

# Unimicron

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## Unimicron Technology Corp.

### 2022 Annual General Meeting

#### Meeting Agenda

**Date: June 15, 2022**

***Important Disclaimer***

This is a translation of the agenda for the 2022 Annual General Meeting (“the agenda”) of Unimicron Technology Corp. (“the Company”). The translation is intended for reference only and no other purpose. The Company hereby disclaims any and all liabilities whatsoever for the translation. The Chinese text of the agenda shall govern any and all matters related to the interpretation of the subject matter stated herein.

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**Unimicron Technology Corp.**  
**2022 Annual General Meeting Procedure**

1. Commencement
2. Chairman's Address
3. Status Reports
4. Approval Items
5. Discussion Items
6. Extraordinary Motions
7. Adjournment

# **Unimicron Technology Corp.**

## **2022 Annual General Meeting Agenda**

Meeting Type: physical shareholders meeting  
Time: Wednesday, June 15, 2022 at 9:00 a.m.  
Location: No.200,Sec.1,Daxing W.Rd.,Taoyuan Dist.,Taoyuan City (Fullon Hotel)  
Attendants: All shareholders and their proxy holders  
Chairman: Tzyy-Jang Tseng

1. Commencement
2. Chairman's Address
3. Status Reports
  - (1) 2021 business operations
  - (2) Audit Committee's report for 2021 audited financial reports
  - (3) 2021 distributable compensation for employees and directors
  - (4) 2021 investment in China
  - (5) The status of the 8th repurchase program
  - (6) Status report of domestic unsecured corporate bond issuance
  - (7) The share conversion with the Company and Subtron Technology Co., Ltd.
4. Approval Items
  - (1) The Company's 2021 business report and financial statements
  - (2) The Company's 2021 earnings distribution
5. Discussion Items
  - (1) To amend the Company's "Acquisition or Disposal of Assets Procedure"
  - (2) To amend the Company's "Loaning of Funds Procedure"
  - (3) To propose the issuance of Restricted Stock Awards for Employees
6. Extraordinary Motions
7. Adjournment

## Status Reports

- (1) 2021 business operations
  - 1) Chairman Tzyy-Jang Tseng reports.
  - 2) Please refer to the 2021 Annual Business Report (page 11, Attachment 1).
  
- (2) Audit Committee's report for 2021 audited financial reports
  - 1) Please refer to the Audit Committee's Review Report (page 12, Attachment 2) and 2021 Audit Report by Independent Auditors (page 13-20, Attachment 3).
  
- (3) 2021 distributable compensation for employees and directors
  - 1) Per the Company's Articles of Incorporation article 30.1, "The Company shall allocate 6%-16% of profit as employees' compensation and no more than 0.9% of profit as directors' compensation for each profitable fiscal year.
  - 2) The Company intends to distribute NT\$2,324,419,196 as employees' cash compensation and NT\$29,472,359 as directors' cash compensation.
  - 3) The difference for employee and directors' compensation between proposed allocations and number of accounts will be reversed in 2022.
  
- (4) 2021 investment in China
  - 1) 2021 information of added investment in China is as below:

Invested company	Investment Amount
Unimicron -FPC Technology (Kunshan) Inc.	USD 20,000,000 (Exchange to about NTD 555,640 thousand)
Unimicron -Carrier Technology (Huangshi) Inc.	USD 9,000,000 (Exchange to about NTD 251,601 thousand)

(5) The status of the 8th share repurchase program

Explanation:

Instance	8 <sup>th</sup> Round
Date of Board Resolution	October 4, 2018
Purpose	Transfer shares to employees
Buyback Period	October 5, 2018 to December 4, 2018
Buyback amount	NT\$26,484,591,392
Projected shares to buyback	50,000,000 Common shares
Price range	NT\$14.0 to 29.0 per share
Executed period	October 8, 2018 to November 29, 2018
Classification and executed volume	49,100,000 Common shares
Executed amount	NT\$803,247,140
Average buyback price per share	NT\$16.36
Cancellation and transfer volume	49,100,000 shares
Cumulative holding	0 Common shares
Cumulative holding as a percentage of total issued shares (%)	0.00%
Execution result of buying back the company's shares	The expiration of the period has not been completed
Reasons for not fully executing the buyback amount	In order to maintain the market mechanism and effectively use the funds.

(6) Status report of domestic unsecured corporate bond issuance

- 1) In order to repay debt to support medium and long-term funding needs, the Company issued domestic unsecured corporate bonds. Details as follows:

Unit: NT\$ in Thousand

Tranche/Category	1 <sup>st</sup> issue of unsecured corporate bond in 2020 (Note)	1 <sup>st</sup> issue of unsecured corporate bond in 2021 (Note)	1 <sup>st</sup> issue of unsecured corporate bond in 2022 (Note)
Date of Approval	January 4, 2021	April 23, 2021	January 3, 2022
Date of Issuance	January 13, 2021	May 4, 2021	January 12, 2022
Total amount issued	3,000,000	5,000,000	3,000,000
Face Value	1,000	1,000	1,000
Issue Price	At Par	At Par	At Par
Term	January 13, 2021~ January 13, 2026	May 4, 2021~ May 4, 2026	January 12, 2022~ January 12, 2027
Coupon Rate	Fixed Rate 0.68%	Fixed Rate 0.75%	Fixed Rate 0.79%
Interest Payment	From the date of the issuance, a simple interest is calculated and distributed once a year per coupon rate	From the date of the issuance, a simple interest is calculated and distributed once a year per coupon rate	From the date of the issuance, a simple interest is calculated and distributed once a year per coupon rate
Principal Payment	100% principal repayment upon maturity	100% principal repayment upon maturity	100% principal repayment upon maturity
Trustee	CTBC BANK CO.,LTD	CTBC BANK CO.,LTD	CTBC BANK CO.,LTD
Underwriter	KGI Securities	Horizon Securities Co., Ltd.	Fubon Securities Co., Ltd.
Debt Service Agency	CTBC BANK CO.,LTD	CTBC BANK CO.,LTD	CTBC BANK CO.,LTD

Note: Fully exercised.

- (7) The share conversion with the Company and Subtron Technology Co., Ltd.
- 1) In accordance with Article 7(2) of the Enterprise Mergers and Acquisitions Law, the Company reports on the share conversion with Subtron Technology Co., Ltd. (Subtron).
  - 2) On February 22, 2022, the board of directors of the Company decided to merge Subtron with the Company as the surviving company and Subtron as the dissolved company. However, Subtron then proposed to the Company due to factors such as the needs of customers and suppliers during the integration process, complex tax and costs, shareholders exercising the right of objection and retention of talents, to adopt the method of share conversion instead of merger. After cautious evaluation, on March 30, 2022, the board of directors resolved to terminate the merger and the merger agreement, and switched to share conversion and signed a share conversion agreement. After the completion of this case, Subtron will become a wholly-owned subsidiary of the Company.
  - 3) The relevant information of this case is as follows. After obtaining the license or approval according to the law, Subtron will apply to the Taipei Exchange, to terminate the trading of stocks in the emerging market, and apply to the Financial Supervisory Commission to stop the public offering.

Share conversion base date (tentative)	October 1, 2022
Share conversion ratio	1 ordinary share of Subtron to exchange 0.219 ordinary share of the Company
Expected new issue of common share	45,451,004 shares
Par value per share	NTD 10
Estimated total amount of newly issued shares	NTD 454,510,040
Synergy	<ol style="list-style-type: none"> <li>1. Complement both IC substrate technologies and products, integrate resources to accelerate major expansions to satisfy market's demand in advance</li> <li>2. Deploy the technology development of compound semiconductor substrates and strengthen market segments in E.V., Autopilot, high frequency, high speed, Metaverse etc, strengthen ESG 、 smart manufacturing, customer satisfaction, reduce the cost and improve the welfare for employees and stockholders</li> </ol>
Remark	This case is proposed for discussion at the shareholders' meeting of Subtron on May 11, 2022

## Approval Items

### (1) The Company's 2021 business report and financial statements

- 1) The Company's 2021 annual business report and financial statements have been approved by the 17th meeting of Board of Directors, the 12th term, and reviewed by the Audit Committee. The Audit Committee's report and Independent Auditors' report by Han-Chi Wu and Ya-Hui Lin, accountants of PWC Taiwan, were issued accordingly
- 2) Please refer to 2020 annual business report (page 11, Attachment 1) and financial statements (page 21-34, Attachment 4).

Resolution:

### (2) The Company's 2021 earnings distribution

- 1) The Company's 2021 earnings distribution chart was approved by the 17th meeting of Board of Directors, the 12th term, and reviewed by the Audit Committee. The Audit Committee's report was issued accordingly.
- 2) Please refer to the 2021 earnings distribution sheet (page 35, Attachment 5).
- 3) In the event of any change in the number of outstanding shares resulting from the buyback of the Company's common stock, transfer, conversion or cancellation of the treasury shares, the exercise of the employee stock options or the conversion of convertible bonds, issuance or withdrawal of restricted stock awards for employees and other factors such as transactions or statutes, the dividend ratio must be adjusted. It is proposed to fully authorize the board of directors to adjust the dividend ratio and to proceed on the relevant matters.

Resolution:

## Discussion Items

- (1) To amend the Company's "Acquisition or Disposal of Assets Procedure"
  - 1) In accordance with the Order No. 1110380465 of the Financial Supervisory Commission dated January 28, 2022, some provisions of the " Regulations Governing the Acquisition and Disposal of Assets by Public Companies " were amended, and in response to the revision of the company's practical operation of derivative products, it is planned to revise the procedures for the acquisition or disposal of assets in accordance with the law, and re-examine the relevant operating procedures to adjust the relevant text.
  - 2) Please refer to the revised comparison of Acquisition or Disposal of Assets Procedure (page 36-43, Attachment 6), and the original provisions (page 59-75, Appendix 3).

Resolution:

- (2) To amend the Company's "Loaning of Funds Procedure"
  - 1) In response to the needs of practical operation and to retain flexibility for future needs, it is proposed to revise the Loaning of Funds Procedure, related to the capital loans and limits between foreign subsidiaries and foreign subsidiaries to the parent company, and to re-examine the Company' s Loaning of Funds Procedure, revise and add some operating procedures and adjust related text.
  - 2) Please refer to the revised comparison of Loaning of Funds Procedure (page 44-47, Attachment 7), and the original provisions (page 76-78, Appendix 4).

Resolution:

- (3) To propose the issuance of Restricted Stock Awards for Employees
  - 1) It is proposed that the Company issue restricted stock awards for employees in 2022 in accordance with Article 267, Paragraph 9 of the Company Act and the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" promulgated by the Financial Supervisory Commission (hereinafter referred to as the "Offering and Issuance Regulations".)
  - 2) The main items of the restricted stock awards for employees proposed to be issued are as follows, please refer to the "2022 Regulations Governing the Issuance of Restricted Stock Awards for Employees" (page 48-50, Attachment 8.)
    - A. Total amount (shares) of issuance: The total amount of shares to be issued is capped at 4,800,000 ordinary shares, each with a face value of NT\$10, and the total issued amount is capped at NT\$48,000,000. The shares will be issued on

a one-time basis or in series within one year following the arrival of notice from the competent authority indicating that registration has become effective.

B. Conditions for issuance:

(a) Issue price: 60% of the closing price of ordinary shares on the issue date of the board.

(b) Vesting conditions: The new shares to restrict employees' rights this time may be issued in accordance with operational or management needs and the following established conditions:

From the day when the employee is allocated new shares with restricted employee rights (that is, the base date for the capital increase of the new shares with restricted employee rights), the following schedule expires and the employee is still employed (in addition to still serving in the company, it also includes transfer to an affiliated company due to the company's designation) or other company but still working in the related company or the other company), and after the expiration of the following time schedules, the last two performance appraisals have reached "Good +" or above, and the proportion of shares that can meet the vested conditions is as follows:

15 months in office: 50%

30 months in office: 50%

(c) If an employee, after having been granted a restricted stock award, is determined by the Company as having not violated the applicable regulations governing the issuance of restricted stock awards for employees, employment contract, corporate governance best practice principles, ethical corporate management best practice principles, non-compete and non-disclosure agreement, work handbook or other regulations with the Company.

(d) Type(s) of shares issued: New Common shares of the Company.

(e) Measures to be taken when employees fail to meet the vesting conditions or in the event of inheritance: Treatment of employees who do not meet the vested conditions or inheritance: For employees who do not meet the vested conditions, the company will buy back and cancel the new shares with restricted employee rights that have been allocated but have not yet met the vested conditions deferred. The employees or their heirs shall, in accordance with the trust agreement, receive the shares transferred upon fulfilling the vested conditions.

C. Qualification criteria for employees and number of grantable shares:

(a) Qualification criteria for employees:

Limited to employees of the company or employees of subordinate companies who meet certain conditions (the certain conditions are determined by the board of directors), the actual number of employees who

are granted and the number of shares they receive will be based on years of service, grades, work performance, Factors such as overall contribution, special merit or other conditions that need to be considered in management shall be reviewed and approved by the chairman of the board and submitted to the board of directors for approval.

(b) Number of grantable shares:

The company issues employee stock option certificates in accordance with Article 56-1 Item 1 of the Offering and Issuance Regulations, and the cumulative number of shares that can be subscribed by a single employee is given and the total number of new shares with restricted employee rights acquired by a single employee shall not exceed 3‰ of the total number of issued shares of the company, and the total number of subscribed shares granted to a single employee by the company's issuance of employee stock option certificates in accordance with Article 56, Paragraph 1 of the Offering and Issuance Regulations shall not exceed 1% of the total number of issued shares of the company.

D. Reasons necessary for issuance of restricted stock awards for employees:

Attract and retain the technical and professional talents needed by the company, and improve employees' centripetal force and sense of belonging to the company, so as to jointly create the interests of the company and shareholders.

E. Calculated expense amounts, dilution of earnings per share (EPS), and other matters affecting the interest of shareholders:

(a) Calculated expense amounts:

The company shall measure the fair value of the stock on the grant date (issue date), and recognize the related expenses in each year during the vested period. The maximum number of new shares with restricted employee rights to be issued this time is 4,800,000 shares, each of which is issued at 60% of the closing price of the ordinary shares on the date of issue of the board of directors. Based on the closing price of the company's common stock on February 11, 2022, the company's common stock closing price is estimated to be NT\$222. If all of the vested conditions are met, the estimated total amount that may be expensed is NT\$426,240,000, and the related expenses recognized annually during the vested period are: NT\$31,968,000 (in 2022; estimated in 3 months), NT\$223,776,000 (in 2023), NT\$127,872,000 (in 2024), NT\$42,624,000 (in 2025; estimated in 9 months).

(b) Dilution of EPS and other matters affecting the interest of shareholders:

Calculated on the basis of the company's issued shares of 1,475,260,333 shares on February 11, 2022, it is estimated that the amount of earnings per share that may be reduced after expense is: NT\$0.0217 (in 2022; estimated in 3 months), NT\$0.152 (in 2023), NT\$0.087 (in 2024), NT\$0.029 (in

2025; estimated at 9 months), which will not have a significant impact on shareholders' rights.

- 3) After the case is approved by the shareholders' meeting, the case shall be filed and handled in one or several times.
- 4) Pursuant to Article 7-2 of the Articles of Incorporation, the new shares with restricted employee rights issued by the Company shall be issued to employees of subordinate companies who meet certain conditions, and the certain conditions shall be determined by the board of directors.
- 5) Regarding matters related to the issuance of new shares restricting employees' rights, it is proposed to request the shareholders' meeting to authorize the board of directors to have full authority to formulate or amend the issuance of new shares restricting employees' rights and all related matters. In the future, if the relevant content is revised or adjusted by the competent authority, the board of directors is also authorized to deal with it.

Resolution:

## **Extraordinary Motions**

## **Adjournment**

## Unimicron Technology Corp. 2021 Annual Business Report

In 2021, due to the gradual control of the epidemic and the development of 5G, AIoT, high-speed computing, etc., the company's substrate product portfolio optimization and yield continued to improve, and operational performance improved significantly with the joint cooperation with customers in the field of high-end substrate technology expansion and the development of long-term relationships have improved the future and stability of the company; the seasonality of substrate-like, HDI and PCB improved in the second half of the year. 2021 Unimicron sales and profit increased significantly. The individual revenue was NT\$69.338 billion around 28% growth compared with 2020 NT\$54.076 billion, the individual net profit was NT\$13.222 billion, a significant increase around 142% from NT\$5.462 billion in 2020; the consolidated revenue and net profit were separately NT\$ 104.563 billion and NT\$13.525 billion, far better than 2020 NT\$87.893 billion and NT\$ 5.318 billion, increased around 19% and 154%.

Looking forward to 2022, due to the impact of the COVID-19 epidemic, inflation and raw material issues, US-China trade, technological tensions, and carbon reduction policies of various countries, uncertainties in the global economy will remain. However, under the huge business opportunities of 5G, high-frequency and high-speed demand and high-performance computing applications in the future, it will drive the continuous growth of the PCB industry, especially high-end substrate. With long-term strategic cooperation with customers, Unimicron will continue to strive to meet customer needs, develop blue ocean products, optimize product portfolios, implement intelligent automation of key processes, and press ahead with ESG, focus on energy conservation, carbon reduction and disaster prevention.

Unimicron upholds honest management and compliances with laws and regulations, enhance service orientation to maximize customers' benefit, takes good care of employees and public welfare, co-existence and prosperity with environment, fulfills corporate social responsibility, and achieves long-term sustainable performance. Unimicron has received "Gold Award for Taiwan Corporate Sustainability Report of IC & IT Manufacturing" for six consecutive years since 2016.

Sincerely appreciate the strong support and high recognition from all the stockholders, customers, and suppliers. Unimicron's management team and all colleagues will continue devote to serve customer and improve group's operating performance and seek greatest welfare to feedback to our employees, stockholders, and all stakeholders for a sustainable and robust future .

Chairman: Tzyy-Jang Tseng    Manager: Chia-Pin Lee & Jerry Kuo    Head of accounting: Denise Hsu

## Audit Committee Review Report

The Board of Directors shall send the Company's operating report, consolidated financial statements (including individual financial statements) and surplus distribution proposals, etc., for 2021, and the consolidated financial statements (including individual financial statements) have been audited by PWC Taiwan who issued an audit report. The above operating report consolidated financial statements (including individual financial statements) and earnings distribution proposals have been reviewed by the Audit Committee and it is considered that there is no discrepancy. The report is based on Article 14.4 of the Securities and Exchange Act and Article 219 of the Company Act for review.

Thereby,

The Annual General Meeting for 2022 Unimicron Technology Corp.

Unimicron Technology Corp.  
Convener of the Audit Committee: Grace Li

February 22, 2022

## Report of Independent Accountants

PWCR21000259

To the Board of Directors and Shareholders of Unimicron Technology Corp.

### *Opinion*

We have audited the accompanying consolidated balance sheets of Unimicron Technology Corp. and its subsidiaries (the “Group”) as at December 31, 2021 and 2020, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to Other Matter – Scope of the Audit section of our report), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

### *Basis for opinion*

We conducted our audits of the financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the reports of other auditors are sufficient and appropriate to provide a basis for our opinion.

### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group’s 2021 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

The key audit matters of the Group’s 2021 consolidated financial statements were as follows:

#### **Valuation of inventory**

##### Description

Refer to Note 4(13) for accounting policy on inventory valuation, Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(5) for description of allowance for inventory valuation losses. As at December 31, 2021, the Group’s inventory and allowance for valuation loss amounted to NT\$13,721,849 thousand and NT\$1,570,246 thousand, respectively.

The Group is primarily engaged in manufacturing and sales of various kinds of electronic components. Due to the short lifespan of electronic products and fluctuations in market prices, there is a higher risk of inventory losses due from market value decline or obsolescence. The Group's inventories are measured at the lower of cost and net realizable value. Inventory that is over certain age and individually identified obsolete or damaged inventory is measured at net realizable value.

Since the industry technology is rapidly changing, and the calculation of net realizable value used for obsolete inventories or inventories which are over a certain period involves subjective judgement, we identified the allowance for inventory valuation losses as a key audit matter.

#### How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Ascertained whether the policies on allowance for inventory valuation losses were reasonable and consistently applied in all the periods.
2. Assessed the reasonableness and evidences of management in identifying individual obsolete or damaged inventory.
3. Verified the accuracy of aging report, and sampled the last movement of inventories before the balance sheet date in order to verify the accuracy of aging range.
4. Checked the inventory clearance on inventories which have been provided for loss on market value decline and obsolete and slow-moving inventories. Assessed the reasonableness of current allowance for inventory valuation losses and loss for obsolete and slow-moving inventories by comparing with prior years.
5. Checked the method in calculating the net realizable value of inventory and assessing the reasonableness of allowance for valuation loss.

#### **Impairment assessment of investments accounted for using equity method**

##### Description

Refer to Note 4(19) for accounting policy on impairment assessment of investments accounted for using equity method, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to impairment assessment of investments accounted for using equity method, and Note 6(7) for details of investments accounted for using equity method. As at December 31, 2021, the Group held investments accounted for using equity method amounting to NT\$2,572,383 thousand.

Considering that the impairment assessment of investments accounted for using equity method involves subjective judgement, including estimated future cash flows, estimated growth rate, gross rate and discount rate which have high uncertainty, we considered the impairment of investments accounted for using equity method as a key audit matter.

#### How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Assessed the reasonableness of procedures used by management to estimate the future cash flows of investment accounted for using equity method.
2. Interviewed management regarding estimated future cash flows, estimated growth rate and gross rate, and compared with historical results to determine whether the estimates are reasonable.
3. Checked the reasonableness of the related parameters of discount rate, including risk-free interest rate of cost of equity capital, industrial risk coefficient and rate of return in similar markets. Verified the result of impairment assessment of investments accounted for using equity method.

#### ***Other matter – Scope of the Audit***

We did not audit the financial statements of a wholly-owned consolidated subsidiary and investees accounted for under the equity method. Total assets (including investments accounted for using equity method) amounted to NT\$3,955,113 thousand and NT\$3,219,893 thousand, constituting 2% and 3% of consolidated total assets as at December 31, 2021 and 2020, respectively. Operating income amounted to

NT\$1,954,296 thousand and NT\$1,807,891 thousand, both constituting 2% of consolidated total operating income for the years ended December 31, 2021 and 2020, respectively, and comprehensive income accounted for using equity method of NT\$313,408 thousand and NT\$63,581 thousand, constituting 2% and 1% of consolidated total comprehensive income for the years ended December 31, 2021 and 2020, respectively. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the financial statements relative to the consolidated subsidiary and investees, is based solely on the reports of the other auditors.

### ***Other matter – Parent company only financial reports***

We have audited and expressed an unqualified opinion on the parent company only financial statements of Unimicron Technology Corp. as at and for the years ended December 31, 2021 and 2020.

### ***Responsibilities of management and those charged with governance for the consolidated financial statements***

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

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

Those charged with governance, including supervisors (or audit committee), are responsible for overseeing the Group’s financial reporting process.

### ***Auditors’ responsibilities for the audit of the consolidated financial statements***

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit

- evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
  3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Wu, Han-Chi

Lin, Ya-Hui

For and on behalf of PricewaterhouseCoopers, Taiwan

February 22, 2022

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The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

# Report of Independent Accountants

PWCR 21000268

To the Board of Directors and Shareholders of Unimicron Technology Corp.

## ***Opinion***

We have audited the accompanying parent company only balance sheets of Unimicron Technology Corp. ("Unimicron Corp.") as at December 31, 2021 and 2020, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and parent company only notes to the financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the "Other Matter-Scope of the Audit" section of our report), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of Unimicron Corp. as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

## ***Basis for opinion***

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 judgement, were of most significance in our audit of the parent company only financial statements of the current period. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

As at December 31, 2021, Hemingway Int'l Limited and UMTC Holdings Limited, subsidiaries owned by Unimicron Corp., are the major operating entities of Unimicron Corp., and were included in investments accounted for using equity method. Refer to Note 6(7) of these financial statements for detailed information. Because the financial condition and performance of the aforementioned subsidiaries have a material impact on the financial statements of Unimicron Corp., the key audit matters of the subsidiaries pertaining to inventory valuation and impairment assessment of investments accounted for under the equity method were also considered key audit matters of Unimicron Corp.

The key audit matters of the financial statements of Unimicron Corp. for the year ended December 31, 2021 were as follows:

## **Valuation of inventory**

### Description

Refer to Note 4(11) for accounting policy on inventory valuation, Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(5) for description of allowance for inventory valuation losses.

Unimicron Corp. is primarily engaged in the manufacturing and sales of various kinds of electronic components. Due to the short lifespan of electronic products and fluctuations in market prices, there is a higher risk of inventory losses due from market value decline or obsolescence. Inventories are measured at the lower of cost and net realizable value. Inventory that is over certain age and individually identified obsolete or damaged inventory is measured at net realizable value.

Since the industry technology is rapidly changing, and the calculation of the net realizable value used in obsolete inventories or inventories which are over a certain period involves subjective judgement, we identified the valuation of inventory a key audit matter.

### How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Ascertained whether the policies on allowance for inventory valuation losses were reasonable and consistently applied in all the periods.
2. Assessed the reasonableness and evidences of management in identifying individual obsolete or damaged inventory.
3. Verified the accuracy of aging report, and sampled the last movement of inventories before the balance sheet date in order to calculate the accuracy of aging range.
4. Checked the inventory clearance on inventories which have been provided for loss on market value decline and obsolete and slow-moving inventories. Assessed the reasonableness of current allowance for inventory valuation losses and loss on obsolete and slow-moving inventories by comparing with prior years.
5. Checked the method in calculating the net realizable value of inventory and assessing the reasonableness of allowance for valuation loss.

## **Investments accounted for using equity method - impairment assessment of associates**

### Description

Refer to Note 4(17) for accounting policy on impairment assessment of investments accounted for using equity method, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to impairment assessment of investments accounted for using equity method, and Note 6(7) for details of investments accounted for using equity method - associates.

Considering that the impairment of investments accounted for using equity method involves subjective judgement, and the estimation of future cash flows, growth rate, gross rate and discount rate have high uncertainty, we determined the impairment assessment of investments accounted for using equity method as a key audit matter.

### How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Assessed the reasonableness of procedures used by management to estimate the future cash flows of investment accounted for using equity method.
2. Interviewed management to discuss estimated future cash flows, estimated growth rate and gross rate, and compared with historical results to ascertain whether they are reasonable.
3. Checked the reasonableness of the related parameters of discount rate, including risk-free interest rate of cost of equity capital, industrial risk coefficient and the rate of return in the similar markets. Verified the result of impairment assessment of investments accounted for using equity method.

## ***Other matter – Scope of the Audit***

We did not audit the financial statements of certain investments accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these investments, is based solely on the reports of the other auditors. The balance of these investments accounted for under the equity method amounted to NT\$2,093,551 thousand and NT\$2,164,592 thousand, both constituting 2% of the parent company only total assets as at December 31, 2021 and 2020, respectively, and the comprehensive loss recognised from investments accounted for under the equity method amounted to (NT\$25,157) thousand and (NT\$26,657) thousand, both constituting 0% of the parent company only total comprehensive income for the years then ended, respectively. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the financial statements relative to these investees, is based solely on the reports of the other auditors.

### ***Responsibilities of management and those charged with governance for the financial statements***

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

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

Those charged with governance (including audit committee), are responsible for overseeing Unimicron Corp.’s financial reporting process.

### ***Auditor’s responsibilities for the audit of the financial statements***

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Unimicron Corp.'s internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Unimicron Corp.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Unimicron Corp. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Unimicron Corp. to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Wu, Han-Chi

Lin, Ya-Hui

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 22, 2022

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The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

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## Attachment 4

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
DECEMBER 31, 2021 AND 2020  
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2021		December 31, 2020		
		AMOUNT	%	AMOUNT	%	
<b>Current assets</b>						
1100	Cash and cash equivalents	6(1)	\$ 39,401,609	23	\$ 24,194,463	19
1110	Financial assets at fair value through profit or loss - current	6(2)	96,302	-	13,520	-
1150	Notes receivable, net	6(3)	41,293	-	17,963	-
1170	Accounts receivable, net	6(3) and 8	23,567,451	14	17,219,090	14
1180	Accounts receivable - related parties	7	30,462	-	12,238	-
1200	Other receivables	6(4)(8)(10) and 7	2,081,728	1	1,337,273	1
130X	Inventory	6(5)	12,151,603	7	8,926,459	7
1410	Prepayments	6(6)	2,488,837	2	1,992,571	2
1470	Other current assets	6(1) and 8	17,847	-	17,799	-
11XX	<b>Total Current Assets</b>		<u>79,877,132</u>	<u>47</u>	<u>53,731,376</u>	<u>43</u>
<b>Non-current assets</b>						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	8,098,255	5	5,478,958	4
1517	Non-current financial assets at fair value through other comprehensive income		39,933	-	-	-
1550	Investments accounted for using equity method	6(7) and 7	2,572,383	2	2,302,480	2
1600	Property, plant and equipment	6(8), 7 and 8	72,020,994	42	57,980,739	46
1755	Right-of-use assets	6(9) and 7	3,140,808	2	2,512,442	2
1760	Investment property - net	6(11)	575,138	-	646,433	1
1780	Intangible assets	6(12)	580,124	-	368,304	-
1840	Deferred income tax assets	6(33)	1,298,125	1	1,010,181	1
1900	Other non-current assets	6(1)(10) and 8	1,852,361	1	679,311	1
15XX	<b>Total non-current assets</b>		<u>90,178,121</u>	<u>53</u>	<u>70,978,848</u>	<u>57</u>
1XXX	<b>Total assets</b>		<u>\$ 170,055,253</u>	<u>100</u>	<u>\$ 124,710,224</u>	<u>100</u>

(Continued)

**UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2021 AND 2020**

(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2021		December 31, 2020	
			AMOUNT	%	AMOUNT	%
<b>Current liabilities</b>						
2100	Short-term borrowings	6(13) and 8	\$ 10,176,216	6	\$ 8,580,823	7
2110	Short-term notes and bills payable	6(14)	399,900	-	199,972	-
2120	Financial liabilities at fair value through profit or loss - current	6(2)(15)	-	-	36,932	-
2150	Notes payable		149,184	-	9,528	-
2170	Accounts payable		13,139,238	8	11,819,041	10
2180	Accounts payable - related parties	7	206,771	-	222,484	-
2200	Other payables	6(16) and 7	16,432,729	10	11,787,527	9
2230	Current tax liabilities	6(33)	2,657,472	2	457,694	-
2320	Long-term liabilities, current portion	6(19) and 8	2,594,726	1	4,526,007	4
2399	Other current liabilities	6(17)(26) and 7	3,304,091	2	4,728,792	4
21XX	<b>Total current Liabilities</b>		<u>49,060,327</u>	<u>29</u>	<u>42,368,800</u>	<u>34</u>
<b>Non-current liabilities</b>						
2530	Bonds payable	6(18)	7,991,923	5	-	-
2540	Long-term borrowings	6(19) and 8	14,250,576	8	23,359,354	19
2570	Deferred income tax liabilities	6(33)	239,532	-	282,148	-
2600	Other non-current liabilities	6(7)(8)(9)(20)(21)				
		(26), 7 and 9	32,996,719	19	5,599,364	4
25XX	<b>Total non-current liabilities</b>		<u>55,478,750</u>	<u>32</u>	<u>29,240,866</u>	<u>23</u>
2XXX	<b>Total liabilities</b>		<u>104,539,077</u>	<u>61</u>	<u>71,609,666</u>	<u>57</u>
<b>Equity attributable to owners of parent</b>						
	Share capital	6(23)				
3110	Common stock		14,752,603	9	15,047,323	12
	Capital surplus	6(24)				
3200	Capital surplus		9,396,676	6	8,831,415	7
	Retained earnings	6(25)				
3310	Legal reserve		5,537,329	3	4,994,171	4
3320	Special reserve		550,543	-	861,619	1
3350	Unappropriated retained earnings		30,809,266	18	19,851,219	16
	Other equity interest					
3400	Other equity interest		( 332,855)	-	( 550,543)	-
	Treasury stocks	6(23)				
3500	Treasury stocks		-	-	( 608,194)	( 1)
31XX	<b>Equity attributable to owners of the parent</b>		<u>60,713,562</u>	<u>36</u>	<u>48,427,010</u>	<u>39</u>
36XX	Non-controlling interest		4,802,614	3	4,673,548	4
3XXX	<b>Total equity</b>		<u>65,516,176</u>	<u>39</u>	<u>53,100,558</u>	<u>43</u>
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant disaster loss	10				
	Significant events after the balance sheet date	11				
3X2X	<b>Total liabilities and equity</b>		<u>\$ 170,055,253</u>	<u>100</u>	<u>\$ 124,710,224</u>	<u>100</u>

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

**UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

Items	Notes	Year ended December 31				
		2021		2020		
		AMOUNT	%	AMOUNT	%	
4000	Sales revenue	6(26) and 7	\$ 104,562,747	100	\$ 87,892,821	100
5000	Operating costs	6(5)(31)(32) and 7	( 80,899,930)	( 77)	( 75,064,455)	( 85)
5900	Net operating margin		23,662,817	23	12,828,366	15
	Operating expenses	6(31)(32) and 7				
6100	Selling expenses		( 1,534,399)	( 1)	( 1,453,543)	( 2)
6200	General and administrative expenses		( 4,378,759)	( 4)	( 3,467,469)	( 4)
6300	Research and development expenses		( 4,715,883)	( 5)	( 3,938,461)	( 4)
6000	Total operating expenses		( 10,629,041)	( 10)	( 8,859,473)	( 10)
	Net operating income		13,033,776	13	3,968,893	5
6500	Other (losses)/gains - net	6(27) and 7	136,515	-	48,220	-
6900	Operating profit		13,170,291	13	4,017,113	5
	Non-operating income and expenses					
7100	Interest income		164,834	-	193,893	-
7010	Other income	6(28) and 7	1,321,152	1	1,048,164	1
7020	Other gains and losses	6(29) and 7	2,108,660	2	1,450,778	2
7050	Finance costs	6(30) and 7	( 324,762)	-	( 476,075)	( 1)
7060	Share of profit/(loss) of associates and joint ventures accounted for under equity method	6(7)	188,877	-	232	-
7000	Total non-operating income and expenses		3,458,761	3	2,216,992	2
7900	<b>Profit before income tax</b>		16,629,052	16	6,234,105	7
7950	Income tax expense	6(33)	( 3,104,494)	( 3)	( 916,577)	( 1)
8200	<b>Profit for the year</b>		\$ 13,524,558	13	\$ 5,317,528	6

(Continued)

**UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

Items	Notes	Year ended December 31			
		2021		2020	
		AMOUNT	%	AMOUNT	%
<b>Other comprehensive income</b>					
<b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>					
8311	Actuarial gains (losses) on defined benefit plans	\$ 67,173	-	(\$ 42,179)	-
8320	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	142,238	-	( 15,028)	-
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss	209,411	-	( 57,207)	-
<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>					
8361	Financial statements translation differences of foreign operations	230,435	-	776,421	1
8370	Share of other comprehensive loss of associates and joint ventures accounted for using equity method	( 1,363)	-	( 265)	-
8360	Other comprehensive income that will be reclassified to profit or loss	229,072	-	776,156	1
8300	<b>Total other comprehensive income for the year</b>	<b>\$ 438,483</b>	<b>-</b>	<b>\$ 718,949</b>	<b>1</b>
8500	<b>Total comprehensive income for the year</b>	<b>\$ 13,963,041</b>	<b>13</b>	<b>\$ 6,036,477</b>	<b>7</b>
Profit attributable to:					
8610	Owners of the parent	\$ 13,222,256	13	\$ 5,461,671	6
8620	Non-controlling interest	302,302	-	( 144,143)	-
		<u>\$ 13,524,558</u>	<u>13</u>	<u>\$ 5,317,528</u>	<u>6</u>
Comprehensive income attributable to:					
8710	Owners of the parent	\$ 13,508,702	13	\$ 5,742,652	7
8720	Non-controlling interest	454,339	-	293,825	-
		<u>\$ 13,963,041</u>	<u>13</u>	<u>\$ 6,036,477</u>	<u>7</u>
Earnings per share (in dollars)					
9750	Basic earnings per share	6(34)	<u>8.98</u>	<u>3.74</u>	
9850	Diluted earnings per share	6(34)	<u>8.91</u>	<u>3.70</u>	

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

**UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Equity attributable to owners of the parent												
Notes	Share capital - common stock	Total capital surplus, additional paid-in capital	Retained Earnings			Equity Interest			Treasury stocks	Total	Non-controlling interest	Total equity
			Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Total Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income					
<b>Year ended December 31, 2020</b>												
	\$ 15,047,323	\$ 8,632,597	\$ 4,674,080	\$ 463,854	\$ 16,738,695	(\$ 721,196 )	(\$ 140,423 )	(\$ 803,247 )	\$ 43,891,683	\$ 4,459,746	\$ 48,351,429	
	-	-	-	-	5,461,671	-	-	-	5,461,671	( 144,143 )	5,317,528	
	-	-	-	-	( 37,469 )	338,861	( 20,411 )	-	280,981	437,968	718,949	
	-	-	-	-	5,424,202	338,861	( 20,411 )	-	5,742,652	293,825	6,036,477	
6(25)												
	-	-	320,091	-	( 320,091 )	-	-	-	-	-	-	
	-	-	-	397,765	( 397,765 )	-	-	-	-	-	-	
	-	-	-	-	( 1,601,196 )	-	-	-	( 1,601,196 )	-	( 1,601,196 )	
6(24)	-	( 46,537 )	-	-	-	-	-	-	( 46,537 )	-	( 46,537 )	
6(24)	-	22,513	-	-	7,374	-	( 7,374 )	-	22,513	-	22,513	
6(22)(24)	-	204,771	-	-	-	-	-	-	204,771	-	204,771	
6(23)(24)	-	17,427	-	-	-	-	-	195,053	212,480	-	212,480	
6(24)	-	-	-	-	-	-	-	-	-	( 80,023 )	( 80,023 )	
6(24)	-	415	-	-	-	-	-	-	415	-	415	
6(24)	-	229	-	-	-	-	-	-	229	-	229	
	\$ 15,047,323	\$ 8,831,415	\$ 4,994,171	\$ 861,619	\$ 19,851,219	(\$ 382,335 )	(\$ 168,208 )	(\$ 608,194 )	\$ 48,427,010	\$ 4,673,548	\$ 53,100,558	
<b>Year ended December 31, 2021</b>												
	\$ 15,047,323	\$ 8,831,415	\$ 4,994,171	\$ 861,619	\$ 19,851,219	(\$ 382,335 )	(\$ 168,208 )	(\$ 608,194 )	\$ 48,427,010	\$ 4,673,548	\$ 53,100,558	
	-	-	-	-	13,222,256	-	-	-	13,222,256	302,302	13,524,558	
	-	-	-	-	68,758	77,533	140,155	-	286,446	152,037	438,483	
	-	-	-	-	13,291,014	77,533	140,155	-	13,508,702	454,339	13,963,041	
6(25)												
	-	-	543,158	-	( 543,158 )	-	-	-	-	-	-	
	-	-	-	( 311,076 )	311,076	-	-	-	-	-	-	
	-	-	-	-	( 2,054,577 )	-	-	-	( 2,054,577 )	-	( 2,054,577 )	
6(24)	-	17,086	-	-	-	-	-	-	17,086	-	17,086	
6(24)	-	257	-	-	( 1,913 )	-	-	-	( 1,656 )	-	( 1,656 )	
6(22)(24)	-	518,562	-	-	-	-	-	-	518,562	-	518,562	
6(23)(24)	-	172,524	-	-	-	-	-	126,049	298,573	-	298,573	
6(24)	-	-	-	-	-	-	-	-	-	( 325,273 )	( 325,273 )	
6(24)	-	( 138 )	-	-	-	-	-	-	( 138 )	-	( 138 )	
6(23)(24)	( 294,720 )	( 143,030 )	-	-	( 44,395 )	-	-	482,145	-	-	-	
	\$ 14,752,603	\$ 9,396,676	\$ 5,537,329	\$ 550,543	\$ 30,809,266	(\$ 304,802 )	(\$ 28,053 )	\$ -	\$ 60,713,562	\$ 4,802,614	\$ 65,516,176	

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

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2021 AND 2020  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		\$ 16,629,052	\$ 6,234,105
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation (including investment property and right-of-use asset)	6(8)(9)(11)(27)(31)	9,505,548	8,713,814
Amortisation	6(12)(31)	251,550	143,157
Expected impairment gain (including related parties)	12(2)	( 7,404 )	( 9,676 )
Net gain on financial assets and liabilities at fair value through profit or loss	6(2)(29)	( 2,889,653 )	( 2,216,097 )
Interest expense	6(30)	298,266	441,542
Interest income		( 164,834 )	( 193,893 )
Dividend income	6(28)	( 167,211 )	( 44,661 )
Share-based payments	6(22)	519,927	205,327
Share of profit of associates accounted for using equity method	6(7)	( 188,876 )	( 232 )
Cash dividends received from investments accounted for using equity method		33,886	19,258
Loss on disposal and scrap of property, plant and equipment	6(29)	40,593	55,838
Impairment loss on property, plant and equipment	6(8)(29)	391,274	-
Exchange loss (gains) on valuation of long-term foreign borrowings	6(36)	28,418	( 195,412 )
Deferred credits - realised transfer income		( 17,457 )	( 15,915 )
Gain recognised from bargain purchase transaction	6(35)	-	( 1,553 )
Loss from subleasing right-of-use assets	6(9)(29)	-	580
Gain from lease modification	6(9)(29)	( 8 )	-
Gain from rent concessions	6(9)	-	( 1,382 )
(Gain) loss by fire	6(8)(28)(29)	( 211,071 )	335,861
Amortization of discount on bonds payable	6(30)(36)	1,498	-
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		( 23,346 )	( 5,315 )
Accounts receivable		( 6,335,580 )	865,232
Accounts receivable due from related parties		( 18,202 )	( 7,690 )
Other receivables		818,973	( 214,686 )
Inventories		( 3,189,522 )	( 542,624 )
Prepayments		( 499,592 )	( 236,697 )
Other current assets		-	3,933
Other non-current assets		( 1,286 )	25,544
Changes in operating liabilities			
Notes payable		72,656	( 44,929 )
Accounts payable		1,320,197	( 850,508 )
Accounts payable to related parties		( 15,713 )	( 14,143 )
Other payables		2,612,888	860,432
Other current liabilities		( 3,163,821 )	3,497,501
Accrued pension liabilities		( 40,667 )	( 27,223 )
Contract liabilities		28,501,688	2,722,791
Other non-current liabilities		( 1,601 )	( 12,417 )
Cash inflow generated from operations		44,090,570	19,489,862
Interest received		166,469	205,225
Dividends received		167,211	44,661
Interest paid		( 272,750 )	( 473,178 )
Income tax paid		( 1,211,921 )	( 1,102,542 )
Net cash flows from operating activities		<u>42,939,579</u>	<u>18,164,028</u>

(Continued)

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2021 AND 2020  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit or loss		( \$ 260 )	( \$ 343,940 )
Acquisition of financial assets at fair value through other comprehensive income		( 16,250 )	-
Proceeds from disposal of financial assets at fair value through profit or loss		142,348	864,269
Proceeds from capital reduction of financial assets mandatorily measured at fair value through profit or loss		5,814	1,700
Acquisition of investments accounted for using equity method		-	( 75,173 )
Acquisition of property, plant and equipment	6(35)	( 23,167,189 )	( 14,550,060 )
Proceeds from disposal of property, plant and equipment		100,338	362,198
Acquisition of right-of-use assets		( 97,763 )	-
Acquisition of intangible assets	6(12)	( 470,357 )	( 253,648 )
(Increase) decrease in restricted assets		( 132 )	57,978
Decrease (increase) in refundable deposits		4,970	( 86,731 )
Acquisition of subsidiaries	6(35)	-	285,315
Increase in other non-current assets – time deposits		( 1,179,873 )	( 349,264 )
Advance receipts for relocation	9	239,321	-
Net cash flows used in investing activities		( 24,439,033 )	( 14,087,356 )
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase (decrease) in short-term borrowings	6(36)	1,636,916	( 927,730 )
Increase (decrease) in short-term notes and bills payable	6(36)	199,928	( 1,498,464 )
Proceeds from issuing bonds	6(18)(36)	8,000,000	-
Issuance cost of bonds payable	6(36)	( 9,575 )	-
Proceeds from long-term borrowings	6(36)	9,140,061	15,467,412
Repayments of long-term borrowings	6(36)	( 20,179,473 )	( 12,176,232 )
Decrease in guarantee deposits received		( 9,729 )	( 2,665 )
Payments for lease liabilities	6(36)	( 508,547 )	( 312,683 )
Treasury shares sold to employees		126,049	195,053
Change in non-controlling interests		( 325,273 )	( 289,067 )
Cash dividends paid	6(25)	( 2,054,577 )	( 1,601,196 )
Reversal of capital surplus - dividends not received by shareholders	6(24)	( 138 )	-
Capital surplus - dividends not received by shareholders, etc..	6(24)	-	644
Net cash flows used in financing activities		( 3,984,358 )	( 1,144,928 )
Effect of foreign exchange translations		690,958	677,173
Net increase in cash and cash equivalents		15,207,146	3,608,917
Cash and cash equivalents at beginning of year	6(1)	24,194,463	20,585,546
Cash and cash equivalents at end of year	6(1)	\$ 39,401,609	\$ 24,194,463

UNIMICRON TECHNOLOGY CORP.  
PARENT COMPANY ONLY BALANCE SHEETS  
DECEMBER 31, 2021 AND 2020  
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2021 AMOUNT	December 31, 2020 AMOUNT	
<b>Current assets</b>				
1100	Cash and cash equivalents	6(1)	\$ 24,863,684	\$ 15,613,563
1110	Financial assets at fair value through profit or loss - current	6(2)	95,886	6,108
1150	Notes receivable, net	6(3)	210	210
1170	Accounts receivable, net	6(3)	16,091,646	10,095,140
1180	Accounts receivable - related parties	7	260,995	463,525
1200	Other receivables	6(4)(8)(10) and 7	7,824,249	8,017,937
130X	Inventory	6(5)	6,630,753	4,487,959
1410	Prepayments	6(6)	1,535,469	957,458
11XX	<b>Total current assets</b>		<u>57,302,892</u>	<u>39,641,900</u>
<b>Non-current assets</b>				
1510	Financial assets at fair value through profit or loss - non-current	6(2)	7,917,707	5,306,762
1550	Investments accounted for under equity method	6(7) and 7	18,516,505	17,643,999
1600	Property, plant and equipment	6(8), 7 and 8	48,097,639	34,511,336
1755	Right-of-use assets	6(9) and 7	1,094,443	1,057,297
1760	Investment property - net	6(11) and 8	682,636	764,831
1780	Intangible assets	6(12)	373,972	160,622
1840	Deferred income tax assets	6(33)	705,587	752,644
1900	Other non-current assets	6(1)(10), 7 and 8	537,292	579,373
15XX	<b>Total non-current assets</b>		<u>77,925,781</u>	<u>60,776,864</u>
1XXX	<b>Total assets</b>		<u>\$ 135,228,673</u>	<u>\$ 100,418,764</u>

(Continued)

**UNIMICRON TECHNOLOGY CORP.**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2021 AND 2020**  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2021 AMOUNT	December 31, 2020 AMOUNT
<b>Current liabilities</b>				
2100	Short-term borrowings	6(13) and 8	\$ 5,692,786	\$ 5,842,811
2110	Short-term notes and bills payable	6(14)	299,926	-
2120	Financial liabilities at fair value through profit or loss - current	6(2)(15)	-	36,853
2150	Notes payable		149,020	9,219
2170	Accounts payable		6,265,234	5,279,264
2180	Accounts payable - related parties	7	1,788,041	1,482,245
2200	Other payables	6(16) and 7	12,474,706	7,936,209
2230	Current income tax liabilities	6(33)	2,177,611	417,311
2320	Long-term liabilities, current portion	6(19) and 8	590,000	2,323,333
2399	Other current liabilities	6(17)(26) and 7	2,887,771	4,545,518
21XX	<b>Total current liabilities</b>		<u>32,325,095</u>	<u>27,872,763</u>
<b>Non-current liabilities</b>				
2530	Bonds payable	6(18)	7,991,923	-
2540	Long-term borrowings	6(19) and 8	10,538,771	19,904,202
2570	Deferred income tax liabilities	6(33)	50,116	44,704
2600	Other non-current liabilities	6(7)(20)(21)(26) and 7	23,609,206	4,170,085
25XX	<b>Total non-current liabilities</b>		<u>42,190,016</u>	<u>24,118,991</u>
2XXX	<b>Total liabilities</b>		<u>74,515,111</u>	<u>51,991,754</u>
<b>Equity</b>				
Share capital				
3110	common stock	6(23)	14,752,603	15,047,323
Capital surplus				
3200	Capital surplus	6(24)	9,396,676	8,831,415
Retained earnings				
3310	Legal reserve	6(25)	5,537,329	4,994,171
3320	Special reserve		550,543	861,619
3350	Unappropriated retained earnings		30,809,266	19,851,219
Other equity interest				
3400	Other equity interest		( 332,855 )	( 550,543 )
Treasury stocks				
3500	Treasury stocks	6(23)	-	( 608,194 )
3XXX	<b>Total equity</b>		<u>60,713,562</u>	<u>48,427,010</u>
Significant contingent liabilities and unrecognized contract commitments				
	Significant disaster loss	10		
	Significant events after the balance sheet date	11		
3X2X	<b>Total liabilities and equity</b>		<u>\$ 135,228,673</u>	<u>\$ 100,418,764</u>

The accompanying notes are an integral part of these parent company only financial statements.

UNIMICRON TECHNOLOGY CORP.  
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2021 AND 2020  
(Expressed in thousands of New Taiwan dollars)

	Items	Notes	Year ended December 31	
			2021	2020
			AMOUNT	AMOUNT
4000	Sales revenue	6(26) and 7	\$ 69,337,839	\$ 54,076,109
5000	Operating costs	6(5)(31)(32) and 7	( 49,309,731)	( 43,187,954)
5900	Net operating margin		20,028,108	10,888,155
5910	Unrealized (profit) loss from sales	6(7)	( 391)	4,960
5920	Realized (loss) profit from sales		( 4,960)	7,484
5950	Net operating margin		20,022,757	10,900,599
	Operating expenses	6(31)(32) and 7		
6100	Selling expenses		( 619,970)	( 567,704)
6200	General and administrative expenses		( 2,483,967)	( 1,761,737)
6300	Research and development expenses		( 3,564,809)	( 2,882,920)
6000	Total operating expenses		( 6,668,746)	( 5,212,361)
	Net operating income		13,354,011	5,688,238
6500	Other (losses)/gains - net	6(27) and 7	82,481	54,845
6900	Operating profit		13,436,492	5,743,083
	Non-operating income and expenses			
7100	Interest income	7	141,487	226,140
7010	Other income	6(28) and 7	524,722	322,141
7020	Other gains and losses	6(29) and 7	2,655,230	1,711,965
7050	Finance costs	6(30) and 7	( 204,120)	( 346,984)
7070	Share of loss of associates and joint ventures accounted for using equity method, net	6(7)	( 627,388)	( 1,421,405)
7000	Total non-operating income and expenses		2,489,931	491,857
7900	<b>Profit before income tax</b>		15,926,423	6,234,940
7950	Income tax expense	6(33)	( 2,704,167)	( 773,269)
8200	<b>Profit for the year</b>		\$ 13,222,256	\$ 5,461,671

(Continued)

UNIMICRON TECHNOLOGY CORP.  
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2021 AND 2020  
(Expressed in thousands of New Taiwan dollars)

Items	Notes	Year ended December 31	
		2021	2020
		AMOUNT	AMOUNT
<b>Other comprehensive income</b>			
<b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>			
8311	Actuarial gains (losses) on defined benefit plans	6(21)	
		\$ 44,734	(\$ 44,116)
8330	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method		
		164,179	( 13,764)
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		
		208,913	( 57,880)
<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>			
8361	Exchange differences on translation		
		( 365,418)	( 642,096)
8380	Share of other comprehensive income of associates and joint ventures accounted for using equity method		
		442,951	980,957
8360	Other comprehensive income that will be reclassified to profit or loss		
		77,533	338,861
8300	<b>Other comprehensive income for the year</b>	\$ 286,446	\$ 280,981
8500	<b>Total comprehensive income for the year</b>	\$ 13,508,702	\$ 5,742,652
Earnings per share (in dollars)			
9750	Basic earnings per share	6(34)	
		\$ 8.98	\$ 3.74
9850	Diluted earnings per share	6(34)	
		\$ 8.91	\$ 3.70

The accompanying notes are an integral part of these parent company only financial statements.

UNIMICRON TECHNOLOGY CORP.  
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2021 AND 2020  
(Expressed in thousands of New Taiwan dollars)

	Notes	Retained Earnings				Equity Interest				Total equity
		Share capital - common stock	Total capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury stocks	
<u>Year ended December 31, 2020</u>										
Balance at January 1, 2020		\$ 15,047,323	\$ 8,632,597	\$ 4,674,080	\$ 463,854	\$ 16,738,695	(\$ 721,196 )	(\$ 140,423 )	(\$ 803,247 )	\$ 43,891,683
Profit for the year		-	-	-	-	5,461,671	-	-	-	5,461,671
Other comprehensive income (loss) for the year		-	-	-	-	( 37,469 )	338,861	( 20,411 )	-	280,981
Total comprehensive income (loss)		-	-	-	-	5,424,202	338,861	( 20,411 )	-	5,742,652
Appropriations of 2019 earnings	6(25)									
Legal reserve		-	-	320,091	-	( 320,091 )	-	-	-	-
Special reserve		-	-	-	397,765	( 397,765 )	-	-	-	-
Cash dividends		-	-	-	-	( 1,601,196 )	-	-	-	( 1,601,196 )
Changes in ownership interests in subsidiaries	6(24)	-	( 46,537 )	-	-	-	-	-	-	( 46,537 )
Changes in equity of associates and joint ventures accounted for using equity method	6(24)	-	22,513	-	-	7,374	-	( 7,374 )	-	22,513
Share-based payment	6(22)(24)	-	204,771	-	-	-	-	-	-	204,771
Treasury shares sold to employees	6(23)(24)	-	17,427	-	-	-	-	-	195,053	212,480
Capital surplus - dividends not received by shareholders	6(24)	-	415	-	-	-	-	-	-	415
Others	6(24)	-	229	-	-	-	-	-	-	229
Balance at December 31, 2020		\$ 15,047,323	\$ 8,831,415	\$ 4,994,171	\$ 861,619	\$ 19,851,219	(\$ 382,335 )	(\$ 168,208 )	(\$ 608,194 )	\$ 48,427,010
<u>Year ended December 31, 2021</u>										
Balance at January 1, 2021		\$ 15,047,323	\$ 8,831,415	\$ 4,994,171	\$ 861,619	\$ 19,851,219	(\$ 382,335 )	(\$ 168,208 )	(\$ 608,194 )	\$ 48,427,010
Profit for the year		-	-	-	-	13,222,256	-	-	-	13,222,256
Other comprehensive income for the year		-	-	-	-	68,758	77,533	140,155	-	286,446
Total comprehensive income		-	-	-	-	13,291,014	77,533	140,155	-	13,508,702
Appropriations of 2020 earnings	6(25)									
Legal reserve		-	-	543,158	-	( 543,158 )	-	-	-	-
Reversal of special reserve		-	-	-	( 311,076 )	311,076	-	-	-	-
Cash dividends		-	-	-	-	( 2,054,577 )	-	-	-	( 2,054,577 )
Changes in ownership interests in subsidiaries	6(24)	-	17,086	-	-	-	-	-	-	17,086
Changes in equity of associates and joint ventures accounted for using equity method	6(24)	-	257	-	-	( 1,913 )	-	-	-	( 1,656 )
Share-based payment	6(22)(24)	-	518,562	-	-	-	-	-	-	518,562
Treasury shares sold to employees	6(23)(24)	-	172,524	-	-	-	-	-	126,049	298,573
Reversal of capital surplus - dividends not received by shareholders	6(24)	-	( 138 )	-	-	-	-	-	-	( 138 )
Retirement of treasury share	6(23)(24)	( 294,720 )	( 143,030 )	-	-	( 44,395 )	-	-	482,145	-
Balance at December 31, 2021		\$ 14,752,603	\$ 9,396,676	\$ 5,537,329	\$ 550,543	\$ 30,809,266	(\$ 304,802 )	(\$ 28,053 )	\$ -	\$ 60,713,562

The accompanying notes are an integral part of these parent company only financial statements.

UNIMICRON TECHNOLOGY CORP.  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2021 AND 2020  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		\$ 15,926,423	\$ 6,234,940
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation (including investment property and right-of-use assets)	6(8)(9)(11)(27)(31)	5,764,873	5,320,964
Amortisation	6(12)(31)	198,233	100,810
Expected impairment gain (including related parties)	12(2)	( 11,333 )	( 2,692 )
Net gain on financial assets and liabilities at fair value through profit or loss	6(2)(29)	( 2,903,509 )	( 2,241,646 )
Interest expense	6(30)	178,019	314,596
Interest income		( 141,487 )	( 226,140 )
Dividend income	6(28)	( 164,709 )	( 42,473 )
Share-based payments	6(22)	518,562	204,771
Gain recognized in bargain purchase transaction		-	( 1,553 )
Cash dividends received from investments accounted for using equity method		32,242	17,910
Loss on remeasurement of the subsidiary transferred from investment accounted for using equity method	6(29)	-	33,979
Share of loss of associates accounted for using equity method	6(7)	627,388	1,421,405
Loss on disposal of property, plant and equipment	6(29)	8,540	29,288
Loss from subleasing right-of-use assets	6(9)	680	1,347
Gain from lease modifications	6(9)(29)	( 876 )	-
Exchange gain on valuation of long-term foreign borrowings	6(36)	( 124,164 )	( 378,059 )
Realized loss (gain) from inter-affiliate accounts		5,351	( 12,444 )
(Gain) loss by fire	6(8)(28)(29)	( 135,820 )	121,113
Amortisation of discount on bonds payable	6(30)(36)	1,498	-
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		-	533
Notes receivable - related parties		-	42,470
Accounts receivable		( 5,981,788 )	( 1,123,563 )
Accounts receivable - related parties		202,530	665,167
Other receivables		155,682	( 136,395 )
Inventories		( 2,142,730 )	( 717,428 )
Prepayments		( 579,822 )	( 198,454 )
Changes in operating liabilities			
Notes payable		139,801	( 42,742 )
Accounts payable		985,970	48,256
Accounts payable - related parties		305,796	801,428
Other payables		3,681,790	607,094
Other advance receipts		( 349 )	354
Other current liabilities		( 3,166,300 )	3,502,408
Accrued pension liabilities		( 19,061 )	( 15,578 )
Contract liabilities		21,092,092	2,681,045
Cash inflow generated from operations		34,453,522	17,010,711
Interest received		153,820	249,911
Dividends received		164,709	42,473
Interest paid		( 186,554 )	( 325,366 )
Income tax paid		( 891,399 )	( 968,107 )
Net cash flows from operating activities		<u>33,694,098</u>	<u>16,009,622</u>

(Continued)

UNIMICRON TECHNOLOGY CORP.  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2021 AND 2020  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Decrease in other receivables		\$ 798,828	\$ 1,200,361
Acquisition of property, plant and equipment (including investment property)	6(35)	( 18,693,660 )	( 10,554,784 )
Proceeds from disposal of property, plant and equipment		25,315	262,053
(Increase) decrease in restricted assets		( 84 )	58,001
Decrease (increase) in guarantee deposits received		5,388	( 82,089 )
Acquisition of intangible assets	6(12)	( 411,583 )	( 157,592 )
Acquisition of investments accounted for using equity method		( 1,323,449 )	( 1,732,464 )
Acquisition of financial assets at fair value through profit or loss		( 160 )	( 1,459 )
Changes in proceeds from disposal of financial assets at fair value through profit or loss		166,093	( 5,453 )
Net cash flows used in investing activities		( 19,433,312 )	( 11,013,426 )
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings	6(36)	( 150,025 )	( 1,129,202 )
Increase (decrease) in short-term notes and bills payable	6(36)	299,926	( 1,398,671 )
Proceeds from long-term borrowings	6(36)	4,480,000	8,320,000
Repayment of long-term borrowings	6(36)	( 15,454,600 )	( 5,612,233 )
Increase (decrease) in refundable deposits		3,392	( 18,241 )
Cash dividends paid	6(25)	( 2,054,577 )	( 1,601,196 )
Payments for lease liabilities	6(36)	( 251,117 )	( 178,924 )
Proceeds from issuing bonds	6(18)(36)	8,000,000	-
Issuance cost of bonds payable	6(36)	( 9,575 )	-
Capital surplus - dividends not received by shareholders and others	6(24)	-	644
Reversal of capital surplus - dividends not received by shareholders	6(24)	( 138 )	-
Treasury shares sold to employees		126,049	195,053
Net cash flows used in financing activities		( 5,010,665 )	( 1,422,770 )
Net increase in cash and cash equivalents		9,250,121	3,573,426
Cash and cash equivalents at beginning of year	6(1)	15,613,563	12,040,137
Cash and cash equivalents at end of year	6(1)	\$ 24,863,684	\$ 15,613,563

Unimicron Technology Corp.  
Earnings Distribution Sheet  
2021

Unit: NT\$

Item	Amount
Net profit for 2021	13,222,255,588
Less: accrued legal reserve	-1,324,470,587
Distributable earnings for the current year	11,897,785,001
Add: undistributed earnings for the previous years	17,564,560,256
Add: special reserve - other equity deductions	217,688,464
Add: retained earnings adjustments for 2021 - actuarial gains and losses	68,758,420
Less: long-term investment change adjustments	-1,913,417
Less: Cancellation of treasury shares against retained earnings adjustment	-44,394,725
Distributable earnings	29,702,483,999
Distribution item (Note)	
Shareholder cash dividends	Estimated NT\$3.4 per share
	5,015,885,132
Total distribution	5,015,885,132
Undistributed earnings at the end of the period	24,686,598,867

Note 1: It is the distribution of earnings for the year 2021.

Note 2: Number of shares: calculated on the basis of 1,475,260,333 ordinary shares at the time of the board meeting held on February 22, 2022. In the event of any change in the number of outstanding shares resulting from the buyback of the Company's common stock, transfer, conversion or cancellation of the treasury shares, the exercise of the employee stock options or the conversion of convertible bonds, issuance or withdrawal of restricted stock awards for employees and other factors such as transactions or statutes, the dividend ratio must be adjusted. It is proposed to fully authorize the board of directors to adjust the dividend ratio and to proceed on the relevant matters.

Note 3: The cash dividends will be calculated according to the distribution ratio per NT\$1, and an amount below NT\$1 will be rounded off. The total of the amounts less than NT\$1 will be allocated and transferred to the employee welfare committee of the Company.

Chairman: Tzyy-Jang Tseng    Manager: Chia-Pin Lee & Jerry Kuo    Head of accounting: Denise Hsu

Attachment 6

Unimicron Technology Corp.  
Acquisition or Disposal of Assets Procedure, revised comparison

Contents	Provisions after amendment	Original provisions	Note
Section One Acquisition or disposal of assets	<p>Article 6 : Evaluation and processing procedures</p> <p>1. Securities For acquiring or disposing of securities, the Company shall, before the date of the fact, take the target company's most recent financial statements audited or verified by an accountant as the reference for evaluating the transaction price. If the transaction amount reaches 20% of the company's paid-in capital or NT\$ 300 million or more, before the date of the fact, the accountant should be invited to expresses specific opinions on the reasonableness of the transaction prices. However, if the securities have an open offer in an active market or comply with the following requirements or other requirements of the Financial Supervisory Commission (hereinafter referred to as FSC), this is not the case: (1)~(9) (Omit)</p> <p>2. Real estate, equipment or right-of-use assets In acquiring or disposing of real estate, equipment , or right-of-use assets thereof where the transaction amount reaches 20% of the company's paid-in capital or NT\$300 million or more, the company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of</p>	<p>Article 6 : Evaluation and processing procedures</p> <p>1. Securities For acquiring or disposing of securities, the Company shall, before the date of the fact, take the target company's most recent financial statements audited or verified by an accountant as the reference for evaluating the transaction price. If the transaction amount reaches 20% of the company's paid-in capital or NT\$ 300 million or more, before the date of the fact, the accountant should be invited to expresses specific opinions on the reasonableness of the transaction prices, <u>if the accountant needs to use an expert report, it should in accordance with Regulation No. 20 of the Auditing Standards issued by the Republic of China Accounting Research and Development Foundation.</u> However, if the securities have an open offer in an active market or comply with the following requirements or other requirements of the Financial Supervisory Commission (hereinafter referred to as FSC), this is not the case: (1)~(9) (Omit)</p> <p>2. Real estate, equipment or right-of-use assets In acquiring or disposing of real estate, equipment , or right-of-use assets thereof where the transaction amount reaches 20% of the company's paid-in capital or NT\$300 million or more, the company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a</p>	<p>1. In order to improve the quality of the opinions issued by external experts, the Financial Supervisory Commission (hereinafter referred to as the FSC) has revised Article 5 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies (hereinafter referred to as the Regulations) , adding the requirement for external experts to issue opinions in accordance with the self-discipline norms of their respective trade associations, and delete the texts in Articles 9, 10, and 11 of the Regulations, that cover the procedures</p>

	<p>the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(1)~(2) (Omit)</p> <p>(3) Except when the valuation result of the acquired assets is higher than the transaction amount, or the valuation result of the disposal assets is lower than the transaction amount, if the valuation result of the professional evaluator has one of the following situations, the accountant should handle this and express specific opinions on the reasons for the differences and the admissibility of the transaction price:</p> <ol style="list-style-type: none"> <li>1) The difference between the valuation results 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 evaluators is more than 10% of the transaction amount.</li> </ol> <p>(4)(Omit)</p> <p>3. Memberships, intangible assets or rights-of-use assets Relevant information shall be collected for pricing comparison or negotiation in acquiring or disposing membership certificates. In acquiring or disposing of intangible assets or rights-of-use assets, relevant price information shall be collected, and relevant regulations and contract contents shall be carefully evaluated before the transaction price is determined. The Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20% of paid-in capital or NT\$300</p>	<p>professional appraiser and shall further comply with the following provisions:</p> <p>(1)~(2) (Omit)</p> <p>(3) Except when the valuation result of the acquired assets is higher than the transaction amount, or the valuation result of the disposal assets is lower than the transaction amount, if the valuation result of the professional evaluator has one of the following situations, the accountant should handle this <u>in accordance with Regulation No. 20 of the Auditing Standards issued by the Republic of China Accounting Research and Development Foundation</u> and express specific opinions on the reasons for the differences and the admissibility of the transaction price:</p> <ol style="list-style-type: none"> <li>1) The difference between the valuation results 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 evaluators is more than 10% of the transaction amount.</li> </ol> <p>(4)(Omit)</p> <p>3. Memberships, intangible assets or rights-of-use assets Relevant information shall be collected for pricing comparison or negotiation in acquiring or disposing membership certificates. In acquiring or disposing of intangible assets or rights-of-use assets, relevant price information shall be collected, and relevant regulations and contract contents shall be carefully evaluated before the transaction price is determined. The Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20% of paid-in capital or NT\$300 million</p>	<p>for accountants to issue opinions.</p> <p>2. This article cooperates with the FSC to revise the text of the Regulations, and the corresponding revisions are made.</p>
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	<p>million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.</p> <p>Following omitted.</p>	<p>or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; <u>the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the Accounting Research and Development Foundation.</u></p> <p>Following omitted.</p>	
Section One Acquisition or disposal of assets	<p>Article 6.2: Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <ol style="list-style-type: none"> <li>1. May not have previously received a final and unappeasable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</li> <li>2. May not be a related party or de facto related party of any party to the transaction.</li> <li>3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or</li> </ol>	<p>Article 6.2: Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <ol style="list-style-type: none"> <li>1. May not have previously received a final and unappeasable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</li> <li>2. May not be a related party or de facto related party of any party to the transaction.</li> <li>3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be</li> </ol>	<p>In cooperation with the FSC to amend Article 5 of the Regulations, amend the text of this article:</p> <ol style="list-style-type: none"> <li>1. Cases requiring experts to issue valuation reports or rationality opinions shall be handled in accordance with the self-discipline regulations of the respective trade associations to which they belong;</li> <li>2. Amend the wording of "examining" cases to "conducting" cases, and</li> <li>3. Considering the actual evaluation situation of</li> </ol>

	<p>appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <ol style="list-style-type: none"> <li>1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</li> <li>2. When <u>conducting</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</li> <li>3. They shall undertake an item-by-item evaluation of the <u>appropriateness</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</li> <li>4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate and</u> reasonable, and that they have complied with applicable laws and regulations.</li> </ol> <p>Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.</p>	<p>related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <ol style="list-style-type: none"> <li>(1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</li> <li>(2) When <u>examining</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</li> <li>(3) They shall undertake an item-by-item evaluation of the <u>comprehensiveness, accuracy,</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</li> <li>(4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>reasonable and accurate</u>, and that they have complied with applicable laws and regulations.</li> </ol> <p>Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.</p>	<p>the data sources, parameters and information used by external experts, revise relevant texts such as appropriateness to be consistent with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and evaluation standards bulletin of securities issuers.</p>
Section One Acquisition or disposal of assets	Article 8: Public announcement and regulatory filing procedures Under any of the following circumstances, the Company	Article 8: Public announcement and regulatory filing procedures	In line with Article 31 of the FSC's amendments to the

	<p>acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event: 1.~5.(Omit) 6. Where an asset transaction other than any of those referred to in the preceding five subparagraphs or an investment in the mainland China area reaches 20% or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances: (1) Trading of domestic government bonds <u>or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.</u> (2) Buying or selling bonds under repurchase/resale agreements, or subscription or repurchase of money market funds issued by domestic securities investment trusts.</p> <p>Following omitted.</p>	<p>Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event: 1.~5.(Omit) 6. Where an asset transaction other than any of those referred to in the preceding five subparagraphs or an investment in the mainland China area reaches 20% or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances: (1) Trading of domestic government bonds. (2) Buying or selling bonds under repurchase/resale agreements, or subscription or repurchase of money market funds issued by domestic securities investment trusts.</p> <p>Following omitted.</p>	<p>Regulations, the issuance of bonds with a rating of not lower than my country's sovereign rating of foreign government bonds is relaxed, and announcements and declarations are exempted.</p>
Section Two Related party transactions	<p>Article 15: The Company intends to acquire or dispose of real estate or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real estate or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not</p>	<p>Article 15: The Company intends to acquire or dispose of real estate or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real estate or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter</p>	<p>Cooperate with the FSC to amend Article 15 of the Regulations and amend the relevant text: 1. In order to strengthen the management of related party transactions, protect the rights of minority</p>

	<p>proceed to enter into a transaction contract or make a payment until the following matters have been approved by the audit committee and the board of directors:</p> <p>1.~7.(Omit)</p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the company's board of directors may pursuant to Article 4 delegate the board Chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <ol style="list-style-type: none"> <li>1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</li> <li>2. Acquisition or disposal of real estate right-of-use assets held for business use.</li> </ol> <p>When a matter is submitted for discussion by the board of directors pursuant to paragraph 1, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p><u>If the company or a subsidiary thereof that is not a domestic public company will have a transaction set out in paragraph 1 and the transaction amount will reach 10 percent or more of the company's total assets, the company shall submit the materials in all the subparagraphs of paragraph 1 to the shareholders meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions</u></p>	<p>into a transaction contract or make a payment until the following matters have been approved by the audit committee and the board of directors:</p> <p>1.~7.(Omit)</p> <p><u>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 8, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the audit committee and board of directors need not be counted toward the transaction amount.</u></p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the company's board of directors may pursuant to Article 4 delegate the board Chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <ol style="list-style-type: none"> <li>1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</li> <li>2. Acquisition or disposal of real estate right-of-use assets held for business use.</li> </ol> <p>When a matter is submitted for discussion by the board of directors pursuant to paragraph 1, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p>	<p>shareholders to express their opinions on transactions between the company and related parties, and consider the needs of business planning between the company and its subsidiaries or its subsidiaries, paragraph 4 is added, and</p> <p>2. Adjust the original items 2 to 5 of this article, and add the text to be submitted to the "Shareholders' Meeting".</p>
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	<p><u>between the company and its parent company or subsidiaries or between its subsidiaries.</u></p> <p><u>The calculation of the transaction amounts referred to in paragraph 1 and the preceding paragraph shall be made in accordance with Article 8, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the shareholders meeting or board of directors and recognized by the supervisors need not be counted toward the transaction amount.</u></p>		
<p>Section Three Engage in trading of Derivative financial products</p>	<p>Article 19: Trading Principles and Guidelines</p> <p>1. 2. (Omit)</p> <p>3. Division of powers and responsibilities:</p> <p>(1) Financial division: It is the hub of the foreign exchange management system. It controls the foreign exchange positions of the Company as a whole. The forecasting and calculating of the positions must collect from information provided by the accounting, material management and sales divisions. The collection of market information, judgment of trends and risks, familiarity with financial products, rules and laws, and operational skills must be mastered at all times to support the operation of itself and other relevant departments. The <u>traders</u> and confirmation of the operation of the derivative products shall be independent of the operator and the delivery personnel. The authorized personnel of the transaction shall be approved by the Chairman of the Board of Directors, and the Company shall sign a written agreement with the financial institution in writing.</p> <p>(2) 4. (Omit)</p>	<p>Article 19: Trading Principles and Guidelines</p> <p>1. 2. (Omit)</p> <p>3. Division of powers and responsibilities:</p> <p>(2) Financial division: It is the hub of the foreign exchange management system. It controls the foreign exchange positions of the Company as a whole. The forecasting and calculating of the positions must collect from information provided by the accounting, material management and sales divisions. The collection of market information, judgment of trends and risks, familiarity with financial products, rules and laws, and operational skills must be mastered at all times to support the operation of itself and other relevant departments. The <u>transaction</u> and confirmation of the operation of the derivative products shall be independent of the operator and the delivery personnel. The authorized personnel of the transaction shall be approved by the Chairman of the Board of Directors, and the Company shall sign a written agreement with the financial institution in writing.</p> <p>(2) 4. (Omit)</p>	<p>Adjust the text according to Article 20 of the Regulations and practical operations.</p>

	<p>5. Total contract amount and loss limit: The total amount of <u>outstanding transaction</u> derivative contracts that the Company can engage in is 100% of the operating income of the most recent quarter. For transactions for the purpose of hedging, the total contract loss limit is 20% of the <u>total contract amount of the transaction</u>, and the individual contract loss limit is 20% of the individual contract amount; for other specific-purpose transactions, the total contract loss limit is 10% of the total contract amount <u>of the transaction</u>, and the individual contract loss limit is 5% of the individual contract amount. In the above scope, the transaction authorized personnel shall discuss with the first-level supervisor of the financial department, and submit a written report to discuss the measures for reducing losses and the impact on the Company. After approval by the financial department supervisor, general manager and Chairman, the authorized personnel will abide by the approved resolution to take countermeasures and report to the audit committee and Board of Directors afterwards.</p>	<p>5. Total contract amount and loss limit: The total amount of derivative contracts that the Company can engage in is 100% of the operating income of the most recent quarter. For transactions for the purpose of hedging, the total contract loss limit is 20% of the total contract amount, and the individual contract loss limit is 20% of the individual contract amount; for other specific-purpose transactions, the total contract loss limit is 10% of the total contract amount, and the individual contract loss limit is 5% of the individual contract amount. In the above scope, the transaction authorized personnel shall discuss with the first-level supervisor of the financial department, and submit a written report to discuss the measures for reducing losses and the impact on the Company. After approval by the financial department supervisor, general manager and Chairman, the authorized personnel will abide by the approved resolution to take countermeasures and report to the audit committee and Board of Directors afterwards.</p>	
<p>Section Three Engage in trading of derivative financial products</p>	<p>Article 21: Risk management measures 1.(Omit) 2. Internal control: (1) <u>Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.</u> Following omitted.</p>	<p>Article 21: Risk management measures 1. (Omit) 2. Internal control: (1) <u>The transaction and confirmation personnel of the derivative product shall not be delivery personnel at the same time.</u> Following omitted.</p>	<p>Adjust the text according to Article 20 of the Regulations and practical operations.</p>

Attachment 7

Unimicron Technology Corp.  
Loaning of Funds Procedure, revised comparison

Provisions after amendment	Original provisions	Note
<p>Article 4: The company's total capital loans shall not exceed 40% of the Company's net value. For short-term financing necessary to engage in capital lending, among foreign companies where the Company directly or indirectly holds 100% of the voting shares, or capital loans from foreign companies where the Company directly or indirectly holds 100% of the voting shares to the Company, the total amount <u>of the loan</u> and the amount to the single enterprise is limited to <u>100%</u> of the net value of the loan receiving company with the period limited to two years, not subject to the restrictions of the preceding paragraph and Article 6.</p> <p>According to the reason for the capital loan, the limit of the total amount and the amount to a single borrower and evaluation criteria are as follows:</p> <ol style="list-style-type: none"> <li>For a legal person who has business dealings with the company, the amount to a single borrower shall not exceed 30% of the total amount of business dealings with the borrower within one year from the previous month. The total amount shall not exceed 40% of the net value of the Company. The total amount of business dealings referred to is the higher amount of purchases or sales between the two parties in the most recent year.</li> <li><u>If a subsidiary needs short-term financing funds</u>, the amount <u>of funds loaned to the subsidiary and</u> to a single borrower shall not exceed 40% of the net value of the Company, and the total amount shall not exceed 40% of the net value of the Company.</li> </ol> <p>The short term referred to in the preceding item refers to one year. However, if the Company's business cycle is longer than one year, the business cycle shall prevail. When a responsible person of a company violates the <u>provisions of Article 2 and Article 4, Paragraph 3, Paragraph 2, of the loan, object and limit of this operating</u></p>	<p>Article 4: The company's total capital loans shall not exceed 40% of the Company's net value. For capital <u>loans</u> among foreign companies where the Company directly or indirectly holds 100% of the voting shares, or capital loans from foreign companies where the Company directly or indirectly holds 100% of the voting shares to the Company, the total amount and the amount to the single enterprise is limited to <u>50%</u> of the net value of the loan receiving company with the period limited to two years, not subject to the restrictions of the preceding paragraph and Article 6. According to the reason for the capital loan, the limit of the total amount and the amount to a single borrower and evaluation criteria are as follows:</p> <ol style="list-style-type: none"> <li>For a legal person who has business dealings with the company, the amount to a single borrower shall not exceed 30% of the total amount of business dealings with the borrower within one year from the previous month. The total amount shall not exceed 40% of the net value of the Company. The total amount of business dealings referred to is the higher amount of purchases or sales between the two parties in the most recent year.</li> <li><u>For short-term financing to subsidiaries</u>, the amount to a single borrower shall not exceed 40% of the net value of the Company, and the total amount shall not exceed 40% of the net value of the Company.</li> </ol> <p>The short term referred to in the preceding item refers to one year. However, if the Company's business cycle is longer than one year, the business cycle shall prevail. When a responsible person of a company violates the <u>restriction specified under this Article about short-term financing</u>, the responsible person shall bear joint and several liability with the borrower for repayment; if the company suffers</p>	<p>Adjust the capital lending and borrowing limits between subsidiaries and subsidiaries to the parent company and add relevant provisions in accordance with Article 9, Paragraph 1, Item 2 of the Standards.</p>

<p><u>procedure</u>, the responsible person shall bear joint and several liability with the borrower for repayment; if the company suffers damage, the responsible person also shall be liable for damages.</p>	<p>damage, the responsible person also shall be liable for damages.</p>	
<p>Article 5: The procedures for the Company's lending loans are as follows, and should be handled according to the specified procedures:</p> <ol style="list-style-type: none"> <li>1. The borrower shall attach the financial information and guarantee documents for the evaluation of the Company and apply for the loan in writing to the Company.</li> <li>2. The application materials shall be evaluated by the financial department of the Company for the necessity and reasonableness of the capital loan, the credit and risk assessment of the borrower, and the impact on the Company's operational risks, financial status, and shareholders' equity. If necessary, after obtaining the collateral and the evaluation value of the collateral, the capital loan shall be submitted to the <u>Chairman</u> and the Board of Directors for approval. For capital loan between the Company and its subsidiaries or among subsidiaries, the Chairman is authorized to send the loan in steps or cyclically use the same borrower with the certain quota resolved by the Board of Directors and within a period of not more than one year. The certain quota mentioned in the preceding item, except that <u>the company directly and indirectly holds 100% of the voting shares between foreign subsidiaries or the company directly and indirectly holds 100% of the voting shares. The company is not restricted from engaging in capital lending due to the necessity of short-term financing</u>, the capital loan quota of the Company or its subsidiaries to a single enterprise shall not exceed 10% of the net value in the latest financial statements of the enterprise. If independent directors have been set up, the opinions of the independent directors should be fully considered.</li> </ol>	<p>Article 5: The procedures for the Company's lending loans are as follows, and should be handled according to the specified procedures:</p> <ol style="list-style-type: none"> <li>1. The borrower shall attach the financial information and guarantee documents for the evaluation of the Company and apply for the loan in writing to the Company.</li> <li>2. The application materials shall be evaluated by the financial department of the Company for the necessity and reasonableness of the capital loan, the credit and risk assessment of the borrower, and the impact on the Company's operational risks, financial status, and shareholders' equity. If necessary, after obtaining the collateral and the evaluation value of the collateral, the capital loan shall be submitted to the <u>general manager</u> and the Board of Directors for approval. For capital loan between the Company and its subsidiaries or among subsidiaries, the Chairman is authorized to send the loan in steps or cyclically use the same borrower with the certain quota resolved by the Board of Directors and within a period of not more than one year. The certain quota mentioned in the preceding item, except that <u>capital loans among foreign subsidiaries where the Company directly or indirectly holds 100% of the voting shares is not restricted</u>, the capital loan quota of the Company or its subsidiaries to a single enterprise shall not exceed 10% of the net value in the latest financial statements of the enterprise. If independent directors have been set up, the opinions of the independent directors should be fully considered. If an independent director expresses any dissent or reservation, it shall be noted in the</li> </ol>	<p>Adjust the title according to the current situation of the organization and adjust the scope of unrestricted objects according to the guidelines.</p>

<p>If an independent director expresses any dissent or reservation, it shall be noted in the minutes of the board of directors meeting.</p> <p>3. After the quota is approved, the borrower shall fill in the “Application for capital” to apply for a loan from the Company.</p> <p>4. When the borrower applies for the loan quota in accordance with the provisions of the preceding item, it shall provide the notes of the same amount of the loan or other collateral as the guarantee of the loan.</p> <p><u>However, capital loans are excluded if the company directly or indirectly holds more than 50% of the voting shares, or the company directly and indirectly holds 100% of the voting shares between foreign subsidiaries.</u></p>	<p>minutes of the board of directors meeting.</p> <p>3. After the quota is approved, the borrower shall fill in the “Application for capital” to apply for a loan from the Company.</p> <p>4. When the borrower applies for the loan quota in accordance with the provisions of the preceding item, it shall provide the notes of the same amount of the loan or other collateral as the guarantee of the loan.</p>	
<p>Article 6: The Company's capital loan <u>term</u> is based on one year, but if the company's operating cycle is longer than one year, the operating cycle shall prevail.</p>	<p>Article 6: The Company's capital loan is <u>limited to</u> one year.</p>	<p>The adjustment is consistent with the provisions of Article 4.</p>
<p>Article 8: A capital loan is calculated using floating interest rates, and adjusted according to the Company's capital cost or market interest rate. The interest rate adjustment shall be implemented by the financial department after being submitted to the Chairman for approval. The company's 100%-owned subsidiaries can replace the payment of interest expenses in other ways. The interest receivable mentioned in the first item of this Article <u>may</u> be settled <u>monthly or quarterly, withholding interest at the time of appropriation, settled once at maturity, or settled in installments according to the contract.</u></p>	<p>Article 8: A capital loan is calculated using floating interest rates, and adjusted according to the Company's capital cost or market interest rate. The interest rate adjustment shall be implemented by the financial department after being submitted to the <u>general manager</u> for approval. The company's 100%-owned subsidiaries can replace the payment of interest expenses in other ways. The interest receivable mentioned in the first item of this Article <u>shall</u> be settled <u>once a quarter or after maturity.</u></p>	<p>Adjust the title according to the current situation of the organization and add the method of interest payment according to the needs of practical operation.</p>
<p>Article 11: If the Company's capital loan balance meets one of the following standards, it shall be announced within two days from the date of the fact:</p> <p>1. The capital loan balance of the Company and subsidiaries to others reaches more than 20% of the net value in the most recent financial statements of the Company.</p>	<p>Article 11: If the Company's capital loan balance meets one of the following standards, it shall be announced within two days from the date of the fact:</p> <p>1. The capital loan balance of the Company and subsidiaries to others reaches more than 20% of the net value in the most recent financial statements of the Company.</p>	<p>Supplement monthly announcement reporting requirements.</p>

<p>2. The capital loan balance of the Company and subsidiaries to a single enterprise reaches more than 10% of the net value in the most recent financial statements of the Company.</p> <p>3. The new capital loans of the Company and subsidiaries reach more than NT\$10 million and over 2% of the net value in the most recent financial statements of the Company.</p> <p>If subsidiaries are not domestic publicly-listed companies, and they have matters that shall be announced in accordance with the third paragraph of the preceding item, the announcement shall be made by the Company.</p> <p><u>The company shall announce and declare the capital loan and balance of the company and its subsidiaries in the previous month before the tenth day of each month.</u></p>	<p>2. The capital loan balance of the Company and subsidiaries to a single enterprise reaches more than 10% of the net value in the most recent financial statements of the Company.</p> <p>3. The new capital loans of the Company and subsidiaries reach more than NT\$10 million and over 2% of the net value in the most recent financial statements of the Company.</p> <p>If subsidiaries are not domestic publicly-listed companies, and they have matters that shall be announced in accordance with the third paragraph of the preceding item, the announcement shall be made by the Company.</p>	
<p>Article 14: If subsidiaries of the Company intend to handle capital loans for business needs, the Company shall order them to set up their “Procedures for lending loans to others” according to the guidelines and shall follow the specified procedures.</p> <p><u>When the subsidiary company lends funds to others, it shall provide relevant information to the parent company, and conduct fund lending operations after considering the opinions of relevant personnel of the parent company.</u></p> <p><u>After the subsidiary has disbursed the loan, it shall regularly report the follow-up status of the loan amount to the parent company.</u></p>	<p>Article 14: If subsidiaries of the Company intend to handle capital loans for business needs, the Company shall order them to set up their “Procedures for lending loans to others” according to the guidelines and shall follow the specified procedures.</p>	<p>In accordance with Subparagraph 10, Paragraph 1, Article 9 of the Standards, the procedures for controlling the lending of funds to others by subsidiaries are added.</p>

## Attachment 8

### Unimicron Technology Corp.

#### 2022 Regulations Governing the Issuance of Restricted Stock Awards for Employees

##### I. Purpose of Issuance

The company aims to attract and retain the professional talents needed by the company, and to improve employees' centripetal force and sense of belonging to the company, so as to jointly create the interests of the company and shareholders. Therefore, in accordance with Article 267, Paragraph 9 of the Company Act and the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" promulgated by the Financial Supervisory Commission, the Company establishes these Regulations Governing the Issuance of Restricted Stock Awards for Employees.

##### II. Period of Issuance

The shares will, depending on the actual needs, be issued on a one-time basis or in series within one year following the arrival of notice from the competent authority indicating that registration has become effective. The actual date of issuance shall be set by the Chairman as authorized by the Board of Directors.

##### III. Qualification criteria for employees and number of grantable shares:

- (I) Limited to employees of the company or employees of subordinate companies who meet certain conditions (the certain conditions are determined by the board of directors), the actual number of employees who are granted and the number of shares they receive will be based on years of service, grades, work performance, Factors such as overall contribution, special merit or other conditions that need to be considered in management shall be reviewed and approved by the chairman of the board and submitted to the board of directors for approval.
- (II) The company issues employee stock option certificates in accordance with Article 56-1 Item 1 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers", and the cumulative number of shares that can be subscribed by a single employee is given and the total number of new shares with restricted employee rights acquired by a single employee shall not exceed 3% of the total number of issued shares of the company, and the total number of subscribed shares granted to a single employee by the company's issuance of employee stock option certificates in accordance with Article 56, Paragraph 1 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" shall not exceed 1% of the total number of issued shares of the company.

##### IV. Total Amount of Issuance

The total issuance of new shares with restricted employee rights is NTD 48,000,000, with a par value of NTD 10 per share, and a total of 4,800,000 ordinary shares are issued.

##### V. Conditions for Issuance

- (I) Issue price: 60% of the closing price of ordinary shares on the issue date of the board
- (II) Vesting conditions: The new shares to restrict employees' rights this time may be issued in accordance with operational or management needs and the following established conditions: From the day when the employee is allocated new shares with restricted employee rights (that is, the base date for the capital increase of the new shares with restricted employee rights), the following schedule expires and the employee is still employed (in addition to still serving in the company, it also includes transfer to an affiliated company due to the company's designation) or other company but still working in the related company or the other company), and after the expiration of the following time schedules, the last two performance appraisals have reached "Good +" or above, and the proportion of shares that can meet the vested conditions is as follows:
  - 15 months in office: 50%
  - 30 months in office: 50%
- (III) When an employee violates these regulations, employment contract, corporate governance best practice principles, ethical corporate management best practice principles, non-compete and non-disclosure agreement, work handbook or other regulations with the Company after

receiving new shares that restrict employee rights granted by the company, for the new shares with restricted employee rights that are allocated but have not yet fulfilled the vested conditions, the company will buy back the shares at the issue price and cancel them.

(IV) Type of shares to be issued: new common shares of the Company.

(V) When the employee does not meet the vested conditions or the inheritance occurs, it shall be dealt with in the following ways:

1. General resignation (Retirement/Severance/Dismissal/Voluntary):

For the part of the new shares with restricted employee rights that were allocated but have not yet fulfilled the acquired conditions, the company bought back and cancelled it at the issue price.

2. Leave without pay:

Restricted employees who have not fulfilled the vested conditions have rights to new shares, and their rights and interests will be restored from the date of reinstatement, but the vested period conditions should be deferred according to the period of leave without pay.

3. Ordinary death:

For the part of the new shares with restricted employee rights that were allocated but have not yet fulfilled the acquired conditions, the company bought back and cancelled it at the issue price.

4. Occupational accidents:

(1) Those who are unable to continue their employment due to physical disability due to occupational accidents, and who have not fulfilled the vested conditions of restricted employee rights and new shares, still fulfill the vested conditions in accordance with the time schedule ratio of the vested conditions in subparagraph (II) of this article.

(2) In the event of death due to occupational accidents, the new shares of restricted employee rights that have not fulfilled the vested conditions shall be fulfilled by the successor in accordance with the time schedule ratio of the vested conditions in paragraph (II) of this article from the date of the death of the inherited employee.

5. Transfer:

If an employee is transferred to an affiliated company or other company (except a subsidiary), the new shares with restricted employee rights shall be handled in the same way as "general resignation" in the first paragraph of this subparagraph. However, due to the needs of the company's operations, the employees who are assigned by the company to be transferred to the company's affiliated companies or other companies will not be affected by the transfer of new shares with restricted employee rights.

6. The employees or their heirs shall receive the shares transferred by fulfilling the vested conditions in accordance with the trust agreement.

VI. Restricted rights after allotment of new shares but before the vested conditions are met

(I) The new shares with restricted employee rights issued by this method will be delivered to the stock trust in the name of the employee for safekeeping. After the employee is allotted new shares, the restricted rights before the vested conditions are met are as follows:

1. After an employee is allotted new shares, before the acquired conditions are met, the new shares that limit the rights of the employee shall not be sold, pledged, transferred, given to others, established, or disposed of in other ways, except for inheritance.

2. The rights to attend, propose, speak, and vote at the shareholders' meeting shall be entrusted to the trust custodian institution for execution in accordance with the contract.

(II) In addition to the restrictions in the preceding paragraph due to the trust agreement, where any employee has been granted restricted stock award shares pursuant to these Regulations, his/her other rights prior to fulfillment of the vesting conditions include, but are not limited to: the right to distribution of dividends, bonuses, capital reserves, and employee stock option at cash capital increase. Such rights shall be the same as those of the outstanding common shares of the Company.

VII. Procedures for allotment of new shares

(I) When an employee is allocated new shares with restricted employee rights, the company will

post the number of shares allocated to the employee in the company's register of shareholders, and then deliver the company's newly issued ordinary shares or new share rights certificate by means of book transfer, and in accordance with the trust contract, it will be delivered to the trust for custody within the limited period of the acquired conditions.

VIII. Other important matters

- (I) These measures are approved by more than two-thirds of the directors present at the board of directors and more than one-half of the directors present, and the declaration will take effect after being approved by the competent authority. The same shall apply if there is any amendment after the issue. If, during the submission review process, it is necessary to revise these regulations due to the requirements of the competent authority for review, the chairman shall be authorized to revise these regulations, and then the board of directors shall be ratified before issuance.
- (II) If there are any unresolved matters in this method, it shall be handled in accordance with the relevant laws and regulations.

## Appendix 1

# Unimicron Technology Corp. Convention Rules for Shareholders' Meetings

Revised by the Shareholders' meeting on June 14, 2006

- Article 1: The Company's procedures for shareholders' meetings shall be conducted in accordance with the rules.
- Article 2: The attending shareholders or their agents are required to wear an attendance certificate, hand in a registration card for signing-in, and calculate the number of shares. If the Company adopts the voting rights system in writing or electronically, the number of shares to be attended shall be added to the number of shares that are exercised in writing or electronically in accordance with the regulations.
- Article 3: If representatives representing over half of the total number of issued shares, the Chairman shall announce the convening of the meeting.
- Article 4: The agenda of the shareholders' meeting is set by the Board of Directors, and the meeting is held in accordance with the procedures laid out in the agenda.
- Article 4.1: In addition to the proposals set out in the agenda, other proposals or alternatives proposed by the shareholders, or other amendments to the original proposal, should be seconded by other shareholders. The shareholding of the proposing representative and the second party shall reach one percent of the total number of ordinary shares issued.
- Article 5: When attending shareholders want to make a speech, the attendance card number and name must be filled in and the Chairman shall fix the order of speech.
- Article 6: Shareholders can speak for a maximum of three minutes. However, with the permission of the Chairman, it may be extended once, but only by three minutes. In order to avoid interference with the procedure, if the speech of the shareholders affects other shareholders' speeches or hinders the procedure, the Chairman may stop the speech.
- Article 7: For the same proposal, each person may not speak more than twice.
- Article 8: The Chairman may stop the speech when the speech is overdue or beyond the scope of the proposal.
- Article 9: Others issues aside from the proposal shall not be discussed or voted on. In discussing the proposal, the Chairman must announce the end of the discussion at the appropriate time and, if necessary, announce the suspension of the discussion.
- Article 10: For proposals declared to end or stopping a discussion, the Chairman will organize the vote.
- Article 11: The voting on the general proposal shall be approved by over half of the voting rights of the attending shareholders. A special resolution concerning a false resolution or important matters shall be handled in accordance with Article 175 or Article 185 of the Company Act. If there is no objection to the vote by the Chairman, it shall be deemed as passed, and its validity shall be the same as the vote.
- Article 12: During the meeting, the Chairman has to decide on the time to announce the rest.
- Article 13: In the event of an air raid alert during the meeting, the meeting will be suspended and the meeting will be resumed one hour after the alarm is lifted.
- Article 14: Matters not covered by these rules shall be handled in accordance with the provisions of the Company Act and the Articles of Incorporation of the Company.
- Article 15: These rules are implemented after the approval of the shareholders' meeting, and the same applies when the amendments are made.

## Appendix 2

### Unimicron Technology Corp. Articles of Incorporation

Revised by the Shareholders' meeting on August 12, 2021

#### Chapter One General

- Article 1: The Company is incorporated with the provisions of the Company Act.
- Article 2: The Company's name is 欣興電子股份有限公司, and the Company's English name is Unimicron Technology Corp.
- Article 3: Business scope of the Company as follows:
1. A101020 Crop cultivation industry.
  2. A101030 Special crop cultivation.
  3. A101040 Edible mushroom cultivation.
  4. A102050 Crop cultivation services.
  5. CC01080 Electronic component manufacturing.
  6. CB01010 Mechanical equipment manufacturing.
  7. CE01010 General instrument manufacturing.
  8. CQ01010 Mold manufacturing.
  9. CC01110 Computers and their peripheral equipment manufacturing.
  10. CC01990 Other electrical and electronic machinery manufacturing.
  11. CA04010 Surface treatment.
  12. F101130 Vegetable and fruit wholesale.
  13. F119010 Electronic materials wholesale.
  14. F201010 Agricultural products retail.
  15. F219010 Electronic materials retail.
  16. F213010 Electrical appliance retail.
  17. F401010 International trade.
  18. G202010 Parking lot operation.
  19. I501010 Product design.
  20. F601010 Intellectual property rights.
  21. I199990 Other consulting services.
  22. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
  23. CF01011 Medical materials and equipment manufacturing.
  24. F108031 Wholesale of medical devices.
  25. F208031 Retail sale of medical equipments.
  26. CZ99990 Other industrial products manufacturing not elsewhere classified.
- Article 4: The Company shall handle mutual guarantee business with related companies or peers for business needs.
- Article 4.1: The Company needs to transfer investment to the business, and the total amount of investment transferred is not subject to the limit of 40% transfer of the relevant investment in Article 13 of the Company Act.
- Article 5: The Company has a head office in Taoyuan City. If necessary, it can set up branches in other appropriate locations at home and abroad. The abolition or change of its establishment shall be handled in accordance with the resolution of the Board of Directors.

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

## Chapter Two Shares

- Article 7: The company's capital is rated at NT\$20 billion, divided into 2 billion shares, and the face value of each share is NT\$10. Among them, the unissued shares are authorized to be issued by the Board of Directors. The issue price per share is determined by the Board of Directors in accordance with the Company Act or securities related laws and regulations. Within the total capital of the preceding paragraph, within the scope of NT\$1 billion, the warrants will be issued for a total of 100 million shares, and the face value of each share will be NT\$10. The Board of Directors is authorized to issue the shares in steps according to business needs.
- Article 7.1: When the Company issues employee stock option certificates whose warrant price is lower than the closing price of the shares of the Company, it shall have the attendance of more than half of the shareholders representing over half of the issued shares, and the consent of more than two-thirds of the voting rights of the attending shareholders. The declaration shall be filed within one year from the date of the resolution of the shareholders' meeting. The Company transfers the shares bought back by the Company to the employees at a price lower than the actual buy-back average price, it shall have the attendance of more than half of the shareholders representing over half of the issued shares at the latest shareholders' meeting, and the consent of more than two-thirds of the voting rights of the attending shareholders. The declaration shall be filed within one year from the date of the resolution of the shareholders' meeting.
- Article 7.2: The Company's purchasing of treasury shares, issuing new shares with restricted employee rights, issuing new shares and employee stock option certificates, transferring, issuing, acquiring shares or the objects to be distributed include the employees controlled or at subsidiary companies that meet certain conditions.
- Article 8: The shares of the Company are inscribed, signed, or sealed by the directors representing the Company, and issued after being legally audited or without an entity. When the Company issues new shares, its shares will be delivered in the form of a book transfer for the total number of shares issued, and will be handed over to the Taiwan Securities Central Depository Company for custody. It is the same case for the issuance of other securities.
- Article 9: The shares of the Company are inscribed. The shareholder shall apply his or her own name. If he or she is a legal representative, the name of the person or representative shall be reported to the Company, recorded on the stock and in the shareholder's book, but in the case of no entity issue, it shall be recorded only in the shareholder's book.
- Article 10: If a shareholder wishes to transfer his/her shares, he/she shall fill in an application for transfer, signed by the transferor and the transferee, and sent to the Company before the transfer, and the right before the transfer still belongs to the original shareholder.
- Article 11: If the shareholder has transfer or loss and damage matters, it shall be handled in accordance with the Company Act and relevant laws and regulations.
- Article 12: Shareholders should send their seals to the Company for future reference. Later, when shareholders receive dividends from the Company or exercise their shareholder rights in writing, they shall rely on the seals kept by the Company, except as otherwise provided in the statute or the Articles of Incorporation of the Company.

- Article 13: If the seal of the shareholder's seal is lost or destroyed, the shareholder shall apply to the Company for a change of seal.
- Article 14: Changes in the register of shareholders due to the share transfer shall be suspended within 60 days prior to the convening of the regular shareholders' meeting, within 30 days before the convening of the temporary shareholders' meeting, or within five days before the base date of the company's decision to distribute dividends or other benefits.

### Chapter Three Shareholders' meeting

- Article 15: The shareholders' meeting of the Company has two kinds: regular meetings and temporary meetings. The regular meeting is held once a year. Within six months after the end of each fiscal year, the Board of Directors shall notify the shareholders to convene in accordance with the provisions of the Company Act. The temporary meeting will be convened according to law when necessary.
- Article 16: The convening of the regular shareholders' meeting shall be made 30 days before the meeting; temporary shareholders' meeting, 15 days before the meeting. The date, venue and proposed matters shall be notified to the shareholders 15 days before the meeting. If the shareholders are unable to attend the shareholders' meeting for any reason, they shall, in accordance with Article 177 of the Company Act and related laws and regulations, issue a power of attorney to specify the scope of authorization, sign or seal so as to entrust the agent to attend. The notice of convening the shareholders' meeting may be announced in accordance with the law.
- Article 17: Shareholders of the Company have one vote per share, but in accordance with the Article 179 and Article 17.1.2 of the Company Act, that directors' voting rights are limited due to pledge is not limited by this.
- Article 18: The resolutions of the shareholders' meeting may be exercised in writing or electronically. Except as otherwise provided in the statutes and the Articles of Incorporation of the Company, shareholders who represent more than half of the total number of shares in issue shall be present, and more than half of the shareholders' voting rights shall agree.
- Article 19: The Chairman of shareholders' meeting shall be the Chairman of the Board of Directors. When the Chairman of the Board of Directors is absent, the Chairman designates a director. If no director is designated, the director shall act as one and the other.
- Article 20: The resolutions of the shareholders' meeting are as follows:
- (I) Change the Articles of Incorporation.
  - (II) Elect and appoint directors.
  - (III) The various forms prepared by the Board of Directors.
  - (IV) Distribute earnings and dividends.
  - (V) Increase or decrease in total capital.
  - (VI) Other important items.
- Article 20.1: The distribution of the proceedings of the shareholders' meeting of the Company, and the distribution of the financial statements recognized by the shareholders' meeting and the resolutions of the earnings distribution or loss adjustments may be made by way of public announcement.

## Chapter Four Directors

- Article 21: The Company has nine to eleven directors, organizes the Board of Directors, and adopts the nomination system for candidates. Directors are elected by the shareholders' meeting for a three-year term. For re-election, more than two-thirds of the directors have to attend; more than half of the present directors agree to elect one Chairman of the Board of Directors, with the same term as the directors.
- Article 21.1: Among the above-mentioned directors of the Company, the number of independent directors shall not be less than three and shall not be less than one-fifth of the number of directors. The professional qualifications, shareholdings, part-time restrictions, nomination and selection methods and other matters of independent directors shall be handled in accordance with the relevant laws and regulations.
- Article 21.2: The Company sets up the salary and remuneration committee. The composition, number of persons, term, powers, rules of procedure and resources that the Company should provide in exercising its functions are set by the organization rules of the salary and remuneration committee.
- Article 21.3: The Company sets up an audit committee, which consists of all independent directors, and the audit committee and other matters are set up in accordance with the organization rules of the audit committee.
- Article 22: The Chairman of the board represents the company externally and comprehensively handles all important matters of the company. When the Chairman of the Board of Directors is absent, the Chairman designates a director. If no director is designated, the director shall act as one and the other.
- Article 23: The Board of Directors shall notify the directors of the matters seven days before the meeting. But when there is an emergency, the meeting can be called at any time. The Board of Directors may notify the directors in writing, by email or by fax.
- Article 24: The resolution of the Company on the following major events shall be subject to the approval of more than two-thirds (including) of all directors and the attendance of more than half of the directors (including):
- (I) The conclusion, change or termination of a contract for the leasing of all business, entrusting operations or co-operation with others.
  - (II) Propose all or a major part of the business or property matters.
  - (III) Proposal that the transfer of all business or property of others has a significant impact on the operation of the Company.
  - (IV) Raise corporate bonds.
  - (V) Issue new shares.
  - (VI) Apply for reorganization of the Company.
  - (VII) Elect Chairman.

Except as otherwise provided in the statutes and the Articles of Incorporation of the Company, the resolutions of the directors shall be attended by more than half of the directors, with the consent of more than half of the directors. When a director is unable to attend the Board of Directors for any reason, he/she may, in accordance with the provisions of Article 205 of the Company Act, issue a power of attorney to entrust other directors to attend, but only one agent.

The Board of Directors is able to attend by video conference and the directors attending the meeting by video are deemed to be present in person.

- Article 25: The powers of the Board of Directors are as follows:
- (I) Preparation of the business policy and review and implementation overview of the business plan.
  - (II) Prepare a budget and final accounts.
  - (III) Proposal a capital increase and decrease.
  - (IV) Consideration of earnings distribution or loss.
  - (V) Approval of important external contracts.
  - (VI) Proposed amendment to the Articles of Incorporation.
  - (VII) Proposed validation of company organization rules and important charters.
  - (VIII) Agreement on the establishment, reorganization, or dissolution of branches.
  - (IX) The appointment and dismissal of important personnel of the Company.
  - (X) The convening of the shareholders' meeting.
  - (XI) Proposal for the acquisition and disposal of important assets of the Company.
  - (XII) The company's external endorsement guarantee and external investment case review.
  - (XIII) Other duties in accordance with the provisions of the law and the shareholders' meeting.

Article 26: (Cancel)

Article 27: The Company may, for the term of office of the directors, purchase liability insurance for the scope of its business operations and shall be liable for damages according to law. For the remuneration of all directors, the Board of Directors is authorized to pay, regardless of the operating profit and loss, according to its participation in the operation of the company and its contribution value, and to the discretion of the industry. For independent directors, there may be a reasonable remuneration different from that of the general director.

## Chapter Five Manager

Article 28: The Company may have appoint one or more Chief Executive Officer, Executive President(s), President(s) or other managers to meet operational or management needs. The appointment, dismissal, and remuneration shall be handled in accordance with Article 29 of the Company Act and relevant laws and regulations, and their powers are made by board resolution, and directors can authorize the Chairman to decide.

Article 29: For the Company's measures of personnel and salaries, bonuses and dividends of employees at all levels, after the approval of the Board of Directors, the execution shall be assigned by the CEO and submitted to the Chairman of the Board of Directors for approval.

## Chapter Six Accounting

Article 30: The Company uses December 31 as the annual settlement date. At the end of each fiscal year, the Board of Directors shall produce the following forms, and after the audit committee auditing, they shall be submitted to the shareholders' regular meeting for ratification.

- (I) Operating report.
- (II) Financial statements.
- (III) Proposal on earnings distribution and loss adjustment.

Article 30.1: If the Company is profitable in the year, it should accrue 6%-16% profits for the employee's remuneration, and no more than 0.9% for the director's compensation, but if the Company still has accumulated a loss, the amount of compensation should be retained in advance. The ratio of employees' compensation and directors' compensation in the preceding paragraph shall be decided by the Board of Directors according to law and reported to the shareholders' meeting.

Among them, the employee's remuneration is issued to the employees' control or of a subsidiary company that meets certain conditions.

Article 31: If the Company's annual accounts have earnings, they will be distributed in the following order.

- (I) Pay taxes.
- (II) Make up for accumulated losses.
- (III) Accrue 10% as legal reserve, except when the legal reserve reaches the total capital of the company.
- (IV) Accrue or reverse the special reserve in accordance with decrees or the competent authority.
- (V) The rest will be added to the undistributed earnings of the previous year. The Board of Directors will draw up the earnings distribution proposal according to Item 2 of the Article about dividend policy and submit it to the shareholders' meeting for resolution.

The Company's policy of distributing dividends shall be based on the current and future investment environment, capital requirements, domestic and international competition and capital budget, etc., taking into account the interests of shareholders, balancing dividends and long-term financial planning of the Company. Each year, the distribution proposal shall be made by the Board of Directors and be reported to the shareholders' meeting. Given that the Company is in the high-tech electronics industry, and has expansion plans and capital requirements in the future. The annual cash dividends will be at least 10% of the total dividends. The ratio of dividends to distributable earnings should be 0 to 90%.

When the Company's annual final accounts have no losses, the legal reserve and all or one part of the following capital reserves may be issued to new shares or cash in proportion to the original shares of the shareholders:

- (I) Exceeding amount of issuing shares by surpassing the face value.
- (II) Income from received gifts.

For the legal reserve issued to new shares or cash in the preceding paragraph, the limit is the part of the legal reserve that exceeds 25% of the Company's paid-up capital.

## Chapter Seven Supplementary Provisions

Article 32: The Articles of Incorporation shall not be changed without a resolution of the shareholders' meeting.

Article 33: If there are any unfinished matters in the Articles of Incorporation, it shall be handled in accordance with the provisions of the Company Act and relevant laws and regulations.

Article 34: The Articles of Incorporation were concluded by the promoters' meeting with the consent of all the promoters on December 29, 1989. The first amendment was made on January 17, 1990; the second, June 22, 1991; the third, June 6, 1992; the fourth, May 25, 1993; the fifth, October 15, 1994; the sixth, May 12, 1995; the seventh, June 15, 1995; the eighth, April 22, 1996; the ninth, June 27, 1997; the tenth, April 7, 1998; the eleventh, May 27, 1999; the

twelfth, June 16, 2000; the thirteenth, May 30, 2001; the fourteenth, June 28, 2001; the fifteenth, June 21, 2002; the sixteenth, June 18, 2003; the seventeenth, June 1, 2004; the eighteenth, June 13, 2005; the nineteenth, June 14, 2006; the 20th, June 15, 2007; the 21st, June 13, 2008; the 22nd, June 10, 2009; the 23rd, June 18, 2010; the 24th, June 21, 2012; the 25th, June 20, 2013; the 26th, June 21, 2016; the 27th, June 21, 2017; the 28th, June 21, 2019, and the twenty-ninth amendment was made on June 19, 2020.

**Unimicron Technology Corp.**  
**Acquisition or Disposal of Assets Procedure**

Revised by the regular shareholders' meeting on August 12, 2021

**Section One Acquisition or disposal of assets**

**Article 1: Basis**

The Procedures for the Acquisition or Disposal of Assets (hereinafter referred to as "the procedure") is based on Article 36.1 of the Securities and Exchange Act and the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" (hereinafter referred to as "the guidelines"). For the Company's acquiring or disposing of assets, otherwise stipulated by law, it shall be handled in accordance with the procedure.

**Article 2: The scope of assets**

1. Securities (including stocks, government bonds, corporate bonds, financial bonds, securities of the commutation fund, depositary receipts, subscription (sales) warrants, beneficiary securities and asset-based securities).
2. Real estate (including land, houses and buildings, investment property, land use rights) and equipment.
3. Memberships.
4. Intangible assets (including patents, copyrights, trademarks, and franchise rights).
5. Right-of-use assets.
6. Derivatives.
7. Assets acquired or disposed of in accordance with legal mergers, divisions, acquisitions or transfer of shares in accordance with law.
8. Other major assets.

**Article 3: The terms used in this procedure are defined as follows:**

1. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.
2. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Under the Business Mergers and Acquisitions Act ..., or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter referred to as "transfer of shares") under Article 156-3 of the Company Act.
3. Related person, subsidiary: refers to the provisions of the financial issuer's financial reporting standards.
4. Professional evaluator: refers to the real estate evaluator or other legal person who is engaged in real estate and equipment valuation.
5. The date of the fact: refers to the earlier date of the transaction signing date, payment date, entrusted transaction date, transfer date, board resolution date or other dates on which the transaction object and transaction amount are fully determined. However, for

investors who are subject to the approval of the authority, it is the earlier date of the above or the date of approval by the authority.

6. Investment in the mainland: refers to the mainland investment in accordance with the licensing regulations of the Investment Review Committee of the Ministry of Economic Affairs for investment or technical cooperation in the mainland.

Article 4: Executive units, authorization quota, and level

The acquisition or disposal of the assets of the Company shall be handled in accordance with the following quotas and procedures:

1. For the acquisition or disposal of securities investment, the financial department shall prepare a valuation report and submit it to the relevant departments for execution after the approval of the Chairman. And then, it shall be submitted to the Board of Directors for verification. If the amount reaches NT\$300 million, it should be submitted to the Board of Directors for approval.
2. For the acquisition or disposal of real estate or its right-to-use assets, the financial department shall prepare a valuation report and submit it to the relevant departments for execution after the approval of the Chairman. If the amount reaches NT\$100 million, it should be submitted to the Board of Directors for approval. If the amount reaches NT\$300 million, it should be submitted to the Board of Directors for approval.
3. For the acquisition or disposal of equipment or its right-to-use assets, if the transaction amount does not reach NT\$10 million, the executive unit submits the relevant information to the general manager of the business office for approval. If the transaction amount reaches NT\$10 million, it should be submitted to the Chairman for approval and to the relevant departments for execution. If the amount reaches NT\$100 million, it should be submitted to the Board of Directors for approval.
4. For the acquisition or disposal of membership cards, the executive unit submits the relevant information to the Chairman for approval and to the relevant departments for execution. And then it shall be submitted to the Board of Directors for approval. If the amount reaches NT\$300 million, it should be submitted to the Board of Directors for approval.
5. Acquisition or disposal of derivative products shall be handled with the relevant provisions of Section Three of the procedure.
6. Assets acquired or disposed of in accordance with legal mergers, divisions, acquisitions or transfer of shares shall be handled with the relevant provisions of Section Four of the procedure.
7. For the acquisition or disposal of equipment for business use among the Company and subsidiaries, or its right-to-use assets or real estate right-to-use assets between the Company and its subsidiaries, or among its subsidiaries whose issued shares or total capital are directly or indirectly 100% held by the Company, if the transaction amount does not reach NT\$60 million, the executive unit submits the relevant information to the general manager of the business office for approval. If the transaction amount reaches NT\$60 million but not NT\$300 million, it should be submitted to the Chairman for approval and to the relevant departments for execution. And then it shall be submitted to the earliest Board of Directors for approval.

When the transaction of acquiring or disposing of assets is submitted to the Board of Directors for approval in accordance with the provisions of Item 1, the opinions of the independent directors should be fully considered. If the independent directors have objections or reservations, they should be stated in the proceedings of the Board of Directors

Article 5: Price determination method and reference basis

The pricing method and reference basis should be determined according to the nature of individual assets. In principle, if the market price is available for reference, the market price is the main reference. If not, the price is determined by price comparison, bargaining, or other reasonable means.

1. For acquiring or disposing of securities that have been traded on the stock exchange or over-the-counter (Taipei Exchange), the price is determined by the transaction price at the time.
2. For acquiring or disposing of securities that have not been traded on the stock exchange or Taipei Exchange, the price is determined by the net value per share, profitability, future development potential and the current transaction price, or the prevailing market interest rate, bond coupon rate and debtor's credit standing.
3. For acquiring or disposing of real estate, the price is determined by the announced present value, the assessed value and the actual transaction price of the adjacent real estate, etc.
4. For acquiring or disposing of equipment, one should be chosen among price comparison, bargaining or bidding.
5. For acquiring or disposing of membership cards, one should be chosen between price comparison and bargaining.
6. For acquiring or disposing of intangible assets, it shall be handled with the relevant laws and contracts.
7. For acquiring or disposing of derivative financial products, it shall be handled with the relevant provisions of Section Three of the procedures.
8. For acquiring or disposing of assets acquired or disposed of in accordance with legal mergers, divisions, acquisitions or transfer of shares, it shall be handled with the relevant provisions of Section Four of the procedures.

Article 6: Evaluation and processing procedures

1. Securities

For acquiring or disposing of securities, the Company shall, before the date of the fact, take the target company's most recent financial statements audited or verified by an accountant as the reference for evaluating the transaction price.

If the transaction amount reaches 20% of the company's paid-in capital or NT\$ 300 million or more, before the date of the fact, the accountant should be invited to express specific opinions on the reasonableness of the transaction prices and handle them in accordance with Regulation No. 20 of the Auditing Standards issued by the Republic of China Accounting Research and Development Foundation. However, if the securities have an open offer in an active market or comply with the following requirements or other requirements of the Financial Supervisory Commission (hereinafter referred to as FSC), this is not the case:

- (1) The establishment of promotion or stock flotation in accordance with the law, the acquisition of securities by cash, and the right that securities represent is equal to the proportion of capital contribution.
- (2) Companies participating in the subscription of the target company, in accordance with the relevant laws and regulations, increase capital by cash and issue the securities by face value.
- (3) Acquisition of securities directly or indirectly from 100% owned investee companies or among 100% owned investees proceeding new share issuance through capital injection.
- (4) Securities traded in Stock Exchange, OTC or other emerging markets.

- (5) Domestic treasury or repos and reverse repos.
  - (6) Public funds.
  - (7) Acquisition or disposal of listed companies' securities through Securities exchange or OTC's auction or bid regulations.
  - (8) Acquisition of new share issuance through capital injection from domestic public offering companies or subscription to domestic bonds (including financial bonds), and the new shares acquired are not privatized.
  - (9) For subscribing to domestic private equity funds before the establishment of the fund or subscribing to or buying back domestic private equity funds in accordance with Article 11.1 of the Securities Investment Trust and Consultant Law, if the trust contract has stated the investment strategy, except for the securities credit transaction and held uncovered securities related commodity, the investment scope of the remaining public funds is the same.
2. Real estate, equipment or right-of-use assets
- In acquiring or disposing of real estate, equipment, or right-of-use assets thereof where the transaction amount reaches 20% of the company's paid-in capital or NT\$300 million or more, the company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:
- (1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.
  - (2) If the transaction amount reaches NT\$1 billion or more, more than two professional evaluators should be invited to make an estimate.
  - (3) Except when the valuation result of the acquired assets is higher than the transaction amount, or the valuation result of the disposal assets is lower than the transaction amount, if the valuation result of the professional evaluator has one of the following situations, the accountant should handle this in accordance with Regulation No. 20 of the Auditing Standards issued by the Republic of China Accounting Research and Development Foundation and express specific opinions on the reasons for the differences and the admissibility of the transaction price:
    - 1) The difference between the valuation results and the transaction amount is more than 20% of the transaction amount.
    - 2) The difference between the valuation results of two or more professional evaluators is more than 10% of the transaction amount.
  - (4) The date of the report issued by the professional evaluator and the date of the establishment of the contract shall not exceed three months. However, if the present announced value of the same period is applied and it has not been more than six months, the original professional evaluator may issue an opinion.
3. Memberships, intangible assets or rights-of-use assets
- Relevant information shall be collected for pricing comparison or negotiation in acquiring or disposing membership certificates. In acquiring or disposing of intangible assets or rights-of-use assets, relevant price information shall be collected, and relevant regulations and contract contents shall be carefully evaluated before the transaction price is determined.
- The Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20% or more of paid-in capital or

NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the Accounting Research and Development Foundation.

4. Derivative financial products  
Handle with the relevant provisions of Section Three of the procedure.
5. Assets acquired or disposed of in accordance with legal mergers, divisions, acquisitions or transfer of shares.  
Handle with the relevant provisions of Section Four of the procedure.
6. Acquisition or disposal of assets other than the assets mentioned above shall be effected through price inquiry, price comparison, price negotiation, or public bidding, and references shall be made to public announcements of present value and price of real estate in the neighborhood.  
If it meets the requirements of this processing procedure, the application standards shall be announced, and the evaluation report of the professional evaluator shall be consulted.

Article 6.1: The transaction amount in Article 6.1-3 is calculated in accordance with the provisions of Article 8.2. And within one year means that based on the date of the fact of the transaction, one year is retroactively calculated. The part in the valuation report issued by the professional evaluator or the accountant's opinion in accordance with the provisions of the procedure shall not be included.

Article 6.2: Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:

4. May not have previously received a final and unappeasable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
5. May not be a related party or de facto related party of any party to the transaction.
6. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:
  - (5) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
  - (6) When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
  - (7) They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
  - (8) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.

Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.

Article 7: Preservation of data

Where the Company acquires or disposes of assets, it shall deposit the relevant contract, the proceedings, the record book, the valuation report, the accountant, the lawyer or the securities underwriter's opinions in the Company, and save for at least five years, unless otherwise stipulated by other laws.

Article 8: Public announcement and regulatory filing procedures

Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:

7. Acquisition or disposal of real estate or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real estate or right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under re-purchase and re-sale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
8. Mergers, divisions, acquisitions or transfer of shares.
9. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company.
10. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$1 billion or more.
11. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million.
12. Where an asset transaction other than any of those referred to in the preceding five subparagraphs or an investment in the mainland China area reaches 20% or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:
  - (3) Trading of domestic government bonds.
  - (4) Buying or selling bonds under repurchase/resale agreements, or subscription or repurchase of money market funds issued by domestic securities investment trusts.

The amount of transactions above shall be calculated as follows:

1. The amount of each transaction.
2. The amount of the transaction with the same counterpart in the same year to acquire or dispose of the same nature target.
3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real estate or right-of-use assets thereof within the same development project within the preceding year.
4. The amount of accumulatively acquiring or disposing of the same securities (acquired and disposed of separately) within one year.

Within one year in Item 2 means that based on the date of the fact of the transaction, one year is retroactively calculated. The part announced in accordance with the procedure shall not be included.

The Company shall, on a monthly basis, before the tenth day of each month, enter into the information reporting website designated by the FSC trading in derivative products by the Company and its subsidiaries that are not domestic publicly-listed companies in accordance with the prescribed format.

Article 9: Announcement Content

If the Company shall handle the announcement of matters in accordance with the provisions of the preceding article, and the contents of the announcement shall be handled in accordance with the relevant provisions of the FSC.

Article 10: Correction of the announcement

If the Company shall make corrections due to any errors or omissions in the announcement in accordance with the provisions of Article 9, all items shall be re-announced within two days from the date of notification.

After the Company announces the transaction in accordance with the provisions of Article 9, if one of the following circumstances occurs, the Company shall, within two days from the date of the fact, report the relevant information on the designated website of the FSC:

1. The relevant contract signed in the original transaction has been changed, terminated or canceled.
2. Mergers, splits, acquisitions or share transfers are not completed on the contractual schedule.
3. The original announcement has changed.

Article 11: Control procedures for the acquisition and disposal of assets by subsidiaries

The Company will supervise the subsidiaries of the Company to prepare their Procedures for the Acquisition or Disposal of Assets in accordance with the provisions of the procedures for the acquisition or disposal of assets.

Information required to be publicly announced and reported in accordance with the provisions of Article 8 on acquisitions and disposals of assets by a subsidiary of the Company that is not itself a public company in Taiwan shall be reported by the Company.

The paid-in capital or total assets of the Company shall be the standard applicable to a subsidiary referred to in the preceding paragraph in determining whether, relative to paid-in capital or total assets, it reaches a threshold requiring public announcement and regulatory filing under Article 8.1.

Article 11.1: This procedure is related to the provision of 10% of the total assets, which is based on the most recent individual or individual financial statements in the Regulations Governing the Preparation of Financial Reports by Securities Issuers for the calculation of total asset amount.

In the case of a company whose shares have no par value or a par value other than NT\$10— for the calculation of transaction amounts of 20% of paid-in capital under the procedure, 10% of equity attributable to owners of the parent shall be substituted; for calculations under the procedure regarding transaction amounts relative to paid-in capital of NT\$10 billion, NT\$20 billion of equity attributable to owners of the parent shall be substituted.

Article 12: The total amount of real estate or securities that the Company may purchase for non-business use and the individual securities to be invested are as follows:

1. The total amount of real estate that is not used for business use shall not exceed 60% of the net value of the latest financial report of the Company.
2. The total amount of securities obtained shall not exceed 100% of the net value in the latest financial report of the Company.
3. The limit for obtaining individual securities shall not exceed 50% of the net value in the latest financial report of the Company.

Article 13: The company's related party transactions, derivative product transactions, business mergers, divisions, acquisitions or share transfer, in addition to the provisions of the section, shall be handled in accordance with the provisions of Sections 2 - 5 of the procedure.

## **Section Two Related party transactions**

Article 14: For acquiring or disposing of assets between the Company and its related parties, except for matters such as the relevant resolution procedures and evaluating the reasonableness of the terms of the transaction in accordance with the provisions of the preceding section and this section, if the transaction amount reaches more than 10% of the Company's total assets, the valuation report by a professional evaluator or accountant's opinion shall also be obtained in accordance with the provisions of the preceding section.

The calculation of the above transaction amount shall be handled in accordance with the provisions of Article 6.1. When judging whether the transaction object is a related person, in addition to paying attention to its legal form, the substantive relationship should be considered.

Article 15: The Company intends to acquire or dispose of real estate or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real estate or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the audit committee and the board of directors:

1. The purpose, necessity and expected benefits of acquiring or disposing of assets.
2. The reason for choosing the related party as the counter party.
3. With respect to the acquisition of real estate or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 16 and Article 17.
4. The date and price of the related party, the transaction object and its relationship with the Company and its related parties.
5. Expected forecast of cash receipts and payments for each month in the coming year starting from the contract month, and assess the necessity of the transaction and the rationality of the use of funds.
6. The valuation report issued by the professional evaluator obtained in accordance with the provisions of the preceding article, or the opinion of the accountant.
7. The restrictions and other important matters of this transaction.

The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 8, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the audit committee and board of directors need not be counted toward the transaction amount.

With respect to the types of transactions listed below, when to be conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the company's board of directors may pursuant to Article 4 delegate the board Chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:

1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
2. Acquisition or disposal of real estate right-of-use assets held for business use.  
When a matter is submitted for discussion by the board of directors pursuant to paragraph 1, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.

Article 16: The Company that acquires real estate or right-of-use assets thereof from a related party shall evaluate the reasonableness of the transaction costs by the following means:

1. Transaction price for a related party plus the necessary capital interest and the cost that the buyer should bear according to law. The so-called necessary capital interest cost is calculated based on the weighted average interest rate of the borrowings of the Company in the year of purchasing assets, but it shall not be higher than the non-financial industry maximum borrowing rate announced by the Ministry of Finance.
2. If the related party has set the subject matter to the financial institution as collateral, the financial institution will estimate the total value of the loan to the subject matter, but the cumulative value of the actual loan lending by the financial institution to the subject matter shall reach more than 70% of the total value of the loan evaluation, and the loan period has been more than one year. However, if the financial institutions and one party to the transaction are related to each other, this is not applicable.

Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.

The Company that acquires real estate or right-of-use assets thereof from a related party and appraises the cost of the real estate or right-of-use assets thereof in accordance with the preceding two paragraphs shall also engage a CPA to check the appraisal and render a specific opinion.

The Company acquires real estate or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with the Article 15, and the preceding three paragraphs do not apply:

1. The related party acquired the real estate or right-of-use assets thereof through inheritance or as a gift.
2. More than 5 years will have elapsed from the time the related party signed the contract to obtain the real estate or right-of-use assets thereof to the signing date for the current transaction.
3. Acquiring real estate by signing a joint construction contract with a related party, or acquiring real estate by entrusting a related party to build real estate in the form of construction of local land and construction of land leases.
4. The real estate right-of-use assets for business use are acquired by the Company with its subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital.

Article 17: When the results of the Company's appraisal conducted in accordance with paragraph 1 and paragraph 2 of the preceding Article are uniformly lower than the transaction price, the matter shall be handled in compliance with Article 18. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real estate appraiser and a CPA have been obtained, this restriction shall not apply:

1. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:
  - (1) The plain land is evaluated according to the method stipulated in the preceding article, the house is calculated at the construction cost of the related party plus the reasonable construction profit, and the total number exceeds the actual transaction price. The reasonable construction profit shall be based on the the lower amount between the average operating gross profit margin of the related party construction department in the last three years and the latest construction industry gross profit margin announced by the Ministry of Finance.
  - (2) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.
2. Where the Company acquiring real estate, or obtaining real estate right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.

Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50% of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real estate or obtainment of the right-of-use assets thereof.

Article 18: Where the Company acquires real estate or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the preceding two articles are uniformly lower than the transaction price, the following steps shall be taken:

1. The difference between the transaction price of the real estate or its right-to-use assets and the estimated cost, a special reserve shall be accrued in accordance with Article 41.1 of the Securities and Exchange Act, and shall not be assigned or transferred to capital increase and share allotment. If the investor who evaluates the investment in the Company using the equity method is the public Company, it shall accrue a special reserve according to shareholding ratio in accordance with Article 41.1 of the Securities and Exchange Act.
2. The independent directors of the Audit Committee shall be handled in accordance with Article 228 of the Company Act and Article 14.4.4 of the Securities and Exchange Act.
3. Actions taken pursuant to the preceding two subparagraphs shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

The Company that has set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.

When a public company obtains real estate or right-of-use assets thereof from a related party, it shall also comply with the preceding two paragraphs if there is other evidence indicating that the acquisition was not-an-arm's length transaction.

### **Section Three Engage in trading of Derivative financial products**

#### Article 19: Trading Principles and Guidelines

1. Types of derivatives transactions:  
The derivative products traded by the Company shall be limited to those mentioned in Article 3 of the procedure.
2. Business or hedging strategy:  
The Company's hedging strategy first seeks internal offset and the net position as the operational basis. Trading in derivatives should be relevant to the company's business operating profit and avoid risks arising from fluctuations in exchange rates, interest rates or asset prices.
3. Division of powers and responsibilities:
  - (1) Financial division: It is the hub of the foreign exchange management system. It controls the foreign exchange positions of the Company as a whole. The forecasting and calculating of the positions must collect from information provided by the accounting, material management and sales divisions. The collection of market information, judgment of trends and risks, familiarity with financial products, rules and laws, and operational skills must be mastered at all times to support the operation of itself and other relevant departments. The transaction and confirmation of the operation of the derivative products shall be independent of the operator and the delivery personnel. The authorized personnel of the transaction shall be approved by the Chairman of the Board of Directors, and the Company shall sign a written agreement with the financial institution in writing.
  - (2) Accounting division: According to the settle voucher and related transaction vouchers, log in to the accounting account.
4. Performance evaluation essentials:
  - (1) For the purpose of hedging: The annual business objectives of each currency exchange rate or interest rate set by the Company at the time of budgeting are listed as performance evaluation targets. Traders should try their best to achieve this goal and use it as the basis for performance evaluation.
  - (2) Other special-purpose transactions: The profit and loss should be assessed on the position held every week, and an evaluation report should be submitted to the senior executives authorized by the board for reference.
5. Total contract amount and loss limit:  
The total amount of derivative contracts that the Company can engage in is 100% of the operating income of the most recent quarter. For transactions for the purpose of hedging, the total contract loss limit is 20% of the total contract amount, and the individual contract loss limit is 20% of the individual contract amount; for other specific-purpose transactions, the total contract loss limit is 10% of the total contract amount, and the individual contract loss limit is 5% of the individual contract amount. In the above scope, the transaction authorized personnel shall discuss with the first-level supervisor of the financial department, and submit a written report to discuss the measures for reducing losses and the impact on the Company. After approval by the financial department supervisor, general manager and Chairman, the authorized personnel will abide by the approved resolution to take countermeasures and report to the audit committee and Board of Directors afterwards.

#### Article 20: Procedures

1. Authorization limit

(1) Authorization limits and levels for the purpose of hedging are as follows:

1) Loan subsidiary funds and foreign exchange positions:

Authorization levels	Authorization limit of each transaction	Authorization limit of transactions on each day
Chairman	More than US\$20 million	More than US\$50 million
First-level supervisor of the financial department	More than US\$5 million to less than US\$20 million (inclusive)	More than US\$25 million to less than US\$50 million (inclusive)
Financial unit manager	Less than US\$5 million (inclusive)	Less than US\$25 million (inclusive)

2) Others:

Authorization levels	Authorization limit of each transaction	Authorization limit of transactions on each day
Chairman	More than US\$5 million to less than US\$15 million (inclusive)	More than US\$20 million to less than US\$50 million (inclusive)
First-level supervisor of the financial department	More than US\$3 million to less than US\$5 million (inclusive)	More than US\$10 million to less than US\$20 million (inclusive)
Financial unit manager	Less than US\$3 million (inclusive)	Less than US\$10 million (inclusive)

(2) The basis, standard and upper limit of the authorized transaction for various hedging purposes are as follows:

1) Foreign exchange position: The principle of natural hedging is based on the Company's monthly demand for each currency, and the net position of each currency (*i.e.* the difference between foreign currency assets and liability of each currency), and reference to the estimated cash flow is used as risk avoidance amount.

A. Forward foreign exchange transaction authorization:

The authorized trader shall be based on the net position of the daily balance sheet of the foreign currency generated by the Company, and shall be subject to the transaction after discussion with the first-level supervisor of the finance department. The transaction price range shall be based on the foreign currency assets of the Company at that time and the liability record cost as the reference basis for the transaction price, and the transaction due date should match the liquidity demand of the company's working capital turnover. In addition, the maturity extension of forward foreign exchange is required for the control of foreign currency cash flow and does not affect the company's risk. Therefore, the amount in paragraph 1, item 1 is not applicable and can be handled

with the permission of the first-level supervisor of the finance department.

B. Other foreign exchange derivative financial products (such as SWAP or CCS products)

Each transaction authorized person shall issue an evaluation report stating the name of the transaction type, the amount of the purchase/sale, the period, the purpose of the transaction, the details of the transaction, the fee, the object of the transaction, the nature of the transaction should be approved by the supervisor in accordance with paragraph 1, item 1 of this Article.

2) Interest rate and other positions (such as: securities, precious metals and other related products): the transaction authorization is limited to the total amount of related positions or total number of units currently held by the company, and to avoid risks of the price, exchange rate, or interest rate of the issuance of overseas equity (such as ADR, GDR, etc.) and bonds at home or abroad (such as ECB, EB or domestic corporate bonds, etc.) or long-term bank borrowings, limited to the total amount of the outstanding balance, and to avoid risks of price fluctuations of commodities such as precious metals (gold, copper, or other raw materials for production, etc.), appropriately hedged by the total number of units of the estimated use of the commodity in the next three months. Each transaction authorized person shall issue an evaluation report, be approved by the financial supervisor in accordance with paragraph 1, item 1 of this Article, and be agreed by the Chairman according to actual needs.

(3) If the transaction amount or number of units for the purpose of hedging exceeds the authorized limit or upper limit of the preceding two paragraphs, or is a transaction for other specific purposes, the transaction authorized personnel shall issue an evaluation report, which shall be submitted to the first-level supervisor of the financial department in accordance with paragraph 1, item 1 of this Article. It can only be processed after the approval of the Chairman and the ratification of the Board of Directors.

2. Execution unit and transaction process:

(1) Executing unit: The transaction personnel of the financial unit shall conduct the transaction to the financial institution within the scope of the authorized quota. After each transaction is completed, the transaction order shall be immediately filled in according to the transaction return of the financial institution, and the contents shall be marked and signed by the authority. The statistical position and a copy of the transaction slip is sent to the accounting unit.

(2) Confirmation of transaction: The accounting unit of delivery and registration shall confirm the transaction according to the copy of the transaction order made by the trading unit, and then provide the delivery and registration details according to the number confirmed by the transaction. The financial unit shall make the monthly consolidation report and send it to the accounting unit as the basis of accounting evaluation.

(3) If the Company engages in the transaction of derivative products and authorizes relevant personnel to handle them in accordance with the provisions of the procedure, it shall report to the most recent Board of Directors afterwards.

Article 21: Risk management measures

3. Scope of risk management:

(1) Credit risk management: The target of the transaction is based on the principle of internationally renowned banks with good credit standing. After the transaction,

the login personnel should log in to the quota control list and reconcile with the current bank on a regular basis.

- (2) Market price risk management: products selected are the internationally traded financial products, reducing the use of specially designed products. The registrant should check whether the total transaction amount meets the limits set by the procedure at all times. The accounting unit shall conduct the market price assessment at any time, and pay attention to the possible profit and loss of the held position due to future market price fluctuations.
- (3) Liquidity and cash flow risk management: In order to ensure market liquidity, in selecting financial products, financial institutions that trade with the Company must have sufficient equipment, information and trading capabilities, and traders should always pay attention to the Company's cash flow to ensure that cash is enough to pay in delivery.
- (4) Operational risk management: The authorization quota and operation process must be strictly observed.
- (5) Legal risk management: The documents signed with the transaction object are mainly based on the general contract of the market, and any unique contract must be reviewed by legal personnel or lawyers.

#### 4. Internal control:

- (2) The transaction and confirmation personnel of the derivative product shall not be delivery personnel at the same time.
- (3) The risk measurement, supervision and control personnel shall be in different departments from those mentioned above and shall report to the Board of Directors or to senior executives who are not responsible for the transaction or position decision-making.
- (4) The accounting personnel shall log in to the transaction after checking the relevant transaction documents. At the end of each month, the profit and loss shall be assessed according to the market price information provided by the financial personnel. The relevant transaction subpoena shall be approved by the competent authority.

#### Article 22: Internal Audit System

The internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully derivatives trading by the trading department adheres to the procedures for engaging in derivatives trading, and prepare an audit report. If any material violation is discovered, all independent directors of the audit committee shall be notified in writing.

#### Article 22.1: Principles of accounting treatment:

Derivatives transactions are accounted for or disclosed in accordance with the Financial Accounting Standards Bulletin and the relevant provisions of the accounting system, and when the monthly transactions occur and are settled, the realized and unrealized gains and losses are calculated and accounted for or disclosed according to regulations

#### Article 23: Regular evaluation methods and exception handling

1. The position held by the derivative product exchange shall be assessed at least once a week, but if the risk-avoidance transaction required for the business is to be assessed at least twice a month, the evaluation report shall be submitted to the senior executive authorized by the Board of Directors.
2. The Board of Directors shall appoint senior executives to pay attention to the supervision and control of the risk of derivative product trading at all times, and shall regularly assess whether the performance of the derivative product transactions is in conformity with the established business strategy and whether the risks assumed are within the allowable range.

3. The senior executives authorized by the Board of Directors shall periodically assess whether the risk management measures currently in use are appropriate and in accordance with the guideline and the procedures.
4. In supervising the transaction and the profit and loss situation, when an abnormal situation is found, the senior executive authorized by the Board of Directors shall take the necessary countermeasures and report to the Board of Directors immediately. The Board of Directors shall have independent directors present and express their opinions.

Article 24: When the Company is engaged in the trading of derivative products, it shall establish a checklist for the details of the type and amount of the derivative product transactions, the date of the adoption of the Board of Directors, and the consideration which shall be carefully evaluated in Article 23 for future reference.

#### **Section Four Business Merger, Division, Acquisition and Transfer of Shares**

Article 25: When the Company handles mergers, divisions, acquisitions or transfer of shares, it shall, before the resolution of the Board of Directors, appoint an accountant, lawyer or securities underwriter to express opinions on the reasonableness of the share conversion ratio, the purchase price or the cash allotted to shareholders or other property and submit it to the Board of Directors for discussion and approval. However, when the Company merges a subsidiary where it directly or indirectly holds 100% of the issued shares or total capital, or a merger between the subsidiaries that it directly or indirectly holds 100% of the issued shares or total capital, it is exempted from obtaining reasonable opinions from the former experts. .

Article 26: When the Company participates in a merger, division or acquisition, it shall, before the shareholders' meeting, provide important agreed contents about the merger, division or acquisition and related matters into public documents to the shareholders, together with the expert opinions of the preceding article and the notice of the shareholders' meeting, it is delivered to the shareholders as a reference for whether or not to agree to the merger, division or acquisition. However, in accordance with other laws and regulations, if it is not necessary to convene the shareholders' meeting to discuss mergers, divisions or acquisitions, then this is not the case.

If any party's shareholders' meeting of the Company and other companies involved in the merger, division or acquisition, due to the number of attendees, insufficient voting rights or other legal restrictions, may not convene, make a decision, or the proposal is rejected by the shareholders' meeting, the Company and other companies involved in the merger, division or acquisition shall immediately disclose the reasons for the occurrence, the subsequent processing operations and the date of the expected shareholders meeting.

Article 27: Unless otherwise stipulated by other laws or with special factors approved by the FSC beforehand, the Company and other companies involved in the merger, division or acquisition shall convene the Board of Directors and the shareholders' meeting on the same day, and make a decision on the merger, division, or acquisition.

Unless otherwise stipulated by other laws or with special factors approved by the FSC beforehand, the Company and other companies involved in the transfer of shares shall convene the Board of Directors on the same day.

When the Company participates in a merger, division, acquisition, or transfer of shares, the following information shall be recorded in full and kept for five years for verification:

1. Basic personnel information: including those who participated in the merger, division, acquisition, or share transfer plan or plan execution before the news is published, the title, name, and identity card number (the passport number for foreigner).

2. Date of important events: including the date of signing the letter of intent or memorandum, entrusting financial or legal counsel, signing the contract and the board meeting.
3. Important books and proceedings: including mergers, divisions, acquisitions or share transfer plans, letters of intent or memoranda, important contracts and minutes of directors' meetings.

When the Company participates in the merger, division, acquisition or transfer of shares, it shall, within two days from the date of the resolution of the Board of Directors, report in the prescribed format the information in the first and second paragraphs of the previous Article to the online information collection system for FSC's examination.

If a company that participates in a merger, division, acquisition, or share transfer has a company that is not listed or whose shares are traded in the securities firm's business premises, the company shall sign an agreement with it and comply with the provisions of Item 3 and 4.

Article 28: The Company and all other persons who participate in or are aware of the company's merger, division, acquisition, or share transfer plan shall issue a written confidentiality undertaking, and the contents of the plan shall not be disclosed before the information is disclosed. They may not buy or sell stocks of all companies related to mergers, divisions, acquisitions, or share transfer cases and other securities of an equity nature on their own or in the name of others.

Article 29: When the Company participates in a merger, division, acquisition or transfer of shares, the proportion of shares to be converted or the purchase price shall not be arbitrarily changed except in the following cases, and the circumstances of the change shall be in the merger, division, acquisition, or share transfer contract:

1. Handling cash capital increase, issuing convertible corporate bonds, stock grants, issuing warranted corporate bonds, warranted special stocks, warrants and other securities of equity nature.
2. Disposal of the Company's major assets and other activities affecting the company's financial business.
3. Major disasters, major technological changes, etc., affecting the Company's shareholders' equity or securities prices.
4. The adjustment of buying back the treasury shares according to law of any one of the companies involved in the merger, division, acquisition, or share transfer.
5. The number of entities or companies involved in the merger, division, acquisition, or share transfer may increase or decrease.
6. Other conditions of change that have been recorded in the contract and have been publicly disclosed.

Article 30: When the Company participates in a merger, division, acquisition or transfer of shares, the contract shall specify the rights and obligations of the company involved in the merger, division, acquisition or transfer of the company, and shall state the following:

1. Handling of default.
2. The principle of dealing with issued equity-type securities or purchased treasury shares of the company that was eliminated or divided due to merger.
3. The number of treasury shares that the companies involved shall buy back according to law and the principle of handling it after calculating the shareholding ratio base date.
4. The handling method of the increase or decrease in the number of participating entities or companies.

5. Estimated project execution progress and expected completion schedule.
6. When the plan is overdue, the relevant processing procedures such as the scheduled date of the shareholders' meeting in accordance with the law.

Article 31: Any party that participates in a merger, division, acquisition or transfer of shares shall, after the disclosure of the information, intend to merge, division, acquire or transfer shares with other companies, except for that the number of participating parties decreases, and the shareholders' meeting has resolved and authorized the Board of Directors to change the authority, participating companies do not have to convene the shareholders' meeting to make decisions again, the completed procedures or legal acts in the original merger, division, acquisition, or share transfer case shall be performed by all participating companies.

Article 32: If a company that participates in a merger, division, acquisition or transfer of shares is a non-publicly-listed company, the company shall sign an agreement with it, and handle this in accordance with Articles 27, 28 and 31.

### **Section Five Supplementary Provisions**

Article 33: Penalties  
If the relevant executive personnel of the Company violate the procedures or the guidelines, they shall be handled according to the Company's assessment, reward and punishment measures.

Article 34: The procedure shall be approved by more than one-half of all members of the Audit Committee, and shall be submitted to the shareholders' meeting for approval after the resolution of the Board of Directors. It is the same case for amendments. If a director expresses objection and has a record or written statement, the Company shall send the director's objection information to the audit committee.

When the Procedures for the Acquisition or Disposal of Assets are submitted to the Board of Directors for discussion in accordance with the provisions above, the opinions of the independent directors should be fully considered. If the independent directors have objections or reservations, they should be stated in the proceedings of the Board of Directors. If it is not possible to have the consent of more than one-half of all members of the Audit Committee in accordance with the procedure, more than two-thirds of all directors may agree to do so, and the resolutions of the Audit Committee shall be stated in the minutes of the Board of Directors.

All members of the Audit Committee and all directors referred to in the preceding item shall be counted as actual incumbents.

## Appendix 4

# Unimicron Technology Corp. Loaning of Funds Procedure

Revised by the regular shareholders' meeting on June 21, 2019

- Article 1: The Company, in accordance with the provisions of Article 36.1 of the Securities and Exchange Act and the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies (hereinafter referred to as "the guidelines"), to manage lending loans to others and other matters, prepares the procedure of lending loans to others (hereinafter referred to as "the procedure"). If there are any unfinished matters in the procedure, they shall be handled in accordance with the relevant laws and regulations.
- Article 2: The Company's capital loan objects (hereinafter referred to as "the borrower") are limited to the subsidiaries of the Company or legal persons that have business dealings with the Company, but do not include the companies and legal representatives that are shareholders of the Company and that directly or indirectly hold more than 50% of the shares of voting rights.
- Article 3: Subsidiaries referred to in the procedure, and companies that directly or indirectly hold more than 50% of the shares with voting rights of the Company shall be determined in accordance with the provisions of the financial issuer's financial reporting standards.  
The term "announce and report" as used in these Operational Procedures means the process of entering data to the information reporting website designated by the Financial Supervisory Commission (FSC).  
The term "net value" as used in these Operational Procedures means the equity attributable to the owners of the parent company in the balance sheet in accordance with the securities issuer's financial report preparation standards.  
"Date of occurrence" in these Operational Procedures means the date of contract signing, date of payment, dates of boards of directors resolutions, or other date that can confirm the counterparty and monetary amount of the loan of funds, whichever date is earlier.
- Article 4: The Company's total capital loans shall not exceed 40% of the Company's net value. For capital loans among foreign companies where the Company directly or indirectly holds 100% of the voting shares, or capital loans from foreign companies where the Company directly or indirectly holds 100% of the voting shares to the Company, the total amount and the amount to the single enterprise is limited to 50% of the net value of the loan receiving company with the period limited to two years, not subject to the restrictions of the preceding paragraph and Article 6.  
According to the reason for the capital loan, the limit of the total amount and the amount to a single borrower and evaluation criteria are as follows:
1. For a legal person who has business dealings with the company, the amount to a single borrower shall not exceed 30% of the total amount of business dealings with the borrower within one year from the previous month. The total amount shall not exceed 40% of the net value of the Company. The total amount of business dealings referred to is the higher amount of purchases or sales between the two parties in the most recent year.
  2. For short-term financing to subsidiaries, the amount to a single borrower shall not exceed 40% of the net value of the Company, and the total amount shall not exceed 40% of the net value of the Company.
- The short term referred to in the preceding item refers to one year. However, if the Company's business cycle is longer than one year, the business cycle shall prevail.

When a responsible person of a company violates the restriction specified under this Article about short-term financing, the responsible person shall bear joint and several liability with the borrower for repayment; if the company suffers damage, the responsible person also shall be liable for damages.

- Article 5: The procedures for the Company's lending loans are as follows, and should be handled according to the specified procedures:
1. The borrower shall attach the financial information and guarantee documents for the evaluation of the Company and apply for the loan in writing to the Company.
  2. The application materials shall be evaluated by the financial department of the Company for the necessity and reasonableness of the capital loan, the credit and risk assessment of the borrower, and the impact on the Company's operational risks, financial status, and shareholders' equity. If necessary, after obtaining the collateral and the evaluation value of the collateral, the capital loan shall be submitted to the general manager and the Board of Directors for approval. For capital loan between the Company and its subsidiaries or among subsidiaries, the Chairman is authorized to send the loan in steps or cyclically use the same borrower with the certain quota resolved by the Board of Directors and within a period of not more than one year. The certain quota mentioned in the preceding item, except that capital loans among foreign subsidiaries where the Company directly or indirectly holds 100% of the voting shares is not restricted, the capital loan quota of the Company or its subsidiaries to a single enterprise shall not exceed 10% of the net value in the latest financial statements of the enterprise. If independent directors have been set up, the opinions of the independent directors should be fully considered. If an independent director expresses any dissent or reservation, it shall be noted in the minutes of the board of directors meeting.
  3. After the quota is approved, the borrower shall fill in the "Application for capital" to apply for a loan from the Company.
  4. When the borrower applies for the loan quota in accordance with the provisions of the preceding item, it shall provide the notes of the same amount of the loan or other collateral as the guarantee of the loan.
- Article 6: The Company's capital loan is limited to one year.
- Article 7: After the capital is loaned to others, the financial department shall track the financial status of the borrower on a monthly basis. If necessary, the borrower may be required to provide financial information from time to time. If the overdue creditor's right is not settled by the Company's written notice for more than 15 days, the Company will appeal to the court for a ruling and will prompt the secured note or dispose of the collateral.
- Article 8: A capital loan is calculated using floating interest rates, and adjusted according to the Company's capital cost or market interest rate. The interest rate adjustment shall be implemented by the financial department after being submitted to the general manager for approval.  
The company's 100%-owned subsidiaries can replace the payment of interest expenses in other ways.  
The interest receivable mentioned in the first item of this Article shall be settled once a quarter or after maturity.
- Article 9: When the company handles capital loans and matters, it shall establish a "checklist of lending loans to others," detailing the object of the loan, the amount, the date of the Board of Directors approval, the issuing date of the loan, the risk assessment result, and the collateral for review.

The finance department shall evaluate the capital loan and provide adequate provisions for bad debts, and properly disclose the relevant information in the financial report, and provide relevant information to the audit accountant for performing the necessary audit procedures.

Article 10: Internal auditors shall, at least quarterly, audit the procedures of lending loans to others and their execution, and make written records. If a major violation is discovered, the audit committee shall be notified in writing.

Article 11: If the Company's capital loan balance meets one of the following standards, it shall be announced within two days from the date of the fact:

1. The capital loan balance of the Company and subsidiaries to others reaches more than 20% of the net value in the most recent financial statements of the Company.
2. The capital loan balance of the Company and subsidiaries to a single enterprise reaches more than 10% of the net value in the most recent financial statements of the Company.
3. The new capital loans of the Company and subsidiaries reach more than NT\$10 million and over 2% of the net value in the most recent financial statements of the Company.

If subsidiaries are not domestic publicly-listed companies, and they have matters that shall be announced in accordance with the third paragraph of the preceding item, the announcement shall be made by the Company.

Article 12: Due to changes in circumstances, if the loan does not meet the requirements of the guidelines or the balance exceeds the limit, an improvement plan shall be formulated, and the relevant improvement plan shall be sent to the Audit Committee and the improvement shall be completed according to the schedule.

Article 13: If the manager or handler of the Company violates the guidelines or the procedures, he or she shall be punished according to the relevant reward and punishment regulations of the Company.

Article 14: If subsidiaries of the Company intend to handle capital loans for business needs, the Company shall order them to set up their "Procedures for lending loans to others" according to the guidelines and shall follow the specified procedures.

Article 15: The procedure shall be approved by more than one-half of all members of the Audit Committee and has been submitted to the shareholders' meeting for approval after the resolution of the Board of Directors. The same shall apply to any amendments to the Procedures. If the approval of one-half or more of all audit committee members as required is not obtained, the Operational Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.

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

## Appendix 5

Impact of Stock Dividend Distribution on Operating Results, EPS, and Shareholders' Return on Investment: Not applicable.

## Appendix 6

### Unimicron Directors' Shareholdings:

1. The minimum number of shares that all directors of the company should hold as follows:

The number of ordinary shares issued by the Company is 1,475,260,333.

All directors shall hold a minimum of 35,406,247 shares.

2. The number of shares held by all directors of the Company as of the date of the suspension of share transfer at shareholder's meeting (April 17, 2022) as follows:

Position	Name	Number of shares held	Proportion (%)
Chairman	United Microelectronics Co. Representative: Tzyy-Jang Tseng	196,136,008	13.30
Director	United Microelectronics Co. Representative: SC Chien	196,136,008	13.30
Director	United Microelectronics Co. Representative: Chi-Tung Liu	196,136,008	13.30
Director	Hsun Chieh Corp. Ltd. Representative: Louis Chien	4,545,000	0.31
Director	Yen-Shen Hsieh	10,355,554	0.70
Director	Ting-Yu Lin	0	0
Independent Director	Grace Li	0	0
Independent Director	Lai-Juh Chen	0	0
Independent Director	Terry Wang	0	0
Number of shares held by all directors and their proportion		211,036,562	14.31