in accordance with the results of vote counting, the elected representatives shall elect the larger number of votes, and they shall be elected as independent directors and non-independent directors respectively. If two or more persons acquire the same number of votes in excess of the prescribed quota, the drawing of votes shall be decided by the persons entitled to the same votes, and in the absence of such persons, the drawing of votes shall be implemented by the chairman.
- If the company has independent directors, the votes of the Directors shall be elected according to the independent directors and non-independent directors, and the votes shall be counted and elected separately.
- Article 6 : Candidates may only select one candidate for election as a director or supervisor.
- Article 7 : When the Board of Directors prepares the vote, the number of voting rights shall be added. The vote boxes are prepared by the Board of Directors and opened to the public by the overseers before voting.
- Article 8 : At the beginning of the election, the Chairman appoints the overseers and counting officers to handle the monitoring and counting of votes.
- Article 9 : The Company shall, prior to the date of the Shareholders' Meeting, announce the period for accepting the candidatures for directors, the number of directors to be elected, their place of acceptance and other necessary matters.
- The election of the Directors of the Company adopts a nomination system for candidates. The Board of Directors of the Company or shareholders holding more than 1% of the total issued shares may provide a list of recommended directors for the next term in accordance with the provisions of the Company Law.
- The election qualifications of the Directors of the Company shall be handled in accordance with the relevant laws and regulations.
- Article 10 : Shareholders shall be elected from the list of candidates for the Directors.
- If the electee is a shareholder, the shareholder must fill in the electee's account name and shareholder account number in the electoral column of the ballot; if the electee is not a shareholder, the electee's name and identification document number should be filled in. However, when the candidate is a government organization or corporate shareholder, the name of the government organization or corporate shareholder shall be entered in the column

for the candidate's account name in the vote paper, or both the name of the government organization or corporate shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each representative shall be entered.

Article 11 : Vote papers are invalid if:

- I. Those who do not vote as provided for in this method.
- II. Blank vote papers.
- III. The handwriting is blurred or unrecognizable due to alterations.
- IV. The name of the candidate entered does not match the public list of candidates.
- V. In addition to what is stipulated in Article 10, other words or symbols are included.
- VI. Incomplete or incompletely completed in accordance with Article 10.
- VII. 7. The same vote paper contains the names of two or more candidates.

Article 12 : After the voting is completed, the invoice shall be opened on the spot. After the result of the invoice is confirmed by the supervisor, the chairman shall announce the list of directors on the spot.

Article 13 : This method shall be implemented after the adoption of the Resolution of the Shareholders' Meeting, and shall be amended at the same time.

Article 14 : These implementing measures were formulated on April 23, 2002

Revised for the 1st time on May 18, 2006

Revised for the 2nd time on May 22, 2007

Revised for the 3rd time on June 9, 2010

Revised for the 4th time on June 21, 2012