



Stock Code: 1598

Dyaco International Inc.

Handbook for the 2022 Annual General Meeting of Shareholders

Date : May 27, 2022

Location : No.1, Gong 1st Rd., Hemei Township, Changhua County

(Meeting Center at Dyaco's Headquarters, Chuansing Industrial Park)

In case of any discrepancy between the English and the Chinese version, the Chinese version shall prevail

Dyaco International Inc. (the “Company”)
Handbook for the 2022 Annual General Meeting of Shareholders (the “Handbook”)
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Dyaco International Inc.

Annual Shareholders' Meeting Procedure for 2022

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2. Chairperson's address
3. Report matters
4. Ratifications matters
5. Discussion matters
6. Election matters
7. Other matters
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9. Adjournment

Dyaco International Inc.

2022 Shareholders' Meeting Agenda

Date : 9:00 a.m., May 27, 2022 (Friday)

Location : No.1, Gong 1st Rd., Hemei Township, Changhua County

(Meeting Center at Dyaco's Headquarters, Chuansing Industrial Park)

I. Chairperson to announce the commencement of meeting

II. Chairperson's address

III. Report matters

1. To report the business of 2021.
2. To report the Audit Committee's Review Report of 2021.
3. To report 2021 employees' profits sharing bonus and directors' compensation.
4. To report 2021 remuneration paid to individual directors (including the correlation among the remuneration payment policy, standards and combination, and management performance).
5. To report the proposal for cash distribution of 2021 earnings.
6. To report the implementation of share repurchase.
7. Amendment to the "Procedures for Ethical Management and Guidelines for Conduct".
8. Issuance of the third domestic unsecured convertible corporate bonds.

IV. Ratifications matters

1. To accept 2021 Business Report and Financial Statements.
2. To approve the proposal for distribution of 2021 earnings.

V. Discussion matters

1. Amendment to the "Handling procedures for acquisition or disposal of assets".
2. Amendment to the "Articles of Incorporation".
3. Amendment to the "Rules of Procedure for Shareholders Meetings".

VI. Election matters

By-election of the 11th Director

VII. Other matters

To approve the lifting of non-competition restrictions on new directors.

VIII. Motions

IX. Adjournment

Report matters

Report matter 1

- Subject : To report the business of 2021.
- Description :
 1. 2021 Business Report can be found on page 10.
 2. Please review.

Report matter 2

- Subject : To report the Audit Committee's Review Report of 2021.
- Description :
 1. 2021 Audit Committee's Review Report can be found on page 17.
 2. Please review.

Report matter 3

- Subject : To report 2021 employees' profits sharing bonus and directors' compensation.
- Description :
 1. The Company's 2021 pre-tax profit before distribution to employees and directors amounted to NT\$ 551,836,774. The amount of remuneration distributed to employees and directors at 1% and 0.36% in cash shall be NT\$ 5,518,368 and NT\$ 2,000,000, respectively, according to the Article 24 of the Company's Articles of Incorporation.
 2. Please review.

Report matter 4

- Subject : To report 2021 remuneration paid to individual directors (including the correlation among the remuneration payment policy, standards and combination, and management performance).
- Description :
1. The remuneration paid by the Company to the directors in 2021 refers to the remuneration of the directors for the performance of their business, and the compensation of the directors allocated. In the event of moral hazard, other adverse events that may impair the Company's reputation or goodwill, internal mismanagement, or corrupt practices, the reasonable compensation to directors shall be adjusted with respect to their participation in and contribution to the operations. The Board of Directors is authorized to distribute compensation in accordance with the Remuneration Committee's assessment and the typical pay levels adopted by peer companies.
 2. The Articles of Incorporation states that directors can be paid up to 5% of net profits as remuneration. Therefore, the Company follows the provisions of the Remuneration Committee's charter and the remuneration reviewed by the Committee is as follows.
 - (1) To prioritize the interests of shareholders and employees based on the current year's operating results.
 - (2) The remuneration to independent directors is higher than that to the directors because they serve as members of functional committees and have the responsibility to participate in discussions and resolutions at committee meetings.

The remuneration to directors is NT\$2,000,000 based on 0.36% of the net profits for 2021, which is lower than the remuneration to employees.
 3. The remuneration to individual directors for 2021 can be found on page 18.
 4. Please review.

Report matter 5

Subject : To report the proposal for cash distribution of 2021 earnings.

Description :

1. The distribution of 2021 earnings is processed in accordance with the Company Act and the Company's Articles of Incorporation. Earnings Distribution Table for 2021 can be found on page 19 and was approved at the meeting of Board of Directors on March 31, 2022.
2. The proposed distribution is NT\$317,501,885, and cash dividend is NT\$2.50 per share. The cash dividends distributed to each shareholder will be rounded down to the nearest dollar. The total amount under NT\$1 due to the rounding off will be recognized as the Company's other income.
3. Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Board of Director be authorized to resolve the ex-dividend date, ex-rights date and other relevant issues.
4. In the event of a change in the cash distribution due to a change in the number of outstanding shares of the Company prior to the ex-dividend date, it is proposed that the Board of Directors be authorized to handle the relevant matters.
5. Please review.

Report matter 6

Subject : To report the implementation of share repurchase.

Description :

1. The implementation of the stock buyback plan can be found on page 20.
2. Please review.

Report matter 7

Subject : Amendment to the "Procedures for Ethical Management and Guidelines for Conduct".

Description :

1. Due to operations need, it is proposed to amend certain provisions of the "Procedures for Ethical Management and Guidelines for Conduct".
2. The comparison of current and amended "Procedures for Ethical Management and Guidelines for Conduct" can be found on page 21.
3. Please review.

Report matter 8

Subject : Issuance of the third domestic unsecured convertible corporate bonds.

Description : 1. The contents of issuance of the third domestic unsecured convertible corporate bonds are as follows.

- (1) Reason: For repayment of bank loans at a total amount of NT\$1,000,000 thousand.
- (2) Amount: The total amount is NT\$1,000,000 thousand with a par value at NT\$100 thousand. The bonds will be issued in accordance with the principal amount.
- (3) Upon approval by Securities and Futures Bureau, Financial Supervisory Commission R.O.C (Taiwan), the issuance of convertible bonds was completed on June 24, 2021. Subsequently, bank loans were repaid during the second quarter of 2021 as planned.
- (4) As of March 27, 2022, none of bonds was converted.

2. Please review.

Ratifications matters

Ratifications matter 1 (Proposed by the Board of Directors)

Subject : To accept 2021 Business Report and Financial Statements.

Description : 1. The above consolidated financial statements including balance sheet, income statement, statement of changes in shareholders' equity, cash flow statement and business report were approved by resolution of the Board of Directors and submitted for the Audit Committee's review. The financial statements were audited by independent auditors Mr. Hsieh, Chien-Hsin and Ms. Chen, Chao-Mei of Deloitte Taiwan.

2. 2021 Business Report can be found on page 10.

3. Standalone and Consolidated Independent Certified Public Accountant Report for the year of 2021 can be found on page 23.

4. Standalone and Consolidated Financial Statement for the year of 2021 can be found on page 33.

5. Please accept the aforementioned.

Resolution:

Ratifications matter 2 (Proposed by the Board of Directors)

Subject : To approve the proposal for distribution of 2021 earnings.

Description : 1. The Company's 2021 audited after-tax profit amounted to NT\$ 440,846,817. After adjusting for retained earnings, deducting legal reserve and special reserve, and adding unappropriated retained earnings in the previous year, a total of NT\$ 570,302,745 is available for distribution and the proposed cash distribution is NT\$317,501,885.

2. The Earnings Distribution Table for 2021 can be found on page 19 and was approved at the meeting of Board of Directors on March 31, 2022.

3. Please accept the aforementioned.

Resolution:

Discussion matters

Discussion matter 1 (Proposed by the Board of Directors)

Subject : Amendment to the "Handling procedures for acquisition or disposal of assets".

Description : 1. Due to operations need, it is proposed to amend certain provisions of the "Handling procedures for acquisition or disposal of assets".

2. The comparison of current and amended "Handling procedures for acquisition or disposal of assets" can be found on page 46.

3. Please discuss.

Resolution :

Discussion matter 2 (Proposed by the Board of Directors)

Subject : Amendment to the “Articles of Incorporation”.

Description :

1. To comply with the changes to the law and operating, it is proposed to amend certain provisions of the “Articles of Incorporation”.
2. The comparison of current and amended “Articles of Incorporation” can be found on page 57.
3. Please discuss.

Resolution :

Discussion matter 3 (Proposed by the Board of Directors)

Subject : Amendment to the “Rules of Procedure for Shareholders Meetings”

Description :

1. To comply with the changes to the law, enhance corporate governance and protect the interests of shareholders, it is proposed to amend certain provisions of the “Rules of Procedure for Shareholders Meetings”.
2. The comparison of current and amended “Rules of Procedure for Shareholders Meetings” can be found on page 59.
3. Please discuss.

Resolution :

Election matters

Election matter 1 (Proposed by the Board of Directors)

Subject : By-election of the 11th Director.

Description :

1. Due to the resignation of the 11th director, the Company intends to hold a by-election of one director at the shareholders' meeting in accordance with the Company's Articles of Incorporation.
2. The term of office of the director begins on May 27, 2022 and ends on May 27, 2023.
3. All nominated candidates had been reviewed and approved at the meeting of Board of Directors on March 31, 2022. The list of candidates for the director can be found on page 75.
4. Please Vote.

Election Result :

Other Matters

Other matter 1 (Proposed by the Board of Directors)

Subject : To approve the lifting of non-competition restrictions on new director.

Description :

1. According to Article 209 of Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
2. Since none of the director candidates had held any positions in other companies with the same or similar business as the Company until April 26, 2022, when the notice for the shareholders' meeting was given, the motion will not be discussed at the shareholders' meeting because Article 209 of the Company Act does not apply..

Motions

Adjournment

Dyaco International Inc.

2021 Business Report

Dear shareholders:

First of all, thank you for your long-term support and love for Dyaco International Inc.

The rapid spread of the COVID-19 pandemic in the world from 2020 onwards has caused an unprecedented impact on the global economy, breaking all social, political, economic and financial market forecasts, and the United States and European countries were hit harder than Asian countries.

Although the pandemic has impacted the fitness industry, it has also set off a new trend of home workout, and home fitness equipment is experiencing an unprecedented surge in demand in 2020.

However, in 2021 the global home fitness equipment market shrank due to factors such as increasing freight rates, shipping delays, and inflation, which led to consumption slowdown. The Dyaco Group needs to increase our competitiveness and sets goals including accelerating product development, responding to market and user needs more quickly, and improving employee innovation and operational efficiency.

The following presents the Company's 2021 results of operations, 2022 business plan and future development strategy.

1.1 The business of 2021

(1) Results of business plan implementation

The global home fitness equipment market shrank due to factors such as increasing freight rates, shipping delays, and inflation, resulting a 11% decrease in 2021 overall operating revenue compared to the same period last year. At the same time, due to global raw materials and exchange rate impacts, the gross margin declined, and foreign exchange losses persisted. Thus, the 2021 profit was not as impressive as the previous year, with net operating profit after tax of NT\$440 million and earnings per share of NT\$3.48.

(2) Budget execution

The Company did not disclose its financial projections for 2021, however, the overall operating conditions were affected by the economic environment and market competition and did not perform as well as the Company's internally developed business plan.

(3) Financial and profitability analysis

A. Financial analysis

Unit: NT \$1,000

	2021		2020		Increase (Decrease)
	Amount	%	Amount	%	%
Net Operating Revenue	11,742,081	100%	13,123,756	100%	-11%
Operating Costs	7,684,679	65%	7,639,437	58%	1%
Gross Profit	4,057,402	35%	5,484,319	42%	-26%
Operating Expenses	3,268,732	28%	3,644,573	28%	-10%
Other Operating Income and Expenses	-2,840	-	13,164	-	-122%
Profit (Loss) from Operations	785,830	7%	1,852,910	14%	-58%
Non-Operating Income and Expenses	-236,684	-2%	-198,006	-2%	20%
Profit (Loss) before Income Tax	549,146	5%	1,654,904	13%	-67%
Income Tax Expenses (Benefit)	104,956	1%	336,848	3%	-69%
Net Income (Loss)	444,190	4%	1,318,056	10%	-66%

B. Profitability analysis

Item		2021	2020	2019
Liquidity	Current Ratio (%)	133.33	124.92	92.88
	Quick Ratio (%)	64.77	76.69	60.40
	Times Interest Earned	9.02	30.49	5.69
Operating ability	Average Collection Turnover (Times)	4.70	6.05	5.28
	Average Inventory Turnover (Times)	2.30	3.52	3.41
Profitability	Return on Total Assets (%)	3.92	13.27	3.74
	Return on Equity (%)	9.62	37.05	10.18
	Net Margin (%)	3.78	10.04	3.76
	Earnings Per Share (NT\$)	3.48	11.69	2.05

(4) Research and development status

The Company's technology sources are based on the integrated development of its R&D team and domestic upstream manufacturers, market demand and research institutions. Through marketing personnel to get close to the market and customers, we can further understand the development trend of products and the application of new technologies and develop products and technologies. Where necessary, it hires relevant consultants for advice, and cooperates with universities and research institutions in technology development, so that the overall product development efficiency and effectiveness are faster and more effective than those of our competitors. The R&D achievements for fiscal 2021 are listed below:

- A. TFT display modules
- B. Facial recognition system
- C. Bluetooth multimedia streaming
- D. Digital training tracking system APP
- E. Racing bike with adjustable watch stand
- F. Vertical climber
- G. Elliptical with multiple pedals
- H. Fitness equipment for seniors

1.2 Summary of the business plan 2022

(1) Management policy

- A. Adhering to the core value of "brand, service and innovation," the Company develops products and creates value based on people's needs, is committed to providing consumers with simple, comfortable, and safe products, and continuously focuses on improving the quality of people's workouts and leisure life.
- B. What we provide to our customers is not only products, but also brand belief, product creativity and after-sales service experience, to build up our relationship with our partners. Based on this framework, we continue to expand the international market share of our self-owned brands SOLE, SPIRIT and XTERRA, as well as authorized brand UFC.
- C. Dyaco expands diversified products and brands, such as UFC Mixed Martial Arts brand for weight training, fighting and related workout, and Johnny G new flywheel for its physical therapy and elderly rehabilitation in the field of medical technology, and collaborates with STUDIO, a U.S. smart fitness content developer, to combine STUDIO's online fitness classes with Dyaco's fitness equipment.
- D. Do the right thing on key decisions instead of dwelling on past successes. Dyaco International Inc. will continue to be dedicated to R&D technology innovation and cooperate with the academic community in the field of medical rehabilitation equipment to extend the Company's R&D advantages. Thus, the Company's products can benefit not only the public, but also those with mobility difficulties or elders at home, and everyone can take pleasure in sports to take care of more people in need of help. After all, we need a healthy body to have a good quality of life.

(2) Marketing policy

- A. Build e-commerce marketing tools to increase market share outside the physical channels.
- B. Enhance third-party sales platform materials and search engine resources to increase brand exposure in various countries.
- C. Continuously develop brand agents in various countries and establish brand communication platforms.
- D. Integrate the Company's official websites and fan pages to enhance the Company's image in Taiwan and increase the exposure of domestic products.
- E. Upgrade the functionality of the Company's websites and reinforce the impression with product press releases.
- F. Design global physical channel marketing materials in a consistent manner.

(3) R&D policy

- A. Actively develop new models of SPIRIT and SOLE series to increase consumer choice.
- B. Provide consumers with practical and aesthetically pleasing products at a high price-performance ratio with a certain quality, and further introduce a smart cloud platform.
- C. Break into the field of medical rehabilitation equipment by strengthening cooperation with academia and through cross-industry alliance and develop products for both the elderly and the mobility-impaired.
- D. Develop a new intelligence system for light commercial and commercial models
- E. Combine Internet of Things with wearable devices for the development of sports equipment control instruments with rich entertainment connectivity (APP software and 3C product connectivity control).

(4) Production policy

- A. Appropriately expand production capacity and boost production efficiency to ensure on-time delivery, quality improvement and cost reduction.
- B. Integrate industry supply chain, improve management efficiency and quality reliability, set up information sharing mechanisms, respond quickly to end market demand, reduce inventory cost, and increase added value.

1.3 Future company development strategy

(1) Continuous innovation of product technology

In addition to fitness equipment, Dyaco will continue to care for people, not only for the public's sports and leisure quality, but also for that of the elderly and people with limited mobility. Therefore, the Company will continue to strengthen cooperation with academia to develop fitness and rehabilitation equipment that meets the needs of all walks of life, and to enhance the interaction between exercisers and machines through technological innovation, so that everyone is not forced to exercise, but enjoys it and can do it with ease, thus providing people with different feelings and definitions of exercise.

(2) Development of health and rehabilitation products

Due to the rise of the fitness culture and the advent of an aging society, the health and care industry has stepped out of traditional service industry and is booming with more and more applications of Internet of Things (IoT) technology, artificial intelligence (AI) and sensing technology. Dyaco has been developing safe rehabilitation equipment over a long period of time, combining R&D innovation, manufacturing technology and scale, and marketing channels to provide the world's best rehabilitation equipment, and creating new business opportunities in addition to traditional sports and fitness facilities. This year, the Company has officially launched a series of rehabilitation equipment products and has actively introduced its products into various markets to promote sales.

(3) Brand development

We are sticking to the core values of "brand, service and innovation" to provide customers with not only products, but also brand belief, product innovation and after-sales service experience to enhance the relationship with our partners. We continue to cultivate brand agents in various countries while establishing brand communication platforms to expand the international market share of our self-owned brands SOLE, SPIRIT, XTERRA and authorized brand UFC.

(4) Upholding principles and beliefs

- A. The requirements for product quality and the commitment to customers remain unchanged.
- B. Self-imposed expectation of excellence and innovation in R&D and design remains unchanged.
- C. The principle of integrating the supply chain for the mutual benefit of the customer and the supplier remains unchanged.
- D. The belief in promoting the brand and tapping into local channels to benefit more people remains unchanged.
- E. The principle of nurturing international talent and localizing the management team remains unchanged.

1.4 Affected by external competitive environment, regulatory environment, and overall business environment

Although COVID-19 vaccines may help to terminate the pandemic, the disease will continue to affect the development of the global economy due to the restrictions imposed by various countries and the concern of people about the infection. The government of every country in the world must continue to provide stimulus packages to ensure that the economy can return to the conditions before the pandemic, and it is unlikely that the people around the world will return to normal life immediately with the introduction of vaccines. Many governments are heavily indebted and unable to provide fiscal stimulus while the central banks in those countries have reached the limits of their easing monetary policies. There is no new product or innovative breakthrough to stimulate market demand. In the absence of growth momentum, the global economy can only maintain a slow recovery. There are still many risks and variables for the global economic performance in the future, and enterprises continue to face a challenging business environment which tests their response capability.

Although the global economy is affected by many uncertainties and the assessments of the economic performance in the markets around the world are still conservative, we continue to be optimistic about the Company's operations in the future. In particular, the sales explosion in this fiscal year not only helped to increase the brand's market share and awareness but enabled the Company to enhance its capabilities in the aspect of marketing, logistics, sales, and after-sales service, creating a stronger competitive edge. At the same time, the Company was able to leverage its resources and further increase its market share through the upstream and downstream integration.

Overall, with rapid market changes and rising production costs, enterprises are facing increasingly severe challenges in their operations. We believe that by adhering to the Company's core business philosophy of sustainable management and following the Company's path to steadily maneuver itself into position in the local market, we can establish corporate culture of innovation and growth, implement corporate social responsibility, take care of more people in need of help, and ultimately maintain the original competitive advantage and accumulate more strengths, so that shareholders, customers and employees can share fruitful business results.

Sincerely yours,

Chairman: Lin, Ing-Gin

General Manager: Chen, Ming-Nan

Chief Accountant Officer: Chiu, Yuan-Shen

Dyaco International Inc.

Audit Committee's Review Report

(This English version is only a translation of the Chinese version)

The Board of Directors has prepared and submitted the 2021 consolidated financial statements (including standalone financial statements), business report, and earnings distribution proposal. Independent auditors Mr. Hsieh, Chien-Hsin and Ms. Chen, Chao-Mei of Deloitte & Touche Taiwan audited the consolidated financial statements (including standalone financial statements) and has issued an audit report. These have been reviewed and determined to be correct and accurate by the Audit Committee. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Dyaco International Inc.

Audit Committee convener: Hsieh, Chang-Hung

March 31, 2022

Dyaco International Inc.

Remuneration to Individual Directors for 2021

Unit: NT\$1,000; 1,000 Shares; %

Title	Name	Remuneration								The Aggregate of A, B, C, and D as Percentage of Net Income		Relevant Remuneration Received by Who are also Employees								The Aggregate of A, B, C, D, E, F and G as Percentage of Net Income		Any Other Compensations from Other Investees or Parent Comany
		Base Compensation (A)		Severance Pay and Pensions (B)		Directors' Compensation (C) (Note 1)		Business-conducting Expenses (D)				Salaries, Bonuses and Special Allowances (E)		Severance Pay and Pensions (F)		Employees' Compensation (G)						
		From Dyaco	From All Consolidated Entities	From Dyaco	From All Consolidated Entities	From Dyaco	From All Consolidated Entities	From Dyaco	From All Consolidated Entities	From Dyaco	From All Consolidated Entities	From Dyaco	From All Consolidated Entities	From Dyaco	From All Consolidated Entities	From Dyaco		From All Consolidated Entities		From Dyaco	From All Consolidated Entities	
Chairman	Lin, Ing-Gin	3,598	3,598	-	-	500	500	3,079	3,079	1.62	1.62	-	-	-	-	-	-	-	-	1.62	1.62	-
Director	Zhuang, Zhu-Wei	-	-	-	-	150	150	150	150	0.07	0.07	-	-	-	-	-	-	-	-	0.07	0.07	-
Director	Chang, Chih-Chuan	-	-	-	-	150	150	150	150	0.07	0.07	-	-	-	-	-	-	-	-	0.07	0.07	-
Independent Director	Hsieh, Chang-Hung	600	600	-	-	400	400	150	150	0.26	0.26	-	-	-	-	-	-	-	-	0.26	0.26	-
Independent Director	Wang, Kai-Li	600	600	-	-	400	400	150	150	0.26	0.26	-	-	-	-	-	-	-	-	0.26	0.26	-
Independent Director	Wang, Chih-Cheng	600	600	-	-	400	400	150	150	0.26	0.26	-	-	-	-	-	-	-	-	0.26	0.26	-
Director	Liao, Liang-Bin (Note 1)	-	-	-	-	-	-	90	90	0.02	0.02	-	-	-	-	-	-	-	-	0.02	0.02	-

Note 1 : Director Liao, Liang-Bin resigned on November 15, 2021.

Note 2 : Please describe the policies, systems, standards, and structure of independent directors' remuneration, and explain the relevance with the amount of remuneration based on their responsibilities, risks, and time investment: Pursuant to Article 24 of the Company's Articles of Incorporation, the remuneration of the directors of the Company shall be distributed at a rate not exceeding 5% of the profitability of the current year. The procedures for determining remuneration shall be subject to the regulations on the Company's Board of Directors' self-evaluation or peer review. Article 21 of the Company's Articles of Incorporation states that the compensation of directors shall be determined by the Remuneration Committee regarding the extent of their participation in and contribution to the operations, with the reasonable fairness of performance risks linked to the compensation received, and the Board of Directors authorized to make payments in accordance with the Remuneration Committee's assessment and the usual standards of the industry.

Note 3 : Except for the disclosure above, remuneration paid to the Company's directors for their services to all the companies listed in the financial statements (e.g., serving as a non-employee adviser): None.

Dyaco International Inc.
Earnings Distribution Table
Year Ended December 31, 2021

Unit: NT\$

Item	Amount
Net Income of 2021	\$ 440,846,817
Plus: Remeasurement of Defined Benefit Obligation Recognized in Retained Earnings	646,367
Total Amount of After-Tax Net Income for 2021 and Other Items Adjusted to The Current Year's Undistributed Earnings	441,493,184
Less: Appropriated Legal Reserves	(44,149,318)
Less: Appropriated Special Reserves	(62,460,244)
2021 Distributable Earnings	334,883,622
Plus: Unappropriated Earnings of Previous Years	256,509,256
Less: Adjustments to Unappropriated Earnings of Previous Years	(21,090,133)
Distributable Earnings as of December 31, 2021	570,302,745
Distributable Items:	
Less: Dividends to Shareholders (NT\$2.5/per share)	(317,501,885)
Unappropriated Earnings	\$ 252,800,860

Note 1: Earnings available for distribution by the end of 2021 shall be distributed first.

Note 2: The dividend distribution was calculated based on the number of 127,000,754 shares outstanding at the time of the Board of Directors' resolution on March 31, 2022. The actual dividend distribution rate was calculated based on the number of shares outstanding on the ex-dividend date.

Note 3: Pursuant to Article 25 of the Articles of Incorporation, the Company authorizes the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution by the Board of Directors, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Dyaco International Inc.

Implementation Status Report of the Company's Treasury Share

Treasury stocks in batches		1 st Batch	2 nd Batch	3 rd Batch	4 th Batch
Scheduled buyback plan	Date of Board resolution	December 21, 2017	February 21, 2020	March 20, 2020	September 29, 2021
	Purpose of stock buyback	Transfer ownership of shares to employees	Transfer ownership of shares to employees	Transfer ownership of shares to employees	Transfer ownership of shares to employees
	Scheduled buyback period	2017/12/22~2018/02/21	2020/02/24~2020/04/23	2020/03/23~2020/05/19	2021/09/30~2021/11/29
	Scheduled buyback shares	4,000,000 shares	3,000,000 shares	4,500,000 shares	4,000,000 shares
	Price range	NT\$30~NT\$50	NT\$30~NT\$50	NT\$25~NT\$45	NT\$45~NT\$90
	Scheduled buyback shares (as a percentage of issued shares) (Note 1)	4.30%	2.61%	3.91%	2.99%
	Maximum amount of buyback shares	NT\$950,382,893	NT\$1,002,912,315	NT\$1,002,912,315	NT\$2,937,819,581
Execution of the buyback plan	Actual buyback period	2017/12/22~2018/02/21	2020/02/27~2020/03/20	2020/03/23~2020/04/08	2021/09/30~2021/11/29
	Actual buyback shares (as a percentage of issued shares) (Note 2)	2.61%	2.61%	1.36%	1.86%
	Actual amount of buyback shares	NT\$172,339,773	NT\$104,927,035	NT\$50,663,964	NT\$156,988,000
	Average price per share	NT\$43.08	NT\$34.98	NT\$32.37	NT\$63.10
	Reasons for incompleteness	Completed	Completed	To protect the interests of shareholders and balance market mechanism, the Company adopts batch buying strategies depending on stock price changes. Therefore, the buyback is not completed.	To protect the interests of shareholders and balance market mechanism, the Company adopts batch buying strategies depending on stock price changes. Therefore, the buyback is not completed.
Status		Nullified	Not Nullified	Not Nullified	Not Nullified

Note 1: Calculated based upon the total issued shares of the Company at the time the buyback was reported.

Note 2: Calculated based upon the total issued shares of the Company after expiration of period or completion of execution.

Dyaco International Inc.

Comparison Table for Procedures for Ethical Management and Guidelines for Conduct

After the Revision	Before the Revision	Description
<p>Article 10 (Procedures for handling charitable donations or sponsorships) Charitable donations or sponsorships by the Company shall be provided in accordance with the following provisions and reported to the supervisor in charge for approval, and a notification shall be given to the responsible unit. When the amount is <u>NT\$2 million</u> or more, the donation or sponsorship shall be provided only after it has been submitted for adoption by the board of directors:</p> <p>A. It shall be ascertained that the donation or sponsorship is in compliance with the laws and regulations of the country where the Company is doing business.</p> <p>B. A written record of the decision making process shall be kept.</p> <p>C. A charitable donation shall be given to a valid charitable institution and may not be a disguised form of bribery.</p>	<p>Article 10 (Procedures for handling charitable donations or sponsorships) Charitable donations or sponsorships by the Company shall be provided in accordance with the following provisions and reported to the supervisor in charge for approval, and a notification shall be given to the responsible unit. When the amount is <u>NT\$1 million</u> or more, the donation or sponsorship shall be provided only after it has been submitted for adoption by the board of directors:</p> <p>A. It shall be ascertained that the donation or sponsorship is in compliance with the laws and regulations of the country where the Company is doing business.</p> <p>B. A written record of the decision making process shall be kept.</p> <p>C. A charitable donation shall be given to a valid charitable institution and may not be a disguised form of bribery.</p>	Adjusted for the maximum donation amount due to operating needs.

<p>D. The returns received as a result of any sponsorship shall be specific and reasonable, and the subject of the sponsorship may not be a counterparty of the Company's commercial dealings or a party with which any personnel of the Company has a relationship of interest.</p> <p>E. After a charitable donation or sponsorship has been given, it shall be ascertained that the destination to which the money flows is consistent with the purpose of the contribution.</p>	<p>D. The returns received as a result of any sponsorship shall be specific and reasonable, and the subject of the sponsorship may not be a counterparty of the Company's commercial dealings or a party with which any personnel of the Company has a relationship of interest.</p> <p>E. After a charitable donation or sponsorship has been given, it shall be ascertained that the destination to which the money flows is consistent with the purpose of the contribution.</p>	
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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Dyaco International Inc.

Opinion

We have audited the accompanying financial statements of Dyaco International Inc. (the “Corporation”), which comprise the balance sheets as of December 31, 2021 and 2020, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of 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.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The descriptions for the key audit matters of the financial statements are as follows:

Loss on Inventory Obsolescence

As of December 31, 2021, the carrying amounts of inventories held by the Corporation and its subsidiaries which are accounted for by using the equity method were \$478,619 thousand and \$3,052,587 thousand, respectively. The amount of inventories is significant and the valuation of inventories involves significant accounting judgments and estimates made by management, especially when estimating losses from obsolete finished goods and merchandise. Therefore, the estimation of obsolescence loss from finished goods and merchandise was considered to be a key audit matter. For the accounting policies, significant accounting judgments and estimates related to inventory, refer to Notes 4-5 and 5-1. For more information about the Corporation's inventory, refer to Note 11 to the financial statements.

We evaluated the appropriateness of method applied in the calculation of obsolescence loss for finished goods and merchandise at year end. Then, we verified the data used in assumptions against the relevant supporting documents and recalculated the loss provision to ensure its accuracy. In addition, we reviewed the aging report of finished goods and merchandise and compared the allocated historical obsolescence loss with actual disposal of finished goods and merchandise from previous years in order to evaluate the adequacy of inventory losses due to obsolescence.

Evaluation of Impairment Loss on Goodwill from the Subsidiaries which are Accounted for by Using the Equity Method

The book value of the subsidiaries which are accounted for using the equity method included the goodwill on acquisition of Dongguan Dayu Sports Equipment Co., Ltd., Shelton Corporation (Jiaxing), Ltd., CARDIO fitness GmbH & Co. KG, Dyaco Canada Inc., Fitness Equipment Services, LLC., CITY SPORTS (THAILAND) CO., LTD. and Neutron Ventures Ltd. As of December 31, 2021, the carrying amount of goodwill was \$528,950 thousand. According to IAS 36 "Impairment of Assets", goodwill arising from the acquisition of a business is subject to an annual impairment test by comparing its carrying amount (including attributable goodwill) with its recoverable amount. The impairment test of goodwill impairment involves significant accounting judgments and estimates made by management, especially when estimating the future cash flows and discount rates used to calculate the present value of a cash-generating unit. Thus, the impairment test of goodwill was considered to be a key audit matter. For the accounting policies, significant accounting judgments and estimates related to goodwill, refer to Notes 4-6 and 5-2. The cash-generating unit of goodwill arising from business combination and basic assumptions of estimated recoverable amount have been disclosed in Note 13-2, including the projected future cash flows and discount rates (weighted average cost of capital).

We assessed the professional skills, competencies, and objectivity of independent appraisers hired by management, and also verified the qualifications of appointed appraisers. In addition, we confirmed that nothing would affect the objectivity or restriction of job duties by discussing the job scope and reviewing conditions of appointment with management. We checked whether the method used by the independent appraisers was in accordance with the International Accounting Standards (IAS).

We assessed management's judgments based on the opinion of our financial advisor, especially with regard to material assumptions, (including the prediction of future cash flows and discount rates) used by management to confirm the appropriateness of management's judgments. Our primary audit procedures performed included the following:

1. We tested the data used to estimate recoverable amount of goodwill, such as historical operating revenue, revenue growth rate and gross margin for assessing the reasonableness of assumptions.
2. We compared the budgeted amounts with actual operating results of the Corporation in 2021 when considering the assessment of reliability prediction for 2022 and future years in order to assess the accuracy of management's historical predictions.
3. We checked if there were significant differences between the weighted average cost of capital calculated by using the same valuation method and the weighted average cost of capital adopted by the Corporation to confirm that management applied the appropriate discount rates for assessing goodwill impairment.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2021, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chien-Hsin Hsieh and Chao-Mei Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 31, 2022

Notice to Readers

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

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

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Dyaco International Inc.

Opinion

We have audited the accompanying consolidated financial statements of Dyaco International Inc. (the “Corporation”) and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of 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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the 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 judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The descriptions for the key audit matters of the consolidated financial statements are as follows:

Loss on Inventory Obsolescence

The carrying amount of inventories held by Group was \$3,531,206 thousand as of December 31, 2021, which represented 29% of the consolidated total assets. The amount of inventories is significant and the valuation of inventories involves significant accounting judgments and estimates made by management, especially when estimating losses from obsolete finished goods and merchandise. Therefore, the estimation of obsolescence loss from finished goods and merchandise was considered to be a key audit matter. For the accounting policies, significant accounting judgments and estimates related to inventory, refer to Notes 4-8 and 5-1.

We evaluated the appropriateness of method applied in the calculation of obsolescence loss for finished goods and merchandise at year end. Then, we verified the data used in assumptions against the relevant supporting documents and recalculated the loss provision to ensure its accuracy. In addition, we reviewed the aging report of finished goods and merchandise and compared the allocated historical obsolescence loss with actual disposal of finished goods and merchandise from previous years in order to evaluate the adequacy of inventory losses due to obsolescence.

Impairment of Goodwill

According to IAS 36 “Impairment of Assets”, goodwill arising from the acquisition of a business is subject to an annual impairment test by comparing its carrying amount (including attributable goodwill) with its recoverable amount. As of December 31, 2021, the carrying amount of goodwill held by the Group was \$528,950 thousand, which represented 4% of the total assets in the consolidated balance sheets. The impairment test of goodwill involves significant accounting judgments and estimates made by management, especially when estimating the future cash flows and discount rates used to calculate the present value of a cash-generating unit. Thus, the impairment test of goodwill was considered to be a key audit matter. For the accounting policies on impairment of goodwill and the related significant accounting judgments and estimates, refer to Notes 4-12 and 5-2. The cash-generating unit of goodwill from business combination and basic assumptions of estimated recoverable amount have been disclosed in Note 18, including the projected future cash flows and discount rates (weighted average cost of capital).

We assessed the professional skills, competencies, and objectivity of independent appraisers hired by management, and also verified the qualifications of appointed appraisers. In addition, we confirmed that nothing would affect the objectivity or restriction of job duties by discussing the job scope and reviewing conditions of appointment with management. We checked whether the method used by independent appraisers was in accordance with the International Accounting Standards (IAS).

We assessed management's judgments based on the opinion of our financial advisor, especially with regard to material assumptions (including the prediction of future cash flows and discount rates) used by management to confirm the appropriateness of management's judgments. Our primary audit procedures performed included the following:

1. We tested the data used to estimate recoverable amount of goodwill, such as historical operating revenue, revenue growth rate and gross margin for assessing the reasonableness of assumptions.
2. We compared the budgeted amounts with actual operating results of the Group in 2021 when considering the assessment of reliability prediction for 2022 and future years in order to assess the accuracy of management's historical predictions.
3. We checked if there were significant differences between the weighted average cost of capital calculated by using the same valuation method and the weighted average cost of capital adopted by the Group to confirm that management applied the appropriate discount rates for assessing goodwill impairment.

Other Matter

We have also audited the parent company only financial statements of Dyaco International Inc. as of and for the years ended December 31, 2021 and 2020 on which we have issued an unmodified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chien-Hsin Hsieh and Chao-Mei Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 31, 2022

Notice to Readers

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

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

DYACO INTERNATIONAL INC.
BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

ASSETS	2021		2020	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash (Note 6)	\$ 611,607	6	\$ 684,900	6
Financial assets at fair value through profit or loss (Notes 4, 7 and 33)	-	-	2,593	-
Financial assets at amortized cost (Notes 4, 9 and 35)	292,394	3	208,931	2
Notes receivable (Notes 4, 10 and 24)	1,490	-	1,829	-
Accounts receivable (Notes 4, 10 and 24)	105,935	1	142,678	1
Accounts receivable from related parties (Notes 4, 24 and 34)	2,542,832	25	4,189,287	38
Other receivables (Notes 4 and 10)	52,110	1	50,847	1
Other receivables from related parties (Notes 4 and 34)	1,452,687	14	394,894	4
Current tax assets (Note 26)	31,010	-	-	-
Inventories (Notes 4, 5 and 11)	478,619	5	710,403	7
Prepayments (Note 12)	39,945	-	43,084	-
Other current assets	18,923	-	19,434	-
Total current assets	5,627,552	55	6,448,880	59
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss (Notes 4, 7 and 33)	139,035	1	-	-
Financial assets at fair value through other comprehensive income (Notes 4, 8 and 33)	54,745	1	41,141	-
Investments accounted for using the equity method (Notes 4, 5 and 13)	2,173,277	22	2,348,793	21
Property, plant and equipment (Notes 4, 14 and 35)	1,620,884	16	1,672,688	15
Right-of-use assets (Notes 4, 15 and 34)	38,915	1	3,947	-
Investment properties (Notes 4, 16 and 35)	20,448	-	21,327	-
Intangible assets (Notes 4 and 17)	128,350	1	91,538	1
Deferred income tax assets (Notes 4 and 26)	333,364	3	278,657	3
Prepayments for equipment	8,196	-	8,022	-
Refundable deposits	8,737	-	47,325	1
Other non-current assets	5,683	-	5,683	-
Total non-current assets	4,531,634	45	4,519,121	41
TOTAL	\$ 10,159,186	100	\$ 10,968,001	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 18 and 35)	\$ 2,343,950	23	\$ 1,145,000	10
Financial liabilities at fair value through profit or loss (Notes 4, 7 and 33)	14,135	-	1,685	-
Notes payable (Note 20)	33,191	-	780,823	7
Accounts payable (Note 20)	346,217	4	818,672	8
Accounts payable to related parties (Note 34)	634,246	6	1,246,892	11
Other payables (Note 21)	179,490	2	317,082	3
Other payables to related parties (Note 34)	333	-	86,080	1
Current income tax liabilities (Note 26)	-	-	355,708	3
Lease liabilities (Notes 4, 15 and 34)	7,651	-	2,062	-
Contract liabilities (Note 24)	8,611	-	29,640	-
Current portion of long-term borrowings (Notes 18 and 35)	230,890	2	158,021	2
Other current liabilities	59,239	1	49,421	1
Total current liabilities	3,857,953	38	4,991,086	46
NON-CURRENT LIABILITIES				
Bonds payable (Notes 4 and 19)	1,379,436	14	462,372	4
Long-term borrowings (Notes 18 and 35)	522,910	5	752,757	7
Deferred tax liabilities (Notes 4 and 26)	113,258	1	109,087	1
Lease liabilities (Notes 4, 15 and 34)	31,429	-	1,921	-
Long-term payables (Note 21)	104,342	1	25,878	-
Credit balance of investments accounted for using the equity method (Notes 4 and 13)	143,086	2	90,524	1
Net defined benefit liabilities (Notes 4 and 22)	19,284	-	20,399	-
Guarantee deposits received	638	-	801	-
Total non-current liabilities	2,314,383	23	1,463,739	13
Total liabilities	6,172,336	61	6,454,825	59
EQUITY (Note 23)				
Share capital				
Ordinary shares	1,339,822	13	1,311,496	12
Advance share capital	400	-	15,027	-
Total share capital	1,340,222	13	1,326,523	12
Capital surplus	2,115,925	21	1,986,005	18
Retained earnings				
Legal reserve	284,853	3	152,827	1
Special reserve	175,628	2	105,812	1
Unappropriated earnings	676,913	6	1,390,288	13
Total retained earnings	1,137,394	11	1,648,927	15
Other equity	(238,087)	(2)	(175,628)	(2)
Treasury shares	(368,604)	(4)	(272,651)	(2)
Total equity	3,986,850	39	4,513,176	41
TOTAL	\$ 10,159,186	100	\$ 10,968,001	100

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

DYACO INTERNATIONAL INC.

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)**

	2021		2020	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 24 and 34)	\$ 6,880,450	100	\$ 8,492,324	100
LESS: SALES RETURNS	4,921	-	4,772	-
SALES DISCOUNTS AND ALLOWANCES	<u>2,696</u>	<u>-</u>	<u>1,642</u>	<u>-</u>
NET OPERATING REVENUE	6,872,833	100	8,485,910	100
OPERATING COSTS (Notes 11, 25 and 34)				
Cost of sales	<u>5,204,517</u>	<u>76</u>	<u>5,887,412</u>	<u>69</u>
GROSS PROFIT	1,668,316	24	2,598,498	31
UNREALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES	<u>(33,817)</u>	<u>-</u>	<u>(428,485)</u>	<u>(5)</u>
REALIZED GROSS PROFIT	<u>1,634,499</u>	<u>24</u>	<u>2,170,013</u>	<u>26</u>
OPERATING EXPENSES (Notes 10, 25 and 34)				
Selling and marketing	355,231	5	432,424	5
General and administrative	164,145	2	206,583	3
Research and development	104,517	2	115,655	1
Expected credit loss (gain)	<u>2,735</u>	<u>-</u>	<u>(722)</u>	<u>-</u>
Total operating expenses	<u>626,628</u>	<u>9</u>	<u>753,940</u>	<u>9</u>
OTHER OPERATING INCOME (Notes 25 and 34)	<u>63,675</u>	<u>1</u>	<u>249,926</u>	<u>3</u>
PROFIT FROM OPERATIONS	<u>1,071,546</u>	<u>16</u>	<u>1,665,999</u>	<u>20</u>
NON-OPERATING INCOME AND EXPENSES				
Share of profit or loss of subsidiaries and associates	(318,964)	(5)	140,631	2
Interest income (Note 34)	842	-	5,131	-
Rental income (Note 34)	4,415	-	4,766	-
Other income	10,442	-	4,694	-
Foreign exchange loss, net (Note 25)	(165,119)	(2)	(182,314)	(2)
Gain or loss on valuation of financial instruments	(14,951)	-	(579)	-
Other expenses	(111)	-	(925)	-
Interest expense (Notes 25 and 34)	<u>(43,781)</u>	<u>(1)</u>	<u>(35,122)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>(527,227)</u>	<u>(8)</u>	<u>(63,718)</u>	<u>(1)</u>

(Continued)

DYACO INTERNATIONAL INC.

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)**

	2021		2020	
	Amount	%	Amount	%
PROFIT BEFORE INCOME TAX	\$ 544,319	8	\$ 1,602,281	19
INCOME TAX EXPENSE (Notes 4 and 26)	<u>103,471</u>	<u>1</u>	<u>281,172</u>	<u>3</u>
NET PROFIT	<u>440,848</u>	<u>7</u>	<u>1,321,109</u>	<u>16</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plan	808	-	(1,058)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	704	-	206	-
Share of other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method	(5,904)	-	(1,259)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>(162)</u>	<u>-</u>	<u>212</u>	<u>-</u>
	<u>(4,554)</u>	<u>-</u>	<u>(1,899)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	<u>(57,259)</u>	<u>(1)</u>	<u>(68,762)</u>	<u>(1)</u>
Other comprehensive loss for the period, net of income tax	<u>(61,813)</u>	<u>(1)</u>	<u>(70,661)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 379,035</u>	<u>6</u>	<u>\$ 1,250,448</u>	<u>15</u>
EARNINGS PER SHARE (Note 27)				
Basic	<u>\$ 3.48</u>		<u>\$ 11.69</u>	
Diluted	<u>\$ 3.31</u>		<u>\$ 11.38</u>	

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

(Concluded)

DYACO INTERNATIONAL INC.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Cash Dividends Per Share)

	Other Equity									
	Share Capital			Retained Earnings			Exchange Differences on Translation of Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Shares	Total Equity
	Ordinary Shares	Advance Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings				
BALANCE AT JANUARY 1, 2020	\$ 961,009	\$ -	\$ 758,304	\$ 133,886	\$ 79,123	\$ 239,976	\$ (109,706)	\$ 3,893	\$ (172,340)	\$ 1,894,145
Issuance of ordinary shares under employee share options (Note 28)	3,000	1,000	121,631	-	-	-	-	-	-	125,631
Equity component of convertible bonds issued by the Corporation (Notes 19 and 23)	-	-	12,666	-	-	-	-	-	-	12,666
Changes in capital surplus from investments using the equity method	-	-	558	-	-	-	-	-	-	558
Appropriation of prior year's earnings										
Legal reserve	-	-	-	18,941	-	(18,941)	-	-	-	-
Special reserve	-	-	-	-	26,689	(26,689)	-	-	-	-
Cash dividends to shareholder - NT\$1.15 per share	-	-	-	-	-	(124,321)	-	-	-	(124,321)
	-	-	-	18,941	26,689	(169,951)	-	-	-	(124,321)
Convertible bonds converted to ordinary shares (Note 19)	157,487	14,027	549,273	-	-	-	-	-	-	720,787
Net profit for the year ended December 31, 2020	-	-	-	-	-	1,321,109	-	-	-	1,321,109
Other comprehensive loss for the year ended December 31, 2020	-	-	-	-	-	(846)	(68,762)	(1,053)	-	(70,661)
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	1,320,263	(68,762)	(1,053)	-	1,250,448
Issuance of ordinary shares for cash (Note 23)	190,000	-	548,745	-	-	-	-	-	-	738,745
Buy-back of ordinary shares (Note 23)	-	-	-	-	-	-	-	-	(155,550)	(155,550)
Treasury shares transferred to employees (Note 23)	-	-	(5,172)	-	-	-	-	-	55,239	50,067
BALANCE AT DECEMBER 31, 2020	1,311,496	15,027	1,986,005	152,827	105,812	1,390,288	(178,468)	2,840	(272,651)	4,513,176
Issuance of ordinary shares under employee share options (Note 28)	8,760	(600)	58,812	-	-	-	-	-	-	66,972
Equity component of convertible bonds issued by the Corporation (Notes 19 and 23)	-	-	38,988	-	-	-	-	-	-	38,988
Changes in capital surplus from investments using the equity method	-	-	1,876	-	-	-	-	-	-	1,876
Gain on disgorgement	-	-	140	-	-	-	-	-	-	140
Appropriation of prior year's earnings										
Legal reserve	-	-	-	132,026	-	(132,026)	-	-	-	-
Special reserve	-	-	-	-	69,816	(69,816)	-	-	-	-
Share dividends to shareholder - NT\$7.50 per share	-	-	-	-	-	(953,027)	-	-	-	(953,027)
	-	-	-	132,026	69,816	(1,154,869)	-	-	-	(953,027)
Convertible bonds converted to ordinary shares (Note 19)	19,566	(14,027)	43,162	-	-	-	-	-	-	48,701
Net profit for the year ended December 31, 2021	-	-	-	-	-	440,848	-	-	-	440,848
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	646	(57,259)	(5,200)	-	(61,813)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	441,494	(57,259)	(5,200)	-	379,035
Buy-back of ordinary shares (Note 23)	-	-	-	-	-	-	-	-	(157,086)	(157,086)
Treasury shares transferred to employees (Note 23)	-	-	(13,058)	-	-	-	-	-	61,133	48,075
BALANCE AT DECEMBER 31, 2021	\$ 1,339,822	\$ 400	\$ 2,115,925	\$ 284,853	\$ 175,628	\$ 676,913	\$ (235,727)	\$ (2,360)	\$ (368,604)	\$ 3,986,850

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

DYACO INTERNATIONAL INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)**

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 544,319	\$ 1,602,281
Adjustments for:		
Depreciation expense	74,401	76,313
Amortization expense	37,144	44,466
Expected credit loss recognized (reversed)	2,735	(722)
Net loss on fair value changes of financial instrument at fair value through profit or loss	14,951	579
Interest expense	43,781	35,122
Interest income	(842)	(5,131)
Compensation costs of employee share options	34,379	109,556
Share of loss (profit) of subsidiaries and associates accounted for using the equity method	318,964	(140,631)
Gain on disposal of property, plant and equipment	(357)	(266)
Loss on inventories valuation and obsolescence	-	3,155
Unrealized gain on the transactions with subsidiaries	33,817	428,485
Unrealized loss on foreign currency exchange	71,972	78,543
Changes in operating assets and liabilities		
Notes receivable	339	(597)
Accounts receivable	25,309	(55,605)
Accounts receivable from related parties	1,591,887	(3,177,128)
Other receivables	42,237	(36,341)
Other receivables from related parties	(1,015,642)	(211,461)
Inventories	231,784	(441,801)
Prepayments	2,359	(1,115)
Other current assets	511	11,896
Contract liabilities	(20,873)	26,509
Notes payable	(747,632)	472,449
Accounts payable	(472,433)	625,198
Accounts payable to related parties	(619,034)	773,234
Other payables	(115,358)	106,967
Other payables to related parties	(85,747)	516
Other current liabilities	9,818	9,857
Net defined benefit liabilities	(307)	(222)
Cash generated from operations	2,482	334,106
Interest received	3,459	2,514
Interest paid	(33,047)	(28,206)
Income tax paid	(540,887)	(75,301)
Net cash generated from (used in) operating activities	(567,993)	233,113
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(12,900)	(9,075)
Decrease (increase) in other financial assets	(83,463)	119,426

(Continued)

DYACO INTERNATIONAL INC.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
Purchase of financial assets at fair value through profit or loss	\$(138,750)	\$ -
Purchase of investments accounted for using the equity method	(27,750)	-
Increase in investments in subsidiaries (Note 13)	(25,000)	(868,701)
Net cash outflow on acquisition of subsidiaries (Note 13)	(93,654)	(230,206)
Payments for property, plant and equipment (Note 31)	(20,449)	(60,036)
Proceeds from disposal of property, plant and equipment	620	480
Increase in refundable deposits	(4,912)	(44,478)
Increase in other receivables from related parties	(45,546)	(3,836)
Payments for intangible assets (Note 31)	<u>(52,844)</u>	<u>(37,701)</u>
Net cash used in investing activities	<u>(504,648)</u>	<u>(1,134,127)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from (repayments of) short-term borrowings	1,198,950	(110,000)
Proceeds from issuance of convertible bonds	994,594	594,648
Repayments of bonds payables	-	(100)
Proceeds from long-term borrowings	-	200,000
Repayments of long-term borrowings	(156,978)	(143,112)
Proceeds from (refund of) guarantee deposits received	(163)	34
Repayment of the principal portion of lease liabilities	(5,117)	(2,312)
Cash dividends	(953,027)	(124,321)
Proceeds from issuance of ordinary shares	-	706,129
Exercise of employee share options	32,593	16,075
Payments for buy-back of ordinary shares	(157,086)	(155,550)
Proceeds from treasury shares transferred to employees	48,075	50,067
Imposition of disgorgement	<u>140</u>	<u>-</u>
Net cash generated from financing activities	<u>1,001,981</u>	<u>1,031,558</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(2,633)</u>	<u>(4,740)</u>
NET INCREASE (DECREASE) IN CASH	(73,293)	125,804
CASH, BEGINNING OF THE YEAR	<u>684,900</u>	<u>559,096</u>
CASH, END OF THE YEAR	<u>\$ 611,607</u>	<u>\$ 684,900</u>

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

(Concluded)

DYACO INTERNATIONAL INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

ASSETS	2021		2020	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash (Note 6)	\$ 1,212,636	10	\$ 1,542,324	12
Financial assets at fair value through profit or loss (Notes 4 and 7)	-	-	2,593	-
Financial assets at amortized cost (Notes 4, 9 and 38)	292,394	2	208,931	1
Notes receivable (Notes 4, 10 and 27)	1,490	-	2,020	-
Accounts receivable (Notes 4, 10 and 27)	1,647,028	14	3,050,265	23
Other receivables (Notes 4 and 10)	68,090	1	86,259	1
Current tax assets (Note 29)	35,596	-	17,980	-
Inventories (Notes 4, 5, 11 and 38)	3,531,206	29	3,141,741	24
Prepayments (Note 12)	155,988	1	183,385	1
Other current assets	22,631	-	20,363	-
Total current assets	6,967,059	57	8,255,861	62
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss (Notes 4 and 7)	139,035	1	-	-
Financial assets at fair value through other comprehensive income (Notes 4 and 8)	58,785	1	51,165	-
Investments accounted for using the equity method (Notes 4 and 14)	29,706	-	5,252	-
Property, plant and equipment (Notes 4, 15 and 38)	2,913,174	24	2,877,597	22
Right-of-use assets (Notes 4, 16 and 38)	328,889	3	350,377	3
Investment properties (Notes 4, 17 and 38)	53,481	1	57,061	-
Goodwill (Notes 4, 5, 18 and 32)	528,950	4	478,118	4
Other intangible assets (Notes 4 and 19)	742,471	6	760,552	6
Deferred income tax assets (Notes 4 and 29)	383,136	3	330,238	3
Prepayments for equipment	9,533	-	15,931	-
Refundable deposits	19,553	-	57,918	-
Other non-current assets	2,855	-	11,918	-
Total non-current assets	5,209,568	43	4,996,127	38
TOTAL	\$ 12,176,627	100	\$ 13,251,988	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 20 and 38)	\$ 2,866,075	24	\$ 1,573,781	12
Financial liabilities at fair value through profit or loss (Notes 4 and 7)	14,135	-	1,685	-
Notes payable (Note 22)	33,271	-	781,353	6
Accounts payable (Note 22)	1,338,034	11	2,438,687	18
Other payables (Note 23)	650,538	5	1,075,723	8
Current income tax liabilities (Note 29)	27,907	-	401,093	3
Provisions (Notes 4 and 24)	19,343	-	18,359	-
Lease liabilities (Notes 4 and 16)	17,859	-	19,863	-
Contract liabilities (Note 27)	21,470	-	74,531	1
Current portion of long-term borrowings (Notes 20 and 38)	232,812	2	159,929	1
Other current liabilities (Note 26)	76,561	1	63,901	1
Total current liabilities	5,298,005	43	6,608,905	50
NON-CURRENT LIABILITIES				
Bonds payable (Notes 4 and 21)	1,379,436	11	462,372	4
Long-term borrowings (Notes 20 and 38)	557,615	5	790,621	6
Deferred tax liabilities (Notes 4 and 29)	408,402	4	426,806	3
Lease liabilities (Notes 4 and 16)	34,620	-	44,408	-
Long-term payables (Note 23)	107,094	1	25,878	-
Net defined benefit liabilities (Note 25)	19,284	-	20,399	-
Guarantee deposits received	2,732	-	2,737	-
Total non-current liabilities	2,509,183	21	1,773,221	13
Total liabilities	7,807,188	64	8,382,126	63
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 26)				
Share capital				
Ordinary shares	1,339,822	11	1,311,496	10
Advance share capital	400	-	15,027	-
Total share capital	1,340,222	11	1,326,523	10
Capital surplus	2,115,925	18	1,986,005	15
Retained earnings				
Legal reserve	284,853	2	152,827	1
Special reserve	175,628	1	105,812	1
Unappropriated earnings	676,913	6	1,390,288	10
Total retained earnings	1,137,394	9	1,648,927	12
Other equity	(238,087)	(2)	(175,628)	(1)
Treasury shares	(368,604)	(3)	(272,651)	(2)
Total equity attributable to owners of the Corporation	3,986,850	33	4,513,176	34
NON-CONTROLLING INTERESTS (Notes 13 and 26)	382,589	3	356,686	3
Total equity	4,369,439	36	4,869,862	37
TOTAL	\$ 12,176,627	100	\$ 13,251,988	100

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

DYACO INTERNATIONAL INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

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

	2021		2020	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4 and 27)	\$ 11,898,232	101	\$ 13,267,753	101
LESS: SALES RETURNS	47,460	-	28,424	-
SALES DISCOUNTS AND ALLOWANCES	<u>108,691</u>	<u>1</u>	<u>115,573</u>	<u>1</u>
NET OPERATING REVENUE	11,742,081	100	13,123,756	100
OPERATING COSTS (Notes 11 and 28)				
Cost of sales	<u>7,684,679</u>	<u>65</u>	<u>7,639,437</u>	<u>58</u>
GROSS PROFIT	<u>4,057,402</u>	<u>35</u>	<u>5,484,319</u>	<u>42</u>
OPERATING EXPENSES (Notes 28 and 35)				
Selling and marketing	2,421,111	21	2,783,591	21
General and administrative	717,603	6	731,158	6
Research and development	110,751	1	115,655	1
Expected credit loss	<u>19,267</u>	<u>-</u>	<u>14,169</u>	<u>-</u>
Total operating expenses	<u>3,268,732</u>	<u>28</u>	<u>3,644,573</u>	<u>28</u>
OTHER OPERATING INCOME AND EXPENSES (Notes 19 and 28)	<u>(2,840)</u>	<u>-</u>	<u>13,164</u>	<u>-</u>
PROFIT FROM OPERATIONS	<u>785,830</u>	<u>7</u>	<u>1,852,910</u>	<u>14</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	1,444	-	2,819	-
Rental income	15,678	-	16,209	-
Other income	21,434	-	35,560	-
Foreign exchange loss, net (Note 28)	(185,471)	(1)	(194,560)	(1)
Gain or loss on valuation of financial instruments	(14,951)	-	(579)	-
Other expenses	(2,988)	-	(1,339)	-
Interest expense (Note 28)	(68,509)	(1)	(56,116)	-
Share of loss of associates (Note 14)	<u>(3,321)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total non-operating income and expenses	<u>(236,684)</u>	<u>(2)</u>	<u>(198,006)</u>	<u>(1)</u>
PROFIT BEFORE INCOME TAX	549,146	5	1,654,904	13
INCOME TAX EXPENSE (Notes 4 and 29)	<u>104,956</u>	<u>1</u>	<u>336,848</u>	<u>3</u>
NET PROFIT	<u>444,190</u>	<u>4</u>	<u>1,318,056</u>	<u>10</u>

(Continued)

DYACO INTERNATIONAL INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plan	\$ 808	-	\$ (1,058)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(5,200)	-	(1,053)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 29)	(162)	-	212	-
	<u>(4,554)</u>	<u>-</u>	<u>(1,899)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	<u>(58,579)</u>	<u>(1)</u>	<u>(59,195)</u>	<u>-</u>
Other comprehensive loss for the period, net of income tax	<u>(63,133)</u>	<u>(1)</u>	<u>(61,094)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 381,057</u>	<u>3</u>	<u>\$ 1,256,962</u>	<u>10</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 440,848	4	\$ 1,321,109	10
Non-controlling interests	<u>3,342</u>	<u>-</u>	<u>(3,053)</u>	<u>-</u>
	<u>\$ 444,190</u>	<u>4</u>	<u>\$ 1,318,056</u>	<u>10</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 379,035	3	\$ 1,250,448	10
Non-controlling interests	<u>2,022</u>	<u>-</u>	<u>6,514</u>	<u>-</u>
	<u>\$ 381,057</u>	<u>3</u>	<u>\$ 1,256,962</u>	<u>10</u>
EARNINGS PER SHARE (Note 30)				
Basic	<u>\$ 3.48</u>		<u>\$ 11.69</u>	
Diluted	<u>\$ 3.31</u>		<u>\$ 11.38</u>	

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

(Concluded)

DYACO INTERNATIONAL INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Cash Dividends Per Share)

	Equity Attributable to Owners of the Corporation (Note 26)											
	Share Capital			Retained Earnings			Other Equity		Treasury Shares	Total	Non-controlling Interests (Notes 13 and 26)	Total Equity
							Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
	Ordinary Shares	Advance Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings						
BALANCE AT JANUARY 1, 2020	\$ 961,009	\$ -	\$ 758,304	\$ 133,886	\$ 79,123	\$ 239,976	\$ (109,706)	\$ 3,893	\$ (172,340)	\$ 1,894,145	\$ 350,172	\$ 2,244,317
Issuance of ordinary shares under employee share options (Note 31)	3,000	1,000	121,631	-	-	-	-	-	-	125,631	-	125,631
Equity component of convertible bonds issued by the Corporation (Notes 21 and 26)	-	-	12,666	-	-	-	-	-	-	12,666	-	12,666
Changes in capital surplus from investments using the equity method (Note 31)	-	-	558	-	-	-	-	-	-	558	-	558
Appropriation of prior year's earnings												
Legal reserve	-	-	-	18,941	-	(18,941)	-	-	-	-	-	-
Special reserve	-	-	-	-	26,689	(26,689)	-	-	-	-	-	-
Cash dividends to shareholder - NT\$1.15 per share	-	-	-	-	-	(124,321)	-	-	-	(124,321)	-	(124,321)
	-	-	-	18,941	26,689	(169,951)	-	-	-	(124,321)	-	(124,321)
Convertible bonds converted to ordinary shares (Note 21)	157,487	14,027	549,273	-	-	-	-	-	-	720,787	-	720,787
Net profit (loss) for the year ended December 31, 2020	-	-	-	-	-	1,321,109	-	-	-	1,321,109	(3,053)	1,318,056
Other comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	(846)	(68,762)	(1,053)	-	(70,661)	9,567	(61,094)
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	1,320,263	(68,762)	(1,053)	-	1,250,448	6,514	1,256,962
Issuance of ordinary shares for cash (Note 26)	190,000	-	548,745	-	-	-	-	-	-	738,745	-	738,745
Buy-back of ordinary shares (Note 26)	-	-	-	-	-	-	-	-	(155,550)	(155,550)	-	(155,550)
Treasury shares transferred to employees (Note 26)	-	-	(5,172)	-	-	-	-	-	55,239	50,067	-	50,067
BALANCE AT DECEMBER 31, 2020	1,311,496	15,027	1,986,005	152,827	105,812	1,390,288	(178,468)	2,840	(272,651)	4,513,176	356,686	4,869,862
Issuance of ordinary shares under employee share options (Note 31)	8,760	(600)	58,812	-	-	-	-	-	-	66,972	-	66,972
Equity component of convertible bonds issued by the Corporation (Notes 21 and 26)	-	-	38,988	-	-	-	-	-	-	38,988	-	38,988
Changes in capital surplus from investments using the equity method (Note 31)	-	-	1,876	-	-	-	-	-	-	1,876	-	1,876
Gain on disgorgement	-	-	140	-	-	-	-	-	-	140	-	140
Appropriation of prior year's earnings												
Legal reserve	-	-	-	132,026	-	(132,026)	-	-	-	-	-	-
Special reserve	-	-	-	-	69,816	(69,816)	-	-	-	-	-	-
Cash dividends to shareholder - NT\$7.50 per share	-	-	-	-	-	(953,027)	-	-	-	(953,027)	-	(953,027)
	-	-	-	132,026	69,816	(1,154,869)	-	-	-	(953,027)	-	(953,027)
Convertible bonds converted to ordinary shares (Note 21)	19,566	(14,027)	43,162	-	-	-	-	-	-	48,701	-	48,701
Net profit for the year ended December 31, 2021	-	-	-	-	-	440,848	-	-	-	440,848	3,342	444,190
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	646	(57,259)	(5,200)	-	(61,813)	(1,320)	(63,133)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	441,494	(57,259)	(5,200)	-	379,035	2,022	381,057
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	23,496	23,496
Buy-back of ordinary shares (Note 26)	-	-	-	-	-	-	-	-	(157,086)	(157,086)	-	(157,086)
Treasury shares transferred to employees (Note 26)	-	-	(13,058)	-	-	-	-	-	61,133	48,075	385	48,460
BALANCE AT DECEMBER 31, 2021	\$ 1,339,822	\$ 400	\$ 2,115,925	\$ 284,853	\$ 175,628	\$ 676,913	\$ (235,727)	\$ (2,360)	\$ (368,604)	\$ 3,986,850	\$ 382,589	\$ 4,369,439

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

DYACO INTERNATIONAL INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 549,146	\$ 1,654,904
Adjustments for:		
Depreciation expense	202,549	199,252
Amortization expense	81,325	124,398
Expected credit loss recognized	19,267	14,169
Net loss on fair value changes of financial instrument at fair value through profit or loss	14,951	579
Interest expense	68,509	56,116
Interest income	(1,444)	(2,819)
Compensation costs of employee share options	36,640	110,114
Share of loss of associates	3,321	-
Loss on disposal of property, plant and equipment	2,723	213
Loss (gain) on disposal of intangible assets	117	(18,960)
Loss on inventories valuation and obsolescence	3,577	1,942
Loss on lease modification	-	16
Impairments loss on prepayment for goods	-	5,567
Unrealized loss on foreign currency exchange	168,266	110,426
Changes in operating assets and liabilities		
Notes receivable	530	(519)
Accounts receivable	1,313,017	(1,627,374)
Other receivables	62,910	(37,029)
Inventories	(371,807)	(1,686,436)
Prepayments	35,450	(81,082)
Other current assets	(3,008)	7,703
Contract liabilities	(53,061)	66,630
Notes payable	(748,082)	472,795
Accounts payable	(1,113,088)	1,575,672
Other payables	(431,906)	502,792
		(Continued)

DYACO INTERNATIONAL INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars)

	2021	2020
Provisions	\$ (5,841)	\$ 2,997
Other current liabilities	12,660	13,392
Net defined benefit liabilities	<u>(307)</u>	<u>(222)</u>
Cash generated from (used in) operations	(153,586)	1,465,236
Interest received	1,444	2,810
Interest paid	(57,775)	(49,906)
Income tax paid	<u>(571,547)</u>	<u>(142,872)</u>
Net cash generated from (used in) operating activities	<u>(781,464)</u>	<u>1,275,268</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(12,900)	(9,075)
Decrease (increase) in financial assets at amortized cost	(83,463)	119,426
Purchase of financial assets at fair value through profit or loss	(138,750)	-
Purchase of investments accounted for using the equity method	(27,750)	(5,138)
Net cash outflow on acquisition of subsidiaries (Notes 32 and 33)	(75,325)	(1,089,333)
Payments for property, plant and equipment (Note 34)	(225,170)	(96,792)
Proceeds from disposal of property, plant and equipment	10,808	1,152
Increase in refundable deposits	(1,179)	(43,123)
Payments for intangible assets (Note 34)	(58,823)	(67,141)
Decrease (increase) in other non-current assets	<u>9,063</u>	<u>(5,717)</u>
Net cash used in investing activities	<u>(603,489)</u>	<u>(1,195,741)</u>
		(Continued)

DYACO INTERNATIONAL INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from (repayments of) short-term borrowings	\$ 1,289,927	\$ (453,384)
Proceeds from issuance of convertible bonds	994,594	594,648
Repayments of bonds payables	-	(100)
Proceeds from long-term borrowings	-	200,000
Repayments of long-term borrowings	(158,886)	(145,956)
Proceeds from guarantee deposits received	62	157
Repayment of the principal portion of lease liabilities	(20,503)	(22,557)
Cash dividends	(953,027)	(124,321)
Proceeds from issuance of ordinary shares (Note 26)	-	706,129
Exercise of employee share options	32,593	16,075
Payments for buy-back of ordinary shares	(157,086)	(155,550)
Proceeds from treasury shares transferred to employees	48,075	50,067
Imposition of disgorgement	<u>140</u>	<u>-</u>
Net cash generated from financing activities	<u>1,075,889</u>	<u>665,208</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(20,624)</u>	<u>(28,624)</u>
NET INCREASE (DECREASE) IN CASH	(329,688)	716,111
CASH, BEGINNING OF THE YEAR	<u>1,542,324</u>	<u>826,213</u>
CASH, END OF THE YEAR	<u>\$ 1,212,636</u>	<u>\$ 1,542,324</u>

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

Dyaco International Inc.

Comparison Table for the Procedures for Acquisition or Disposal of Assets

After the Revision	Before the Revision	Description
<p>Article 5 Conflicts of interest</p> <p>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> <p>A. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange 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.</p> <p>B. May not be a related party or de facto related party of any party to the transaction.</p> <p>C. 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.</p> <p>When issuing an appraisal report or</p>	<p>Article 5 Conflicts of interest</p> <p>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> <p>A. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange 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.</p> <p>B. May not be a related party or de facto related party of any party to the transaction.</p> <p>C. 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.</p> <p>When issuing an appraisal report or</p>	Adjusted for laws.

<p>opinion, the personnel referred to in the preceding paragraph shall comply with <u>the self-regulatory code of each of their associations and</u> the following:</p> <p>A. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>B. When <u>executing</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.</p> <p>C. 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</p> <p>D. 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</u> and reasonable, and that they have complied with applicable laws and regulations.</p>	<p>opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <p>A. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>B. 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.</p> <p>C. 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.</p> <p>D. 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 <u>accurate</u>, and that they have complied with applicable laws and regulations.</p>	
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<p>Article 7 Assessment and operating procedures for acquiring or disposing of real property, equipment, or right-of-use assets (Omitted)</p> <p>B. Obtaining an appraisal report from an expert</p> <p>In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent 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:</p> <p>I. Where due to special circumstances it is necessary to give a limited price or specified 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.</p>	<p>Article 7 Assessment and operating procedures for acquiring or disposing of real property, equipment, or right-of-use assets (Omitted)</p> <p>B. Obtaining an appraisal report from an expert</p> <p>In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent 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:</p> <p>I. Where due to special circumstances it is necessary to give a limited price or specified 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.</p> <p>II. Where the transaction amount is</p>	<p>Adjusted for laws.</p>
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<p>II. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>III. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>i. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>ii. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p>	<p>NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>III. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal <u>in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF)</u> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>i. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>ii. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p>	
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<p>IV. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <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.</p> <p>(Omitted)</p>	<p>IV. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <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.</p> <p>(Omitted)</p>	
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<p>Article 8 Assessment and operating procedures for acquiring or disposing of securities (Omitted)</p> <p>B. Obtaining an opinion from an expert The Company acquiring or disposing of securities shall, <u>prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and</u> if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the competent securities authorities. (Omitted)</p>	<p>Article 8 Assessment and operating procedures for acquiring or disposing of securities (Omitted)</p> <p>B. Obtaining an opinion from an expert The Company acquiring or disposing of securities shall, if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>The CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u> This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the competent securities authorities. (Omitted)</p>	<p>Adjusted for laws.</p>
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<p>Article 9 Assessment and operating procedures for acquiring or disposing of intangible assets, right-of-use assets or memberships</p> <p>(Omitted)</p> <p>B. Obtaining an opinion from an expert</p> <p>Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent 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.</p> <p>(Omitted)</p>	<p>Article 9 Assessment and operating procedures for acquiring or disposing of intangible assets, right-of-use assets or memberships</p> <p>(Omitted)</p> <p>B. Obtaining an opinion from an expert</p> <p>Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent 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; <u>the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u></p> <p>(Omitted)</p>	<p>Adjusted for laws.</p>
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<p>Article 11 Procedures for acquiring or disposing of assets from or to a related party (Omitted)</p> <p>C. <u>If a public 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 public company's total assets, the public 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 between the public company and its parent company or subsidiaries or between its subsidiaries.</u></p> <p>D. The calculation of the transaction amounts referred to in the <u>first subparagraph</u> and preceding subparagraph shall be done in accordance with Article 20, 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 duly approved by <u>the shareholders meeting and the board of directors</u> in accordance with these procedures need not be counted toward the transaction amount.</p> <p>E. With respect to the types of transactions listed below, when to be</p>	<p>Article 11 Procedures for acquiring or disposing of assets from or to a related party (Omitted)</p> <p>C. The calculation of the transaction amounts referred to in the preceding subparagraph shall be done in accordance with Article 20, 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 duly approved by the board of directors in accordance with these procedures need not be counted toward the transaction amount.</p> <p>D. 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 percent of the issued shares or authorized capital, the Company's board of directors may pursuant to Article 7 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> <p>I. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>II. Acquisition or disposal of real property right-of-use assets held for business use.</p>	<p>Adjusted for laws.</p>
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<p>conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's board of directors may pursuant to Article 7 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> <p>I. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>II. Acquisition or disposal of real property right-of-use assets held for business use.</p> <p>F. When a matter is submitted for discussion by the board of directors pursuant to preceding subparagraph, 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>G. Where an audit committee has been established in accordance with the provisions of the Act, the matters shall first be approved by one-half or more of all audit committee members and then submitted to the board of directors for a resolution, and shall be subject to mutatis mutandis application of Article 27, paragraphs 2 and 3.</p>	<p>E. When a matter is submitted for discussion by the board of directors pursuant to preceding subparagraph, 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>F. Where an audit committee has been established in accordance with the provisions of the Act, the matters shall first be approved by one-half or more of all audit committee members and then submitted to the board of directors for a resolution, and shall be subject to mutatis mutandis application of Article 27, paragraphs 2 and 3.</p>	
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<p>Article 20 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:</p> <p>(Omitted)</p> <p>F. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>I. Trading of domestic government bonds <u>or foreign government bonds with a credit rating not lower than the sovereign rating of the ROC.</u></p> <p>II. Where done by professional investors-securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (<u>excluding subordinated debt</u>) that are offered and issued in the primary market, <u>or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated</u> by its undertaking</p>	<p>Article 20 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:</p> <p>(Omitted)</p> <p>F. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>I. Trading of domestic government bonds.</p> <p>II. Where done by professional investors-securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics that are offered and issued in the primary market, or as a securities firm undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>III. Trading of bonds under repurchase and resale agreements, or subscription or redemption of</p>	<p>Adjusted for laws.</p>
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<p>business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>III. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>The amount of transactions above shall be calculated as follows:</p> <p>i. The amount of any individual transaction.</p> <p>ii. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.</p> <p>iii. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.</p> <p>iv. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</p>	<p>money market funds issued by domestic securities investment trust enterprises.</p> <p>The amount of transactions above shall be calculated as follows:</p> <p>i. The amount of any individual transaction.</p> <p>ii. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.</p> <p>iii. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.</p> <p>iv. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</p>	
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Dyaco International Inc.

Comparison Table for Articles of Incorporation

After the Revision	Before the Revision	Description
<p>Article 2</p> <p>The scope of business of the Company shall be as follows.</p> <p>A. CA02990 Other Metal Products Manufacturing</p> <p>B. <u>CC01040 Lighting Equipment Manufacturing</u></p> <p>C. CC01080 Electronics Components Manufacturing</p> <p>D. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing</p> <p>E. <u>CD01050 Bicycles and Parts Manufacturing</u></p> <p>F. CF01011 Medical Devices Manufacturing</p> <p>G. CH01010 Sporting Goods Manufacturing</p> <p>H. CN01010 Furniture and Decorations Manufacturing</p> <p>I. F108031 Wholesale of Medical Devices</p> <p>J. F109070 Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies</p> <p>K. F205040 Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures</p> <p>L. F208031 Retail Sale of Medical Apparatus</p> <p>M. F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies</p> <p>N. F219010 Retail Sale of Electronic Materials</p> <p>O. F401010 International Trade</p> <p>P. J801030 Athletics and Recreational Sports Stadium</p> <p>Q. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.</p>	<p>Article 2</p> <p>The scope of business of the Company shall be as follows.</p> <p>A. CA02990 Other Metal Products Manufacturing</p> <p>B. CC01080 Electronics Components Manufacturing</p> <p>C. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing</p> <p>D. CF01011 Medical Devices Manufacturing</p> <p>E. CH01010 Sporting Goods Manufacturing</p> <p>F. CN01010 Furniture and Decorations Manufacturing</p> <p>G. F108031 Wholesale of Medical Devices</p> <p>H. F109070 Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies</p> <p>I. F205040 Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures</p> <p>J. F208031 Retail Sale of Medical Apparatus</p> <p>K. F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies</p> <p>L. F219010 Retail Sale of Electronic Materials</p> <p>M. F401010 International Trade</p> <p>N. <u>F401171 Alcohol Products Importation</u></p> <p>O. J801030 Athletics and Recreational Sports Stadium</p> <p>P. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.</p>	<p>Adjustment of business service items due to operation.</p>
<p><u>Article 10-2</u></p> <p><u>The Company's shareholders meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.</u></p>	<p>(Newly Added)</p>	<p>Adjusted for laws.</p>

<p>Article 28</p> <p>These Articles of Incorporation were agreed to and signed on May 29, 1990.</p> <p>The 1st Amendment was on November 30, 1990.</p> <p>The 2nd Amendment was on September 20, 1991.</p> <p>The 3rd Amendment was on May 1, 1993.</p> <p>The 4th Amendment was on March 7, 1999.</p> <p>The 5th Amendment was on April 30, 2007.</p> <p>The 6th Amendment was on January 24, 2008.</p> <p>The 7th Amendment was on May 26, 2008.</p> <p>The 8th Amendment was on September 26, 2008.</p> <p>The 9th Amendment was on October 26, 2009.</p> <p>The 10th Amendment was on June 23, 2011.</p> <p>The 11th Amendment was on July 22, 2011.</p> <p>The 12th Amendment was on June 5, 2012.</p> <p>The 13th Amendment was on October 18, 2012.</p> <p>The 14th Amendment was on August 8, 2013.</p> <p>The 15th Amendment was on June 26, 2015.</p> <p>The 16th Amendment was on June 29, 2016.</p> <p>The 17th Amendment was on May 26, 2017.</p> <p>The 18th Amendment was on May 30, 2019.</p> <p>The 19th Amendment was on May 28, 2020.</p> <p><u>The 20th Amendment was on May 27, 2022.</u></p>	<p>Article 28</p> <p>These Articles of Incorporation were agreed to and signed on May 29, 1990.</p> <p>The 1st Amendment was on November 30, 1990.</p> <p>The 2nd Amendment was on September 20, 1991.</p> <p>The 3rd Amendment was on May 1, 1993.</p> <p>The 4th Amendment was on March 7, 1999.</p> <p>The 5th Amendment was on April 30, 2007.</p> <p>The 6th Amendment was on January 24, 2008.</p> <p>The 7th Amendment was on May 26, 2008.</p> <p>The 8th Amendment was on September 26, 2008.</p> <p>The 9th Amendment was on October 26, 2009.</p> <p>The 10th Amendment was on June 23, 2011.</p> <p>The 11th Amendment was on July 22, 2011.</p> <p>The 12th Amendment was on June 5, 2012.</p> <p>The 13th Amendment was on October 18, 2012.</p> <p>The 14th Amendment was on August 8, 2013.</p> <p>The 15th Amendment was on June 26, 2015.</p> <p>The 16th Amendment was on June 29, 2016.</p> <p>The 17th Amendment was on May 26, 2017.</p> <p>The 18th Amendment was on May 30, 2019.</p> <p>The 19th Amendment was on May 28, 2020.</p>	<p>Adjustment of dates.</p>
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Dyaco International Inc.

Comparison Table for Rules of Procedure for Shareholders Meetings

After the Revision	Before the Revision	Description
<p>Article 2</p> <p>Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the Board of Directors.</p> <p><u>Changes to how the Company convenes its shareholders meeting shall be resolved by the Board of Directors, and shall be made no later than mailing of the shareholders meeting notice.</u></p> <p>(Omitted)</p>	<p>Article 2</p> <p>Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the Board of Directors.</p> <p>(Omitted)</p>	Adjusted for operational needs and laws.
<p>Article 3</p> <p>A shareholder may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney stating therein the scope of power authorized to the proxy.</p> <p>A shareholder may only execute one power of attorney and appoint one proxy only, and shall serve such written proxy to the Company no later than 5 days prior to the meeting date of the shareholders' meeting. In case two or more written proxies are received from one shareholder, the first one received by the Company shall prevail; unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later.</p> <p>After the service of the power of attorney of a proxy to the Company, in case the shareholder issuing the said proxy intends to attend the shareholders' meeting in person or to exercise his/her/its voting power in writing or by way of electronic transmission, a proxy rescission notice shall be filed with the Company two days</p>	<p>Article 3</p> <p>A shareholder may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney stating therein the scope of power authorized to the proxy.</p> <p>A shareholder may only execute one power of attorney and appoint one proxy only, and shall serve such written proxy to the Company no later than 5 days prior to the meeting date of the shareholders' meeting. In case two or more written proxies are received from one shareholder, the first one received by the Company shall prevail; unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later.</p> <p>After the service of the power of attorney of a proxy to the Company, in case the shareholder issuing the said proxy intends to attend the shareholders' meeting in person or to exercise his/her/its voting power in writing or by way of electronic transmission, a proxy rescission notice shall be filed with the Company two days</p>	Adjusted for operational needs and laws.

<p>prior to the date of the shareholders' meeting as scheduled in the shareholders' meeting notice so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.</p> <p><u>After the service of the power of attorney of a proxy to the Company, in case the shareholder issuing the said proxy intends to attend the shareholders' meeting via visual communication network, a proxy rescission notice shall be filed with the Company two days prior to the date of the shareholders' meeting as scheduled in the shareholders' meeting notice so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.</u></p>	<p>prior to the date of the shareholders' meeting as scheduled in the shareholders' meeting notice so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.</p>	
<p>Article 4</p> <p>The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p> <p><u>The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.</u></p>	<p>Article 4</p> <p>The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p>	<p>Adjusted for operational needs and laws.</p>

<p>Article 5</p> <p>The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, <u>solicitors and proxies (collectively "shareholders")</u> will be accepted, the place to register for attendance, and other matters for attention. <u>Where a virtual shareholders meeting is convened, how shareholders attend the virtual meeting and exercise their rights, actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to force majeure events, how issues are dealt with, the date to which the meeting is postponed or on which the meeting will resume, and other matters for attention shall also be included in the minutes. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.</u></p> <p>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. <u>For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.</u></p>	<p>Article 5</p> <p>The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders will be accepted, the place to register for attendance, and other matters for attention.</p> <p>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.</p> <p><u>Shareholders and proxies (collectively "shareholders")</u> shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>The shareholders meeting shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.</p>	<p>Adjusted for operational needs and laws.</p>
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<p>Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>The shareholders meeting shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.</p> <p><u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.</u></p> <p><u>In the event of a virtual shareholders meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting</u></p>		
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<p>Article 8</p> <p>The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.</p> <p>The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p> <p><u>Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end. The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.</u></p>	<p>Article 8</p> <p>The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.</p> <p>The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p>	<p>Adjusted for operational needs and laws.</p>
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<p>Article 9</p> <p>Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, <u>and the shares checked in on the virtual meeting platform</u>, plus the number of shares whose voting rights are exercised by correspondence or electronically.</p>	<p>Article 9</p> <p>Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.</p>	<p>Adjusted for operational needs and laws.</p>
<p>Article 10</p> <p>The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. <u>In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.</u></p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be</p>	<p>Article 10</p> <p>The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.</p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.</p> <p>When, prior to conclusion of the meeting, the attending shareholders represent a</p>	<p>Adjusted for operational needs and laws.</p>

<p>convened within one month. <u>In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.</u> When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p>	<p>majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p>	
<p>Article 12 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation. <u>Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting</u></p>	<p>Article 12 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.</p>	<p>Adjusted for operational needs and laws.</p>

<p><u>adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.</u></p> <p><u>As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.</u></p>		
<p>Article 18</p> <p>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.</p> <p>When the Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.</p>	<p>Article 18</p> <p>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.</p> <p>When the Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.</p>	<p>Adjusted for operational needs and laws.</p>

<p>A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person <u>or online</u>, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p>	<p>A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p>	
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<p>Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, if the chair puts a proposal before all attending shareholders and none voices an objection, the proposal is deemed approved and shall have the same effect as a poll. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p>	<p>Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, if the chair puts a proposal before all attending shareholders and none voices an objection, the proposal is deemed approved and shall have the same effect as a poll. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p>	
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<p><u>In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately. When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.</u></p> <p><u>When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p>		
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<p>Article 20</p> <p>Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.</p> <p>The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of the Company.</p> <p><u>Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online, and actions to be taken in the event of disruption to the virtual meeting platform or participation in</u></p>	<p>Article 20</p> <p>Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.</p> <p>The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of the Company.</p>	<p>Adjusted for operational needs and laws.</p>
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<p><u>the meeting online due to force majeure events, and how issues are dealt with shall also be included in the minutes.</u></p>		
<p>Article 21</p> <p>On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies <u>and the number of shares represented by shareholders attending the meeting by correspondence or electronic means</u>, and shall make an express disclosure of the same at the place of the shareholders meeting. <u>In the event a virtual shareholders meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p> <p><u>During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform.</u></p> <p><u>The same shall apply whenever the total number of shares represented at the meeting is released during the meeting.</u></p> <p>If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.</p>	<p>Article 21</p> <p>On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.</p> <p>If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.</p>	<p>Adjusted for operational needs and laws.</p>

<p>Article 27</p> <p><u>In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.</u></p>	<p>(Newly Added)</p>	<p>Added for operational needs and laws.</p>
<p>Article 28</p> <p><u>When the Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.</u></p>	<p>(Newly Added)</p>	<p>Added for operational needs and laws.</p>
<p>Article 29</p> <p><u>In the event of a virtual shareholders meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.</u></p> <p><u>In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to force majeure events before the chair has announced the meeting adjourned, and the obstruction</u></p>	<p>(Newly Added)</p>	<p>Added for operational needs and laws.</p>

<p><u>continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date, in which case Article 182 of the Company Act shall not apply.</u></p> <p><u>During a postponed or resumed session of a shareholders meeting held under the preceding paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.</u></p> <p><u>When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies, and shareholders whose names appear on the shareholders' roster at the original shareholders meeting are entitled to attend the meeting.</u></p> <p><u>For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.</u></p>		
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<p><u>When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required. To convene a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</u></p>	<p>Before the Revision</p>	<p>Description</p>
<p>Article 30 These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.</p>	<p>Article 27 These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.</p>	<p>Order adjustment.</p>

Dyaco International Inc.

List of Director Candidates

No	Name	Education	Key Past Positions	Current Position	Shares Held (Unit: Share)
1	Wanshida Construction Co., Ltd. Representative: Li, Bo-Yi	Master, School of Law, Soochow University	Vice President, Wanshida Construction Co., Ltd. Executive Assistant, Liang Construction Co., Ltd.	Vice President, Wanshida Construction Co., Ltd.	432,000

Dyaco International Inc.

Articles of Incorporation

Section I - General Provisions

- Article 1 The Corporation shall be incorporated, as a company limited by shares, under the Company Law of the Republic of China, and its name shall be 岱宇國際股份有限公司 in the Chinese language, and Dyaco International Inc. in the English language.
- Article 2 The scope of business of the Company shall be as follows.
- A. CA02990 Other Metal Products Manufacturing
 - B. CC01080 Electronics Components Manufacturing
 - C. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing
 - D. CF01011 Medical Devices Manufacturing
 - E. CH01010 Sporting Goods Manufacturing
 - F. CN01010 Furniture and Decorations Manufacturing
 - G. F108031 Wholesale of Medical Devices
 - H. F109070 Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies
 - I. F205040 Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures
 - J. F208031 Retail Sale of Medical Apparatus
 - K. F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies
 - L. F219010 Retail Sale of Electronic Materials
 - M. F401010 International Trade
 - N. F401171 Alcohol Products Importation
 - O. J801030 Athletics and Recreational Sports Stadium
- ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2-1 : When necessary for its operations, the Company may provide endorsement and guarantee in accordance with the “Operational Procedures for Providing Endorsement and Guarantee” of the Company.
- Article 2-2 : The aggregate amount of the Company’s investment in other entities is not subject to the restriction stipulated in Article 13 of the Company Law.
- Article 3 : Company is headquartered in New Taipei City, Taiwan and when necessary may establish branches or subsidiaries at home and abroad according to resolutions by the board of directors.

Article 4 : Public announcements of the Company shall be made in accordance with the provisions of Article 28 of the Companies Act.

Section II - Capital Stock

Article 5 : The authorized capital of the Company is NT\$20 billion, consisting of 2 billion shares, all of common stock, with a par value of NT\$10 per share. The board of directors is authorized to issue the shares in separate installments as required, of which 10 million shares are reserved for stock options with warrants or corporate bonds for the exercise of stock options. The board of directors is also authorized to issue shares in separate installments as required.

Article 5-1 : If the exercise price in relation to the employee stock options issued by the Corporation is lower than the closing price of the common shares of the Corporation as of the issue date, it shall be approved by at least two-thirds of the voting rights represented at a shareholders' meeting attended by shareholders representing a majority of the total issued shares. If the Corporation wishes to transfer an employee stock option to an employee at a price lower than the average price of the shares that were bought back, it shall be approved by at least two-thirds of the voting rights represented at the latest shareholders' meeting attended by shareholders representing a majority of the total issued shares.

Article 5-2 : Treasury stock purchased by the Company can be transferred to the employees of parents or subsidiaries of the Company or controlled by the Company. Stock warrants of the Company can be issued to the employees of parents or subsidiaries of the Company or controlled by the Company.

Article 6 : The stocks issued by the corporation are not paper-printed and shall be in compliant with Regulations Governing Book-Entry Operations for Centrally Deposited Securities.

Article 7 : All entries in the shareholders register due to share transfers shall be suspended for 60 days prior to an ordinary shareholders meeting, or for 30 days prior to an extraordinary shareholders meeting, or for 5 days prior to the record date fixed for distributing dividends, bonus, or any other benefit.

Article 7-1 : All stock processing and related activities shall follow the Financial Supervisory Commission's "Guidelines for Stock Operations for Public Companies" unless specified otherwise by law and securities regulations.

Section III - Shareholders' Meeting

Article 8 : Shareholders' meetings of the Company are of two kinds: regular shareholders meetings and extraordinary shareholders meetings. The regular shareholders' meeting is called once per year within six months of the close of the fiscal year. Extraordinary shareholders meetings may be called in accordance with applicable laws and regulations whenever necessary.

When calling an annual general meeting, all shareholders shall be notified of the meeting date, location and the reasons for convening 30 days in advance. When calling an extraordinary general meeting, all shareholders shall be notified of the meeting date, location and the reasons for convening 15 days in advance. When this Corporation holds a shareholder meeting after approved by shareholders, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence.

Article 9 : In case a shareholder is unable to attend a shareholders' meeting, the shareholder may issue a proxy form to appoint a proxy on his/her behalf to attend such meeting in accordance with Article 177 of the Company Law.

Article 10 : A shareholder shall be entitled to one vote for each share held, except when the Rules are restricted shares.

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice.

When this Corporation holds a shareholder meeting after the shares of companies listed, it shall adopt exercise of voting rights by electronic means.

Article 10-1 : A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda.

Article 11 : Unless otherwise provided for in the Company Law, any resolution at a shareholders' meeting shall be adopted if voted in favor by the majority of votes at a shareholders' meeting at which shareholders of more than one-half of the total issued and outstanding shares are present.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a

summary of the deliberations and their voting results. The minutes shall be retained for the duration of the existence of this Corporation.

The attendance list bearing the signatures of shareholders present at the meeting and the powers of attorney of the proxies shall be kept by the Company for a minimum period of at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation °

Article 12 : The shareholders' meeting shall be convened by the board of directors; the chairman of the board shall be the chairman presiding at the meeting. If the chairman of the board is on leave or cannot perform his duties for some reason, pursuant to Article 208 of the Company Act, the shareholders' meeting shall be convened by others who have the right to convene a meeting and he or she shall be the chairman. If there is more than one person with the rights to convene a shareholders' meeting, they shall nominate a chairman from among themselves.

Article 13 : The Company may, in pursuance of the resolution adopted by Board of Directors, apply for an approval of ceasing its status as a public company by a resolution adopted, at a shareholders' meeting, by a majority of the shareholders present who represent two-thirds or more of the total number of its outstanding shares.

In the event the total number of shares represented by the shareholders present at a shareholders' meeting of the Company whose shares have been issued in public is less than the percentage of the total shareholdings required in the preceding Paragraph, the resolution may be adopted by two-third of the voting rights exercised by the shareholders present at the shareholders' meeting who represent a majority of the outstanding shares of the Company.

Article 13-1 : In accordance with Article 56-1 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the Company is required to obtain the consent of at least two-thirds of the voting rights represented at a shareholders meeting attended by shareholders representing a majority of the total issued shares. According to the aforementioned, the exercise price of employee stock warrants may be lower than the closing price of the company stocks as of the issuing date.

Article 13-2 : In accordance with Article 10-1 of Regulations Governing Share Repurchase by Listed and OTC Companies after the shares of companies listed, to transfer shares to employees at less than the average actual share repurchase price, a company must have obtained the consent of at least two-thirds of the voting rights present at the most recent shareholders meeting attended by shareholders representing a majority of total issued shares, and must have listed the following

matters in the notice of reasons for that shareholders meeting

Section IV - Board of Directors

Article 14 : The Company shall have five to thirteen Directors. All Directors shall have a term of three years and be eligible for re-election upon expiry of such term.

There shall be at least three Independent Directors, who shall represent more than one-fifth of the Board of Directors. The relevant professional qualifications, method of nomination and election, and other matters of compliance with respect to Independent Directors shall be governed by the relevant laws and regulations.

To be elected by a shareholders' meeting from a list of directors and independent directors candidates through the candidate nomination system.

The total registered shares owned by the directors and supervisors of a public company shall not be less than the percentage of total issued shares specified below, the provisions on the minimum percentage requirements for the shareholding respectively of all directors.

Article 14-1 : The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes.

Article 14-2 : The election of Directors shall be held in accordance with Article 198 the Company Act. Independent and non-Independent Directors shall be elected at the same time. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes.

Article 14-3 : Pursuant to the provisions of Article 14-4 of the Securities Exchange Act, the Corporation shall establish an Audit Committee. The Audit Committee and its members shall fulfill their supervisory duties pursuant to the relevant provisions of the Company Act, the Securities Exchange Act, and other relevant laws and regulations.

Article 15 : When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies. Servicing term is limited and equals to the remaining time of original term.

When the number of directors falls for any reason(including resignation, dismissal

and expiration of the term), this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 16 : In case a company, the board of directors shall elect a chairman of the board directors from among the directors by a majority vote at a meeting attended by over two-thirds of the directors.

The Chairperson of the Board shall represent the Company over all matters of the Company.

Article 17 : Unless otherwise specified in the Company Act, meetings of the Board of Directors shall be convened by the Chairman of the Board. A notice setting forth the purpose of the meeting shall be given to each Director no later than seven days prior to a Board meeting; however, a Board meeting may be convened at any time in case of emergency. A meeting of the Board of Directors shall be called in writing, via email or facsimile.

Article 18 : In the event that the Chairman of the Board takes leave of absence or is otherwise unable to perform his or her duties as Chair, in accordance with the provisions of Article 208 the Company Act shall serve as Chair.

Article 19 : The director shall attend the meeting of the board of directors in person. Any Director can also represent any other excused Director in the Board of Directors' Meeting upon presentation of proxies sealed by his/her representing Director indicating the authorized rights in the Meeting. The authorized representative Director is entitled to the vote right. However, each Director is limited to represent one other Director only in each Meeting. Directors can also attend the Board of Directors' Meetings through video communications and are considered as formal attendance in person.

Article 20 : Deleted

Article 21 : The directors' compensation shall be determined by the Remuneration Committee with respect to their participation in and contribution to the operations. The Board of Directors is authorized to distribute remuneration in accordance with the Remuneration Committee's assessment and the typical pay levels adopted by peer companies.

The transport allowance of all directors shall be determined by the Board of Directors. The Board of Directors shall authorize the

Chairman to handle the compensation for the director's duties in accordance with the Company's internal regulations if a director holds other positions within the Company.

Article 21-1 : The company shall take out directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of occupancy so as to reduce and spread the risk of material harm to the company and shareholders arising from the wrongdoings or negligence of a director.

Section V - Managerial Officer

Article 22 : The Company may appoint the management, whose commissioning, decommissioning and pay rate shall be as pursuant to Article 29 of the Company Act.

Section VI - Financial

Article 23 : After the end of each fiscal year, the following report shall be prepared by the Board of Directors, which deliver the same to Audit Committee for audit thirty days before the convention of the general shareholders' meeting, and such documents, as well as the audit report made by the Audit Committee, shall be submitted to the general shareholders' meeting for acceptance: Business Report, Financial statements and Proposal concerning allocation of earnings or making up losses.

Article 24 : In accordance with the current Articles of Incorporation, the Company shall distribute compensation to employees at a rate not less than 1% of the current year's earnings and to directors at a rate not more than 5% of the current year's earnings, but shall make up for any accumulated losses of the Company. The aforementioned earnings for the year represent the current year's pre-tax earnings before distributions of compensation to employees and directors. The distribution of compensation to employees and directors shall be made by a resolution of the Board of Directors with the approval of a majority of the presenting directors with at least two-thirds of the directors presenting and shall be reported to the shareholders' meeting. Employee compensation may be in the form of stock or cash and may be paid to employees of the Company who meet certain criteria

Article 25 : In accordance with the Company's Articles of Incorporation, if there is any earnings in the Company's annual accounts, the Company shall first pay taxes and make up for accumulated deficits, and the next 10% shall be set aside as legal reserve, and special reserve shall be appropriated or reversed as required by law or by the competent authorities; if there is any earnings, the remaining balance, plus the accumulated undistributed earnings from previous years, shall be distributed by

the Board of Directors upon a resolution of the shareholders' meeting.

In accordance with the Company Law, the Board of Directors is authorized to distribute dividends and bonuses or all or part of the legal reserve and capital reserve as prescribed in Paragraph 1 of Article 241 of the Company Law in cash

pursuant to a resolution adopted by a majority vote of the meeting attended by two-thirds or more of all the directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Article 26 : The Company's dividend policy is to distribute dividends in accordance with the overall operating environment and the growth characteristics of the industry, taking into account factors such as undistributed earnings, capital reserves, financial structure and operating conditions, in order to stabilize business development and protect investors' interests. The Company shall distribute the earnings in an amount not less than 10% of the distributable earnings for the year; however, if the amount of distributable earnings is less than 1% of the paid-in capital, it may be transferred to retained earnings without distribution. Shareholder bonuses may be distributed in the form of cash or stock dividends, of which cash dividends are limited to not less than 10% of the current year's shareholder bonus, except that stock dividends may be paid in full if the cash dividend is less than \$1 per share.

Section VI - Supplementary Provisions

Article 27 : In regard to all matters not provided for in these Articles of Incorporation, the Company Law of the Republic of China shall govern.

Article 28 : These Articles of Incorporation were agreed to and signed on May 29, 1990.

The 1st Amendment was on November 30, 1990.

The 2nd Amendment was on September 20, 1991.

The 3rd Amendment was on May 1, 1993.

The 4th Amendment was on March 7, 1999.

The 5th Amendment was on April 30, 2007.

The 6th Amendment was on January 24, 2008.

The 7th Amendment was on May 26, 2008.

The 8th Amendment was on September 26, 2008.

The 9th Amendment was on October 26, 2009.

The 10th Amendment was on June 23, 2011.

The 11th Amendment was on July 22, 2011.

The 12th Amendment was on June 5, 2012.

The 13th Amendment was on October 18, 2012.

The 14th Amendment was on August 8, 2013.

The 15th Amendment was on June 26, 2015.

The 16th Amendment was on June 29, 2016.

The 17th Amendment was on May 26, 2017.

The 18th Amendment was on May 30, 2019.

The 19th Amendment was on May 28, 2020.

Dyaco International Inc.

【Appendix 2】

Rules of Procedure for Shareholders Meetings

Article 1

The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, shall be as provided in these Rules.

Article 2

Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.

This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place. The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form. Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the corporation, and such website shall be indicated in the above notice.

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

A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a written proposal for discussion at a regular shareholders meeting. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda, provided a shareholder proposal for urging the corporation to promote public interests or fulfill its social responsibilities may still be included in the agenda by the board of directors. In

addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 3

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

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

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

Article 4

The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

Article 5

This Corporation shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention. The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

Article 6

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one supervisor in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

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

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 7

This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8

This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

Article 10

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

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

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

Article 11

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 12

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

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

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

Article 13

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

Article 14

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

Article 15

When the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote.

Article 16

When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting. When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

Article 17

Voting at a shareholders meeting shall be calculated based the number of shares.

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

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

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

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

Article 18

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

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting

notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

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

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

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

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

Article 19

The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received.

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

Article 20

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

This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public

announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.

Article 21

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

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

Article 22

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands. The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

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

Article 23

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

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

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

Article 24

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation. Election results shall be announced and recorded immediately.

Article 25

Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the

attending shareholders. When no objections are raised by attending shareholders against the Chair's motion, the passage is official. The validity of motion is equal to election votes.

Article 26

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

Article 27

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

Dyaco International Inc.

Procedures for Election of Directors

Article 1 To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2 Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors and independent directors shall be conducted in accordance with these Procedures.

Article 3 The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

1. Basic requirements and values: Gender, age, nationality, and culture.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

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

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

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

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

Article 4 The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with

Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 5 Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.

This Corporation shall review the qualifications, education, working experience, background, and the existence of any other matters set forth in Article 30 of the Company Act with respect to nominee directors and independent directors and may not arbitrarily add requirements for documentation of other qualifications. It shall further provide the results of the review to shareholders for their reference, so that qualified directors and independent directors will be elected

When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 6 The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

Article 7 The board of directors and independent directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 8 The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 9 Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The

ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 10 If the candidate is a shareholder of this Company, voters shall fill in the "candidate" column the candidate's name and shareholder's number, and the number of votes cast for such candidate. If the candidate is not a shareholder of this Company, voters shall fill in the "candidate" column the candidate's name, the candidate's ID number, and the number of votes cast for such candidate. If the candidate is a government agency or a legal entity, the full name of the government agency or the legal entity or the name(s) of their representative(s) should be filled in the column.

Article 11 A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared by the board of directors with the right to convene.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable or has been altered.
4. If the candidate is a shareholder of this Company, the name or shareholder's number of the candidate filled in the ballot inconsistent with the shareholders' register. If the candidate is not a shareholder of this Company, the name or ID number of the candidate filled in the ballot is incorrect.
5. Ballots with other written characters or symbols in addition to candidate's name, shareholder's number (ID number) and the number of votes cast for the candidate.
6. The name of the candidates filled in the ballots being the same as another candidate's name and the respective shareholder's numbers (ID numbers) not being indicated to distinguish them.

Article 12 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and independent directors, and the numbers of votes with which they were elected, shall be announced by the chair on the site.

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

Article 13 The board of directors of this Corporation shall issue notifications to the persons elected as directors and independent directors..

Article 14 These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

Dyaco International Inc.

Shareholdings of All Directors

Record Date: March 29, 2022

Title	Name	Elected Date	Shares holding on election			Current Shares		
			Share Type	Shares	Ratio to issued shares % at the time	Share Type	Shares	Ratio to current issued shares %
Chairman	Lin, Ing-Gin	2020.05.28	Common Stock	10,063,283	8.74%	Common Stock	10,038,283	7.48%
Director	Chuang, Chu-Wei	2020.05.28	Common Stock	538,000	0.46%	Common Stock	1,000,000	0.74%
Director	Chang, Chih-Chuan	2020.05.28	Common Stock	189,093	0.16%	Common Stock	123,093	0.09%
Independent Director	Hsieh, Chang-Hung	2020.05.28	Common Stock	0	0.00%	Common Stock	0	0.00%
Independent Director	Wang, Kai-Li	2020.05.28	Common Stock	0	0.00%	Common Stock	0	0.00%
Independent Director	Wang, Chih-Cheng	2020.05.28	Common Stock	0	0.00%	Common Stock	0	0.00%
Total			Common Stock	11,790,376			11,161,376	

Total issued shares on March 30, 2020: 115,100,887 shares

Total issued shares on March 30, 2021: 133,444,254 shares

Total issued shares on March 30, 2022: 134,114,754 shares

Note:

1. Total Directors' Stock Shares should be 8,046,885 shares according to Laws. 11,161,376 shares are owned by Directors by March 29, 2022.
2. The Corporation has established an Audit Committee, so the provision regarding the minimum shareholding that supervisors are required to hold is no longer applicable.
3. Shareholdings owned by the directors did not include shares held by the independent directors.
4. Director Liao, Liang-Bin resigned on November 15, 2021.