

CyberTAN Technology Inc.

2021 Annual Meeting of Shareholders

Meeting Handbook

(Translation)

June 25, 2021

Disclaimer: This is translation of the handbook for the annual shareholders' meeting of CyberTAN and is intended solely for reference. CyberTAN hereby disclaims any and all liabilities whatsoever for the translation. In event of discrepancies, the Chinese version shall prevail.

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CyberTAN Technology Inc.

2021 Agenda of the Annual Meeting of Shareholders

- I. Call the Meeting to Order
- II. Chairman in Position
- III. Address of the Chairman
- IV. Matters to be Reported
- V. Matters to be Ratified
- VI. Matters to be Discussed
- VII. Elections
- VIII. Others
- IX. Impromptu Motion
- X. Adjournment

CyberTAN Technology Inc.

2021 Agenda of the Annual Meeting of Shareholders

Time: June 25, 2021 (Friday), 9.00 am

Place: Hsinchu Science Park, No. 99, Yuanqu 3rd Rd., Baoshan Township, Hsinchu County (meeting room on the 1st floor of the Company)

I. Address of the Chairman

II. Matters to be reported:

- (1) 2020 Business report.
- (2) 2020 Audit Committee's review report.
- (3) Report on the distribution of remuneration to employees in 2020.
- (4) Report on the distribution of cash dividends from earnings of 2020.

III. Matters to be Ratified:

- (1) Proposal for ratification of 2020 business report and financial statements.
- (2) Proposal for 2020 distribution of earnings.

IV. Matters to be discussed:

- (I) Proposal for amendment of the Company's Rules Governing the Election of Directors.

V. Elections

- (1) Proposal for reelection of the Company's directors.

VI. Others

- (1) Proposal for removal of the non-competition restrictions against the new directors and their representatives.

VII. Impromptu Motion

VIII. Adjournment

Matters to be Reported

Motion 1

Proposal: 2020 business report for approval.

Explanation: For the business report, please refer to the Attachment 1 on Page 7~8 of the Handbook.

Motion 2

Proposal: 2020 Audit Committee's review report for approval.

Explanation: For the Audit Committee's review report, please refer to Attachment 2 on Page 9~10 of the Handbook.

Motion 3

Proposal: Report on the distribution of remuneration to employees in 2020 for approval.

Explanation: For the distribution of remuneration to employees, please refer to the Attachment 3 on Page 11 of the Handbook.

Motion 4

Proposal: Report on the distribution of cash dividends from earnings of 2020 for approval.

Explanation:

1. This motion is subject to Article 20-1 of the Articles of Incorporation providing that the Board of Directors is authorized to distribute all or part of the distributable dividends and bonuses in the form of cash and report at the shareholders' meeting.
2. The Company resolved at the board meeting held on May 12, 2021 to allocate NTD 49,290,813 from the distributable earnings in 2020 to distribution of shareholders' cash dividends at NTD 0.15/share. The cash dividend issuance is calculated to the integer dollar (values smaller than an integer dollar are truncated), and the total of any odd amount less than one dollar is transferred to the Company's Employee Welfare Committee.
3. In the event that the number of the Company's outstanding shares is affected due to alteration of the Company's capital and the dividend distribution rate to shareholders is changed as a result, the Chairman of the Company is fully authorized to take actions in accordance with the Company Act and relevant laws and regulations.
4. The Chairman is authorized to schedule the ex-dividend and distribution dates and deal with other related matters.

Matters to be Ratified

Motion 1 (Proposed by the Board of Directors)

Proposal: 2020 business report and financial statements for approval.

Explanation: 1. The 2020 financial statements (including separate and consolidated financial statements) of the Company have been audited by the CPAs Yung-Chien Hsu and Min-Chuan Feng of PwC Taiwan, and an independent audit report has been issued. The business report of the Company has been audited by the Audit Committee.

2. For the aforesaid business report, CPA's audit report and financial statements, please refer to Attachment 1 on Page 7~8 and Attachment 4 on Page 12~34 of the Handbook.

Resolution:

Motion 2 (Proposed by the Board of Directors)

Proposal: 2020 distribution of earnings for approval

Explanation: 1. The proposal for 2020 distribution of earnings of the Company has been adopted by the Board of Directors and reviewed by the Audit Committee.

2. For the 2020 earnings distribution list, please refer to Attachment 5 on Page 35 of the Handbook.

Resolution:

Matters to be Discussed

Motion 1 (Proposed by the Board of Directors)

Proposal: Proposal for amendment to the Company's "Rules Governing the Election of Directors".

Explanation: I. In accordance with the amendment of "○○ Co., Ltd., Procedures for Election of Directors" described in Tai-Zheng-Zhi-Tzi No. 1090009468 of TWSE, the Company proposes to amend parts of the provisions of the "Rules Governing the Election of Directors" of the Company.

II. II. Please refer to Attachment 6, pages 36~38 of this Handbook for the Comparison Table of Amendments to the "Rules Governing the Election of Directors".

Resolution:

Elections

Motion 1 (Proposed by the Board of Directors)

Proposal: Proposal for reelection of the Company's directors, proposed for execution of election.

Explanation: I. The term of office of the directors of the Company will expire on June 21, 2021, and in accordance with Article 195 of the Company Act, new directors for the next term shall be elected completely.

II. According to the provisions of the Company's Articles of Incorporation, for the present election, seven directors (including four independent directors) shall be elected with the adoption of the candidates nomination system, and directors shall be elected at the shareholders' meeting from the candidate roster. The term of office shall be three years from June 25, 2021 to June 24, 2024. The term of office of the original directors shall end at the completion of the present annual general meeting.

III. The List of Nominated Candidates for Directors (Including Independent Directors) has been approved by the board of directors of the Company through resolution on March 25, 2021. Please refer to Attachment 7, page 39, of this Handbook for relevant information on the educational background, experience, shareholding, etc.

IV. The present election is executed in accordance with the "Rules Governing the Election of Directors" of the Company.

Election
Result:

Others

Motion 1 (Proposed by the Board of Directors)

Proposal: Proposal for removal of the non-competition restrictions against the new directors and their representatives, proposed for discussion.

Explanation: I. Pursuant to Article 209 of the 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”.

II. Based on the consideration of the operational needs and business of the Company, the non-compete restriction on the directors and their representatives elected in the present shareholders’ meeting is proposed to be removed.

III. Please refer to Attachment 8, page 40 of this Handbook for the Status of Nominated Candidates for Directors (Including Independent Directors) and Concurrent Positions in Other Companies.

Resolution:

Impromptu Motion

Adjournment

Attachment 1

CyberTAN Technology Inc. Business Report

We sincerely appreciate your great support for CyberTAN Technology over the past year. We hereby provide a report on the 2020 operational outcome and the 2021 future outlook of the Company for your review and consideration:

Financial and Operational Outcomes

Due to the impact of the COVID-19 global pandemic, the introduction of new products at the customer end was delayed, and the 2020 revenue of the Company decreased from last year. The overall operation result is summarized in the following:

The 2020 net operating revenue was NTD 4,834,151,000, operating loss was NTD 25,482,000, net income after tax was NTD 23,575,000, and the earnings per share (EPS) were NTD 0.07. The Company's financial operation has maintained the principle of stability as always, and the long and short term of capital utilization is planned according to the operational status of the Company. The 2020 current ratio is 257%, debt ratio is 33%, the working capital of the Company is sufficient, and the financial structure is sound.

Business, R&D, and Operational Focuses

Looking into the year of 2021, due to the continuous impact of the global pandemic, new living and working styles were created under such pandemic, which also promoted and accelerated corporate digitization and cloud development. We will expedite the technologies of 5G FWA (fixed wireless access equipment), WiFi 6/6E and SD-WAN, as well as product development and market promotion, in order to provide a high quality wireless transmission user experience, thereby allowing technologies to link families, corporations, living, and work as well as IoT applications closely, and achieving new growth dynamics for the Company. In addition, the Company will continue to expand new customers, and in the last year, the Company has successfully implemented relevant new customer products, which will be in mass production for market sale consecutively in this year.

In terms of 5G technology development, the technology has advanced from Sub 6GHz to mmWave or higher frequencies and faster speed, such that the mobile access network performance of faster speed and low latency is improved. In addition, integration with WIFI 6/6E and optical fiber module architecture also creates new business opportunities for multi-bandwidth access, thereby establishing a foundation for the Company's development of SD-WAN (software-defined wide area network) technologies and products. We will continue to develop NFV (network functions virtualization) technology in order to allow the software and hardware of the network communication to head toward an open platform architecture, thereby satisfying the demand and trend for fast deployment of telecommunication operators and enterprises. Improve product added value through software technology improvement to create business opportunities of transformation for the Company. For existing satellite bandwidth products, the Company has extended from the technology of GEO (geostationary satellites) to LEO (low earth orbit) technology. The new LEO satellite bandwidth products are able to allow users to break through the regional restrictions with increased transmission speed and reduced latency, such that its application can be deeper and broader.

To expand the market development, the Company will transform from the current main business model of ODM (original design manufacturer) customers to the IDM (innovative design manufacturing) model, and the specifications will also be closer to user demands with the expansion of the product roadmap, thereby continuously heading toward the next generation of high-speed

wireless, wired and regional, wide area full-domain network product technology development, and truly achieving the business philosophy of “Brining Broadband to Life” of the Company.

The Company will continue to promote the optimization of supply chain and select quality suppliers in order to cope with the issues of raw material shortages and increases of purchase price. We will implement strategic purchasing according to the market trend in order to stabilize the prices and sources of material supply. In terms of the manufacturing management, the Company will accelerate the integration of the two plants of Chongqing and Vietnam, and will continue to implement automatic, intelligent manufacturing, thereby improving the manufacturing efficiency and competitiveness.

In 2021, the operation focus of the Company will focus on the expansion of new markets, successful introduction of new products, and continuous optimization of cost management structure as the priority. In addition, the Company will pay attention to rapid external changes in order to achieve the greatest benefits for the shareholders, the Company, and employees. Finally, we sincerely appreciate the long term support and encouragement from all shareholders, customers, suppliers, and employees for the Company.

Chairman: Teddy Chen

President: Roger Wu

Accounting Manager: Sammie Huang

Attachment 2

Audit Committee's Review Report

The 2020 financial statements (including separate and consolidated financial statements) of the Company prepared by the Board of Directors have been audited by the CPAs Yung-Chien Hsu and Min-Chuan Feng of PwC Taiwan, and an independent audit report has been issued. This report has been reviewed by the Audit Committee and no nonconformities were found. We hereby issue the above report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please approve.

To

CyberTAN Technology Inc.
2021 Annual Meeting of Shareholders

Audit Committee Convener: Ting Hung-Hsun

March 25, 2021

Audit Committee's Review Report

The 2020 financial statements (including separate and consolidated financial statements) of the Company prepared by the Board of Directors and the proposal for distribution of earnings have been reviewed by the Audit Committee and no nonconformities were found. We hereby issue the above report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please approve.

To

CyberTAN Technology Inc.
2021 Annual Meeting of Shareholders

Audit Committee Convener: Ting Hung-Hsun

May 12, 2021

Attachment 3

CyberTAN Technology Inc. **Distribution of remuneration to employees in 2020**

The Board of Directors adopted the proposal for distribution of remuneration to employees in 2020 on March 25, 2021. The resolution is described as follows:

1. Total remuneration to employees in 2020: NT\$XXXXXXXX
2. The full amount of 2020 remuneration of employees of the Company are distributed in cash.

Attachment 4

Independent Auditors' Report

(110)Cai-Shen-Bao-Zi No.20005181

To CyberTAN Technology Inc.:

Audit opinion

We have audited the standalone balance sheet of CyberTAN Technology Inc. (hereinafter referred to as the "CyberTAN") as at December 31, 2020 and 2019, the parent company only statement of comprehensive income, parent company only statement of changes in equity, and parent company only cash flow statement for the periods January 1 to December 31, 2020 and 2019, and the accompanying footnotes (including summary of major accounting policies).

In our opinion, based on our audit results and other independent auditors' report (please refer to the other matter section), all material disclosures of the parent company only financial statements mentioned above were prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers, and presented a fair view of the parent company only financial position of CyberTAN as at December 31, 2020 and 2019, and business performance and cash flow for the periods January 1 to December 31, 2020 and 2019.

Basis for Opinion

In 2020, we conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statement by Certified Public Accountants and Generally Accepted Auditing Standards; in 2019, we conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Letter Jin-Guan-Zheng-Shen-Zi No. 1090360805 dated February 25, 2020 issued by Financial Supervisory Commission and the Generally Accepted Auditing Standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. The personnel of the CPA Firm subject to the independence requirement have acted independently from the business operations of CyberTAN in accordance with the Code of Ethics for Professional Accountants of the Republic of China and with other responsibilities of the Code of Ethics performed. According to our audits and other independent auditors' report, we believe to have obtained sufficient and appropriate audit evidence in order to be used as the basis for the opinion.

Key audit matters

The "key audit matters" means that the independent auditor has used their professional judgment as the basis to audit the most important matters on the 2020 parent company only financial statements of CyberTAN. These matters were addressed in the content of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on those matters.

The key audit matters of the 2020 parent company only financial statements of CyberTAN are described as follows:

Evaluation of allowance for inventory valuation loss

Item Description

Regarding the accounting policies for the inventory valuation, please refer to Note 4(13) to the

parent company only financial report; for the uncertainty to accounting estimates and assumptions, please refer to Note 5(2) to the parent company only financial report; for description of inventory accounting titles, please refer to Note 6(5) to the parent company only financial report. The balances of valuation loss regarding the inventory and allowance for inventory on December 31, 2020 were NTD 30,072 thousand and NTD 1,964 thousand, respectively.

CyberTAN mainly involves in the sale of communication products manufactured by the subsidiaries. The risk caused by loss on inventory devaluation or the obsolescence of inventory may be higher due to the short life cycle and severe market competition. Inventory is evaluated by CyberTAN and its subsidiaries on the basis of the cost and net realizable value, whichever is lower. The aforementioned loss of allowance for inventory valuation was mainly due to the inventory measured at the cost and net realizable value, whichever is lower, and identification of obsolescent or damaged inventory items. Because the large inventory amount and enormous items of CyberTAN and its subsidiaries as well as the objective judgments of the management concerned during the identification of obsolescent or damaged inventory belong to the field to be determined during the audit, we listed the evaluation for the loss of allowance for inventory valuation of CyberTAN and its subsidiaries as one of the important matters in the audit.

Responsive Audit Procedures

The responsive procedures executed by us for specific aspects specified in the preceding key audit matters are as follows:

1. Adopted the acquired allowance policy for inventory devaluation of CyberTAN and its subsidiaries during the comparative period of financial statements and evaluated the reasonableness of the allowance policy.
2. Acquired the net realizable value statement of inventory cost, randomly checked related supporting documents and recalculated its accuracy, validated the appropriateness regarding the logic of inventory aging report system used for evaluation, conducted spot check for individual inventory number to confirm the degree of inventory closeout and information and evaluated the basis of net realizable value estimated by the management and its reasonableness.
3. Checked related information acquired during inventory taking process and inquired the management and personnel related to inventory to confirm conditions of obsolescent, remaining, older, out-of-fashion or damaged inventory neglected in the inventory details.

Evaluation for the loss of accounts receivable

Item Description

Regarding the accounting policies for the loss evaluation of accounts receivable, please refer to Note 4(9) to the parent company only financial report; for the uncertainty to accounting estimates and assumptions regarding the loss evaluation of accounts receivable, please refer to Note 5(2) to the parent company only financial report; for description of accounts receivable accounting titles, please refer to Note 6(4) to the parent company only financial report. The balances of accounts receivable (including the related party) and its allowance loss on December 31, 2020 were NTD 1,338,695 thousand and NTD 8,882 thousand, respectively.

CyberTAN regularly assess if there is objective evidence implicating the impairment of individual accounts receivable and the assessment method includes the consideration of overdue ages of accounts receivable, customer's financial status, historical trading record and subsequent collections. The Group also calculates loss ratio based on past aging data statement and considers

expected credit losses of industrial forward-looking evaluation to estimate the amount of loss allowance to be recognized. Because the estimation process involves the objective judgment of the management toward the preceding impairment evidence, the factor impacting the recognized amount of loss allowance tends to have high uncertainty, causing significant impact on the recoverable amount of accounts receivable. Therefore, we consider CyberTAN's evaluation for the impairment loss of accounts receivable as one of the important matters in the audit.

Responsive Audit Procedures

The responsive procedures executed by us for specific aspects specified in the preceding key audit matters are as follows:

1. Understand and evaluate the reasonableness of the allowance policy and procedure regarding the allowance loss of accounts receivables.
2. Acquire the aging data statement the management used to evaluate the expected credit loss ratio of accounts receivable, confirm its data source logic is consistently adopted and test relevant forms to confirm the correctness of its aging data.
3. Evaluate the reasonableness of the estimation used by the management to evaluate the expected credit loss ratio of accounts receivable and acquire related supporting documents, including forward-looking adjustment, disputable accounts, status of lasting aging, subsequent collection status, financial status impacting the customer and signs suggesting the customer is unable to pay as scheduled.

Other matters – Audit related to other CPAs

For the companies invested under equity method in the aforementioned parent company only financial statements of CyberTAN, we have not audited the financial statements which was prepared based on different financial report structure, instead other CPAs did. Therefore, our opinions expressed on the amount listed in said parent company only financial statements of such companies and related information disclosed in Note 13 were based on the other independent auditor's report. The balances of the invested company under the equity method as of December 31, 2020 and 2019 were NTD 225,691 thousand and NTD 246,592 thousand, respectively. The comprehensive income recognized under the equity method for the said companies were NTD (14,900) thousand and NTD (55,527) thousand on January 1 to December 31, 2020 and 2019, respectively.

Responsibilities of Management and the Governance Unit with Governance of the Parent Company Only Financial Statements

The management is responsible for preparing the appropriate parent company only financial statements in accordance with Regulations Governing the Preparation of Financial Report by Securities Issuers. Additionally, it is responsible for maintaining the internal control mechanism that is related to and necessary for the preparation of the parent company only financial statements. As a result, it can ensure material misstatement due to fraud or error is not pertained in the parent company only financial statements.

In preparing the parent company only financial statements, the management is also responsible for assessing the ability of CyberTAN to continue as a going concern, disclosing, as applicable, matters related to ongoing concerns and using the going concern basis of accounting unless management either intends to liquidate the CyberTAN or to cease operations, or there is a lack of any option except for liquidation or suspension.

The governance unit (including the audit committee) of CyberTAN is responsible for supervising the financial reporting process.

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

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

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

1. Identify and assess the risk of material misstatement of the parent company only financial statements due to fraud or error, design and adopt appropriate countermeasures for the risks assessed, and obtain sufficient and appropriate audit evidence in order to be used as the basis for the 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. We acquire necessary understanding of the internal control mechanism that is related to the audit to design appropriate audit process for the situation at the time. The purpose of the knowledge is not expressing opinions to the effectiveness of the internal control mechanism of CyberTAN.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management level.
4. Based on the acquired audit evidence, we decide whether the going concern accounting basis adopted by the management is suitable, whether events that might affect the going concern capacity of CyberTAN exist, and whether there is major uncertainty. A conclusion will be made afterwards. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inappropriate, to modify our opinion. Our conclusion is based on the audit evidence acquired as of the date of the audit report. However, future events or conditions may cause the CyberTAN to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements (including relevant notes), and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence on the financial information of individual companies within the CyberTAN in order to express an opinion on the parent company only financial statements. The independent auditor is responsible for guiding, supervising, and implementing the individual audit of CyberTAN, and also for forming an audit opinion for the parent company only financial statements.

We communicate with the governance units 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 in charge of governance with a statement that we have complied with the

Code of Ethics for Professional Accountants of the Republic of China 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, (including related safeguards).

The independent auditor has used the communications with the governing unit as the basis to determine the key audit matters to be performed on the 2020 parent company only financial statements of CyberTAN. We clearly state all above matters in the audit report, unless the law prohibits us to publicly disclose certain matters, or under rare circumstances we decide not to include certain matters in the audit report since we can reasonably expect the resulting negative impact is greater than the public interest they bring.

PricewaterhouseCoopers Taiwan
HSU-YUNG CHIEN

CPA

FENG-MIN CHUAN

Former Securities and Futures Commission, Ministry of
Finance

Approval Reference No.: (84)-Tai-Cai-Zheng-(Liu) No.
13377

Former Securities and Futures Bureau, Financial
Supervisory Commission of Executive Yuan

Approval Reference No.: Jin-Guan-Zheng-Liu-Zi No.
0960038033

March 25, 2021

CyberTAN Technology Inc.
Parent Company Only Balance Sheet
December 31, 2019 and 2020

Unit: NTD thousand

Assets	Notes	December 31, 2020		December 31, 2019		
		Amount	%	Amount	%	
Current assets						
1100	Cash and Cash Equivalents	6(1)	\$ 1,262,921	17	\$ 799,773	11
1136	Financial assets measured at amortized cost – current	6(3)	1,342,200	18	1,208,500	16
1170	Accounts receivable, net	6(4)	683,703	9	1,277,993	17
1180	Accounts receivable – the related party, net	6(4) and 7	646,110	9	198,091	3
1210	Other receivables- the related party	7	44,118	1	157,910	2
1220	Income tax assets in the current period		-	-	37,319	1
130X	Inventory	6(5)	28,108	-	95,197	1
1479	Other current assets – others		5,307	-	13,397	-
11XX	Total current assets		<u>4,012,467</u>	<u>54</u>	<u>3,788,180</u>	<u>51</u>
Non-current assets						
1517	Financial assets measured at fair value through profit or loss – non-current	6(2)	1,667	-	11,631	-
1535	Financial assets measured at amortized cost -non-current	6(3) and 8	20,636	-	20,636	-
1550	Investment at equity method	6(6)	2,216,952	30	2,434,914	33
1600	Property, plant and equipment	6(7) and 7	631,018	9	661,956	9
1755	Right-of-use assets	6(8) and 7	260,214	3	279,033	4
1780	Intangible assets		126	-	1,352	-
1840	Deferred income tax assets	6(24)	38,125	1	43,868	-
1990	Other non-current assets – others	6(11)	202,782	3	198,348	3
15XX	Total non-current assets		<u>3,371,520</u>	<u>46</u>	<u>3,651,738</u>	<u>49</u>
1XXX	Total assets		<u>\$ 7,383,987</u>	<u>100</u>	<u>\$ 7,439,918</u>	<u>100</u>

(To be continued)

CyberTAN Technology Inc.
Parent Company Only Balance Sheet
December 31, 2019 and 2020

Unit: NTD thousand

Liabilities and equity	Notes	December 31, 2020		December 31, 2019		
		Amount	%	Amount	%	
Current liabilities						
2100	Short-term loans	6(10)	\$ 688,413	10	\$ 392,578	5
2130	Contract liabilities – current	6(17)	53,483	1	38,481	1
2170	Accounts payable		612,340	8	474,011	7
2180	Accounts payable – the related party	7	83,715	1	356,690	5
2200	Other payables		69,014	1	95,986	1
2220	Other payables – the related party	7	11,095	-	19,306	-
2230	Income tax liabilities in the current period		24,695	1	12,699	-
2250	Liability reserve – current	6(12)	19,978	-	22,573	-
2280	Lease liabilities – current		16,579	-	16,495	-
2365	Refund liabilities – current		1,861	-	9,500	-
2399	Other current liabilities -others		92,941	1	180,786	3
21XX	Total current liabilities		<u>1,674,114</u>	<u>23</u>	<u>1,619,105</u>	<u>22</u>
Non-current liabilities						
2550	Liability reserve – non-current	6(12)	17,153	-	20,275	-
2570	Deferred income tax liabilities	6(24)	47,125	1	75,587	1
2580	Lease liabilities – non-current		248,610	3	265,188	4
2600	Other non-current liabilities		3,223	-	4,152	-
25XX	Total non-current liabilities		<u>316,111</u>	<u>4</u>	<u>365,202</u>	<u>5</u>
2XXX	Total liabilities		<u>1,990,225</u>	<u>27</u>	<u>1,984,307</u>	<u>27</u>
Equity						
	Capital stock	6(13)				
3110	Common stock		3,286,054	45	3,286,054	44
	Capital reserves	6(14)				
3200	Capital reserves		578,131	8	578,131	8
	Retained earnings	6(15)				
3310	Legal reserve		816,159	11	809,235	11
3320	Special reserve		126,502	2	68,007	1
3350	Undistributed earnings		774,807	10	840,686	11
	Other equity	6(16)				
3400	Other equity		(187,891)	(3)	(126,502)	(2)
3XXX	Total equity		<u>5,393,762</u>	<u>73</u>	<u>5,455,611</u>	<u>73</u>
	Major Contingent Liabilities and Commitments Made Under Unrecognized Contracts Significant Subsequent Events	9				
3X2X	Total liabilities and equity	11	<u>\$ 7,383,987</u>	<u>100</u>	<u>\$ 7,439,918</u>	<u>100</u>

Please refer to the notes of the parent company only financial statements, which constitute a part of the parent company only financial report.

CyberTAN Technology Inc.
Parent Company Only Statement of Comprehensive Income
January 1 to December 31, 2019 and 2020

Unit: NTD thousand
(Except the unit of earnings per share is NTD)

Item	Notes	2020		2019		
		Amount	%	Amount	%	
4000	Operating revenue	6(17) and 7	\$ 4,820,615	100	\$ 5,699,629	100
5000	Operating cost	6(5)(22)				
		(23) and 7	(4,351,680)	(90)	(5,246,170)	(92)
5900	Operating gross profit		468,935	10	453,459	8
	Operating expense	6(22)				
		(23) and 7				
6100	Selling expenses		(18,733)	(1)	(35,855)	(1)
6200	Administrative expenses		(57,311)	(1)	(58,962)	(1)
6300	R&D expenses		(253,203)	(5)	(258,440)	(4)
6450	Expected credit impairment losses	12(2)	(849)	-	(2,879)	-
6000	Total operating expenses		(330,096)	(7)	(356,136)	(6)
6900	Operating profits		138,839	3	97,323	2
	Non-operating revenue and expenses					
7100	Interest revenue	6(18)	12,278	-	24,939	-
7010	Other revenue	6(19) and 7	90,324	2	58,517	1
7020	Other gains and losses	6(20)	(36,920)	(1)	(68,921)	(1)
7050	Financial Costs	6(21)	(9,718)	-	(4,528)	-
7070	Share of profit or loss of subsidiaries, affiliated companies and joint ventures recognized under the equity method	6(6)	(180,435)	(3)	(40,829)	(1)
7000	Total non-operating income and expense		(124,471)	(2)	(30,822)	(1)
7900	Net profit before tax		14,368	1	66,501	1
7950	Income tax benefits (expenses)	6(24)	9,207	-	(15,149)	-
8200	Current net profit		\$ 23,575	1	\$ 51,352	1
	Other comprehensive income					
	Items not reclassified to profit or loss					
8311	Remeasurement of defined benefit plan	6(11)	\$ 4,367	-	\$ 3,526	-
8316	Unrealized valuation gains and loss from equity instrument investments measured at fair value through other comprehensive income	6(2)(16)	(9,964)	-	(2,686)	-
8330	Share of other comprehensive income of subsidiaries, affiliated companies and joint ventures recognized under the equity method – items not reclassified to profit or loss	6(6)	(20,592)	(1)	19,851	-
8349	Income tax related to items not reclassified	6(24)	(873)	-	(705)	-
8310	Total of items not reclassified to profit or loss		(27,062)	(1)	19,986	-
	Items may be reclassified to profit or loss subsequently					
8361	Exchange difference in the financial statement translation of the foreign operation	6(16)	(9,318)	-	(60,667)	(1)
8380	Share of other comprehensive income of subsidiaries, affiliated companies and joint ventures recognized under the equity method – items may be reclassified to profit or loss	6(16)	(1,617)	-	(12,060)	-
8399	Income tax related to items may be reclassified	6(16)(24)	1,864	-	12,133	-
8360	Total of items may be reclassified to profit or loss subsequently		(9,071)	-	(60,594)	(1)
8300	After-tax income of other comprehensive losses for the year		(\$ 36,133)	(1)	(\$ 40,608)	(1)
8500	Total comprehensive income (losses) for the year		(\$ 12,558)	-	\$ 10,744	-
	Basic earnings per share					
9750	Total basic earnings per share	6(25)	\$ 0.07		\$ 0.16	
	Diluted earnings per share					
9850	Total diluted earnings per share	6(25)	\$ 0.07		\$ 0.16	

Please refer to the notes of the parent company only financial statements, which constitute a part of the parent company only financial report.

CyberTAN Technology Inc.
Parent Company Only Statement of Changes in Equity
January 1 to December 31, 2019 and 2020

Unit: NTD thousand

	Notes	Retained earnings				Other equity		Total	
		Common stock	Capital reserves	Legal reserve	Special reserve	Undistributed earnings	Exchange difference in the financial statement translation of the foreign operation		Unrealized profit or loss of financial assets measured at fair value through other comprehensive income
<u>2019</u>									
Balance at January 1, 2019		\$ 3,286,054	\$ 578,131	\$ 792,575	\$ 3,619	\$ 983,937	(\$ 55,614)	(\$ 12,393)	\$ 5,576,309
Current net profit		-	-	-	-	51,352	-	-	51,352
Other comprehensive income for the year	6(16)	-	-	-	-	704	(60,594)	19,282	(40,608)
Total comprehensive income for the year		-	-	-	-	52,056	(60,594)	19,282	10,744
Appropriation and allocation of earnings in 2018:	6(15)								
Allocated legal reserve		-	-	16,660	-	(16,660)	-	-	-
Allocated special reserve		-	-	-	64,388	(64,388)	-	-	-
Allocation of cash dividends		-	-	-	-	(131,442)	-	-	(131,442)
Recognized changes in the subsidiary	6(16)	-	-	-	-	16,410	-	(16,410)	-
Changes of affiliated companies and joint ventures under equity method	6(16)	-	-	-	-	773	-	(773)	-
Balance at December 31, 2019		\$ 3,286,054	\$ 578,131	\$ 809,235	\$ 68,007	\$ 840,686	(\$ 116,208)	(\$ 10,294)	\$ 5,455,611
<u>2020</u>									
Balance at January 1, 2019		\$ 3,286,054	\$ 578,131	\$ 809,235	\$ 68,007	\$ 840,686	(\$ 116,208)	(\$ 10,294)	\$ 5,455,611
Current net profit		-	-	-	-	23,575	-	-	23,575
Other comprehensive income for the year	6(16)	-	-	-	-	(3,008)	(9,071)	(24,054)	(36,133)
Total comprehensive income for the year		-	-	-	-	20,567	(9,071)	(24,054)	(12,558)
Appropriation and allocation of earnings in 2019:	6(15)								
Allocated legal reserve		-	-	6,924	-	(6,924)	-	-	-
Allocated special reserve		-	-	-	58,495	(58,495)	-	-	-
Allocation of cash dividends		-	-	-	-	(49,291)	-	-	(49,291)
Recognized changes in the subsidiary	6(16)	-	-	-	-	27,948	-	(27,948)	-
Changes of affiliated companies and joint ventures under equity method	6(16)	-	-	-	-	316	-	(316)	-
Balance at December 31, 2020		\$ 3,286,054	\$ 578,131	\$ 816,159	\$ 126,502	\$ 774,807	(\$ 125,279)	(\$ 62,612)	\$ 5,393,762

Please refer to the notes of the parent company only financial statements, which constitute a part of the parent company only financial report.

Cash flow from operating activities

Net profit before tax in the current period		\$	14,368	\$	66,501
Adjustment items					
Income/expenses items without impact on cash flow					
Depreciation expenses	6(7)(8)(22)		46,001		44,978
Miscellaneous expenses – depreciation expenses	6(7)(8)(20)		17,977		19,267
Amortization expenses	6(22)		1,226		1,785
Expected credit impairment losses	12(2)		849		2,879
Net profit of financial assets measured at fair value through profit or loss	6(20)		-	(	417)
Interest expenses	6(21)		9,718		4,528
Miscellaneous expenses – interest expenses	6(20)		2,555		2,496
Interest revenue	6(18)	(	12,278)	(	24,939)
Dividend revenue	6(2)(19)	(	9,814)	(	2,919)
Share of losses of from subsidiaries, affiliated companies and joint ventures recognized under the equity method	6(6)		180,435		40,829
Gains on disposal of property, plant and equipment	6(20)	(	625)	(	178)
Changes of assets/liabilities related to operating activities					
Net changes of assets/liabilities related to operating activities					
Accounts receivable			593,441		965,103
Accounts receivable – the related party		(	448,019)		127,589
Other receivables- the related party			113,792	(	153,857)
Inventory			67,089		908,831
Other current assets – others			8,872		2,106
Other non-current assets		(	67)	(	2,317)
Net changes of liabilities related to operating activities					
Contract liabilities – current			15,002		3,013
Accounts payable			138,329	(	739,242)
Accounts payable – the related party		(	272,975)		276,214
Other payables		(	27,507)	(	72,179)
Other payables – the related party		(	8,211)	(	106,810)
Refund liabilities – current		(	7,639)	(	2,500)
Liability reserve		(	5,717)	(	5,420)
Other current liabilities -others		(	87,845)	(	13,654)
Cash inflow from operations			328,957		1,341,687
Returned (paid) income tax			36,794	(	18,937)
Net cash inflow from operating activities			<u>365,751</u>		<u>1,322,750</u>
<u>Cash flow from investing activities</u>					
Refunds from decapitalization of financial assets measured at fair value through profit or loss			-		19,740
Acquisition of financial assets measured at amortized cost		(	133,700)	(	1,212,196)
Disposal of financial assets measured at fair value through profit or loss			-		786
Acquisition of investment under equity method	6(6)		-	(	280,565)
Refunds from decapitalization of the invested company under the equity method	6(6)		6,000		-
Acquisition of property, plant, and equipment	6(7)	(	14,482)	(	24,299)
Disposal of property, plant, and equipment proceeds			886		1,998
Acquisition of intangible asset			-	(	1,732)
Interest received			11,496		25,464
Dividends received			9,814		2,919
Collection of cash dividend distributed by affiliated companies recognized under the equity method	6(6)		-		12,185
Net cash outflow from investing activities		(	<u>119,986</u>)	(	<u>1,455,700</u>)
<u>Cash flow from financing activities</u>					
Increase in short-term loans			4,010,143		1,032,708
Decrease in short-term loans		(	3,714,308)	(	810,130)
Decrease in guarantee deposits		(	929)	(	69)
Repayment of lease principal		(	16,494)	(	16,169)
Allocation of cash dividends	6(15)	(	49,291)	(	131,442)

Interest paid	(<u>11,738</u>)	(<u>7,024</u>)
Net cash inflow from financing activities	<u>217,383</u>	<u>67,874</u>
Increase (decrease) in cash and cash equivalents in the current period	463,148	(65,076)
Balance of cash and cash equivalents, beginning	<u>799,773</u>	<u>864,849</u>
Balance of cash and cash equivalents, ending	<u>\$ 1,262,921</u>	<u>\$ 799,773</u>

Independent Auditors' Report

(110)Cai-Shen-Bao-Zi No.20005178

To CyberTAN Technology Inc.:

Audit opinion

We have audited the consolidated balance sheet of CyberTAN Technology Inc. and the subsidiaries (hereinafter referred to as the “CyberTAN Group”) as of December 31, 2019 and 2020 and the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows, and the notes to the consolidated financial statements. (including the summary of the material accounting policies) for periods of January 1 to December 31, 2019 and 2020.

In our opinion, the major issues of said consolidated financial statements prove to have been duly worked out in accordance with and Regulations Governing the Preparation of Financial Report by Securities Issuers, International Financial Reporting Standards (IFRS), Regulations and IAS, Interpretations and Interpretation Gazettes recognized and effective upon promulgation by the Financial Supervisory Commission, presenting fairly the consolidated financial position of CyberTAN Group thereof as of December 31, 2019 and, 2020 and the consolidated results of financial performance and consolidated cash flow for the periods starting from January 1 till December 31, 2019 and 2020.

Basis for Opinion

In 2020, we conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statement by Certified Public Accountants and Generally Accepted Auditing Standards; in 2019, we conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Letter Jin-Guan-Zheng-Shen-Zi No. 1090360805 dated February 25, 2020 issued by Financial Supervisory Commission and the Generally Accepted Auditing Standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. The personnel of the CPA Firm subject to the independence requirement have acted independently from the business operations of CyberTAN Group in accordance with the Code of Ethics for Professional Accountants of the Republic of China and with other responsibilities of the Code of Ethics performed. According to our audits and other independent auditors' report, we believe to have obtained sufficient and appropriate audit evidence in order to be used as the basis for the opinion.

Key audit matters

The “key audit matters” means that the independent auditor has used their professional judgment as the basis to audit the most important matters on the 2020 consolidated financial statements of CyberTAN Group. These matters were addressed in the content 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 those matters.

The key audit matters of the 2020 consolidated financial statements of CyberTAN Group are described as follows:

Evaluation of allowance for inventory valuation loss

Item Description

Regarding the accounting policies for the inventory valuation, please refer to Note 4(14) to the consolidated financial report; for the uncertainty to accounting estimates and assumptions, please refer to Note 5(2) to the consolidated financial report; for description of inventory accounting titles, please refer to Note 6(5) to the consolidated financial report. The balances of valuation loss regarding the inventory and allowance for inventory on December 31, 2020 were NTD 569,450 thousand and NTD 50,068 thousand, respectively.

CyberTAN Group involves in the manufacturing and sale of communication products. The risk caused by loss on inventory devaluation or the obsolescence of inventory may be higher due to the short life cycle and severe market competition. Inventory is evaluated by CyberTAN Group on the basis of the cost and net realizable value, whichever is lower. The aforementioned loss of allowance for inventory valuation was mainly due to the inventory measured at the cost and net realizable value, whichever is lower, and identification of obsolescent or damaged inventory items. Because the large inventory amount and enormous items of CyberTAN Group as well as the objective judgments of the management concerned during the identification of obsolescent or damaged inventory belong to the field to be determined during the audit, we listed the evaluation for the loss of allowance for inventory valuation of CyberTAN Group as one of the important matters in the audit.

Responsive Audit Procedures

The responsive procedures executed by us for specific aspects specified in the preceding key audit matters are as follows:

1. Adopted the acquired allowance policy for inventory devaluation of CyberTAN Group during the comparative period of financial statements and evaluated the reasonableness of the allowance policy.
2. Acquired the net realizable value statement of inventory cost, randomly checked related supporting documents and recalculated its accuracy, validated the appropriateness regarding the logic of inventory aging report system used for evaluation, conducted spot check for individual inventory number to confirm the degree of inventory closeout and information and evaluated the basis of net realizable value estimated by the management and its reasonableness.
3. Checked related information acquired during inventory taking process and inquired the management and personnel related to inventory to confirm conditions of obsolescent, remaining, older, out-of-fashion or damaged inventory neglected in the inventory details.

Evaluation for the loss of accounts receivable

Item Description

Regarding the accounting policies for the loss evaluation of accounts receivable, please refer to Note 4(11) to the consolidated financial report; for the uncertainty to accounting estimates and assumptions regarding the loss evaluation of accounts receivable, please refer to Note 5(2) to the consolidated financial report; for description of accounts receivable accounting titles, please refer to Note 6(4) to the consolidated financial report. The balances of accounts receivable (including the related party) and its allowance loss on December 31, 2020 were NTD 1,346,784 thousand and NTD 8,882 thousand, respectively.

CyberTAN Group regularly assess if there is objective evidence implicating the impairment of individual accounts receivable and the assessment method includes the consideration of overdue ages of accounts receivable, customer's financial status, historical trading record and subsequent collections. The Group also calculates loss ratio based on

past aging data statement and considers expected credit losses of industrial forward-looking evaluation to estimate the amount of loss allowance to be recognized. Because the estimation process involves the objective judgment of the management toward the preceding impairment evidence, the factor impacting the recognized amount of loss allowance tends to have high uncertainty, causing significant impact on the recoverable amount of accounts receivable. Therefore, we consider CyberTAN Group's evaluation for the impairment loss of accounts receivable as one of the important matters in the audit.

Responsive Audit Procedures

The responsive procedures executed by us for specific aspects specified in the preceding key audit matters are as follows:

1. Understand and evaluate the reasonableness of the allowance policy and procedure regarding the allowance loss of accounts receivables.
2. Acquire the aging data statement the management used to evaluate the expected credit loss ratio of accounts receivable, confirm its data source logic is consistently adopted and test relevant forms to confirm the correctness of its aging data.
3. Evaluate the reasonableness of the estimation used by the management to evaluate the expected credit loss ratio of accounts receivable and acquire related supporting documents, including forward-looking adjustment, disputable accounts, status of lasting aging, subsequent collection status, financial status impacting the customer and signs suggesting the customer is unable to pay as scheduled.

Other matters – Audit related to other CPAs

For the part of subsidiaries and companies invested under equity method in the aforementioned consolidated financial statements of CyberTAN Group, we have not audited the financial statements which was prepared based on different financial report structure, instead other CPAs did. Therefore, our opinions expressed on the amount listed in said financial statements of such companies and related information disclosed in Note 13 were based on the other independent auditor's report. The total assets (including investment under the equity method) of the companies was NTD 449,931 thousand and NTD 506,143 thousand on December 31, 2020 and 2019, accounting for 6% of the total consolidated assets, respectively. The operating revenue from January 1 to December 31, 2020 and 2019 was NTD 0, accounting for 0% of the total net consolidated operating revenue.

Other matters – Parent company only financial statement

CyberTAN Group had duly worked out the 2019 and 2020 parent company only financial statement for which we, the Undersigned Certified Public Accountant, have duly worked out standard type, Audit Report with unqualified (unreserved) opinion for reference.

Responsibilities of Management and the Governance Unit with Governance of the Consolidated Financial Statements

The responsibility of the management is to have the consolidated financial statements presented fairly, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, IFRS, IAS, IFRIC and SIC endorsed by the Financial Supervisory Commission. Also, to maintain the necessary internal controls related to the consolidated financial statements to ensure that the consolidated financial statements are free of any material misstatement arising from fraud or error.

In preparing the consolidated financial statements, the management is also responsible

for assessing the ability of CyberTAN Group to continue as a going concern, disclosing, as applicable, matters related to ongoing concerns and using the going concern basis of accounting unless management either intends to liquidate the CyberTAN Group or to cease operations, or there is a lack of any option except for liquidation or suspension.

The governance unit (including the audit committee) of CyberTAN Group is responsible for supervising the financial reporting process.

Independent 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the generally accepted auditing standards will always detect a material misstatement when it exists. Misstatement can arise from fraud or error. If fraud or errors are considered materials, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

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

1. Identify and assess the risk of material misstatement of the consolidated financial statements due to fraud or error, design and adopt appropriate countermeasures for the risks assessed, and obtain sufficient and appropriate audit evidence in order to be used as the basis for the 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. We acquire necessary understanding of the internal control mechanism that is related to the audit to design appropriate audit process for the situation at the time. The purpose of the knowledge is not expressing opinions to the effectiveness of the internal control mechanism of the CyberTAN Group.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management level.
4. Based on the acquired audit evidence, we decide whether the going concern accounting basis adopted by the management is suitable, whether events that might affect the going concern capacity of CyberTAN Group exist, and whether there is major uncertainty. A conclusion will be made afterwards. 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 inappropriate, to modify our opinion. Our conclusion is based on the audit evidence acquired as of the date of the audit report. However, future events or conditions may cause the CyberTAN Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements (including relevant notes), 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 on the financial information of individual companies within the Group in order to express an opinion on the consolidated financial statements. The independent auditor is responsible for guiding,

supervising, and implementing the audit of the Group, and also for forming an opinion on the audit of the Group.

We communicate with the governance units 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 in charge of governance with a statement that we have complied with the Code of Ethics for Professional Accountants of the Republic of China 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).

The independent auditor has used the communications with the governing unit as the basis to determine the key audit matters to be performed on the 2020 consolidated financial statements of CyberTAN Group. We clearly state all above matters in the audit report, unless the law prohibits us to publicly disclose certain matters, or under rare circumstances we decide not to include certain matters in the audit report since we can reasonably expect the resulting negative impact is greater than the public interest they bring.

PricewaterhouseCoopers Taiwan
HSU-YUNG CHIEN

CPA

FENG-MIN CHUAN

Former Securities and Futures Commission, Ministry of Finance

Approval Reference No.: (84)-Tai-Cai-Zheng-(Liu) No. 13377

Former Securities and Futures Bureau, Financial Supervisory Commission of Executive Yuan

Approval Reference No.: Jin-Guan-Zheng-Liu-Zi No. 0960038033

March 25, 2021

CyberTAN Technology Inc. and the subsidiaries
Consolidated Balance Sheet
December 31, 2019 and 2020

Unit: NTD thousand

	Assets	Notes	December 31, 2020		December 31, 2019	
			Amount	%	Amount	%
Current assets						
1100	Cash and Cash Equivalents	6(1)	\$ 1,884,022	24	\$ 1,509,214	19
1136	Financial assets measured at amortized cost – current	6(3)	1,403,222	18	1,269,500	16
1170	Accounts receivable, net	6(4)	697,221	9	1,279,627	16
1180	Accounts receivable – the related party, net	6(4) and 7	640,681	8	204,297	3
1200	Other accounts receivable	7	32,541	-	15,496	-
1220	Income tax assets in the current period		255	-	37,319	-
130X	Inventory	6(5)	519,382	6	642,799	8
1470	Other current assets		6,723	-	6,931	-
11XX	Total current assets		<u>5,184,047</u>	<u>65</u>	<u>4,965,183</u>	<u>62</u>
Non-current assets						
1517	Financial assets measured at fair value through profit or loss – non-current	6(2)	38,311	-	72,462	1
1535	Financial assets measured at amortized cost -non-current	6(3) and 8	21,073	-	21,498	-
1550	Investment at equity method	6(6)	1,219,126	15	1,282,553	15
1600	Property, plant and equipment	6(7)	716,167	9	732,237	9
1755	Right-of-use assets	6(8) and 7	577,785	7	629,408	8
1780	Intangible assets		15,363	-	17,310	-
1840	Deferred income tax assets	6(24)	47,198	1	49,972	1
1900	Other non-current assets		205,273	3	200,345	4
15XX	Total non-current assets		<u>2,840,296</u>	<u>35</u>	<u>3,005,785</u>	<u>38</u>
1XXX	Total assets		<u>\$ 8,024,343</u>	<u>100</u>	<u>\$ 7,970,968</u>	<u>100</u>

(To be continued)

CyberTAN Technology Inc. and the subsidiaries
Consolidated Balance Sheet
December 31, 2019 and 2020

Unit: NTD thousand

Liabilities and equity	Notes	December 31, 2020		December 31, 2019		
		Amount	%	Amount	%	
Current liabilities						
2100	Short-term loans	6(10)	\$ 688,413	9	\$ 392,578	5
2130	Contract liabilities – current	6(17)	53,483	1	38,481	1
2170	Accounts payable		827,598	10	794,970	10
2180	Accounts payable – the related party	7	66,428	1	130,201	2
2200	Other payables		161,145	2	196,617	2
2220	Other payables – the related party	7	22,359	-	26,379	-
2230	Income tax liabilities in the current period		28,761	-	16,026	-
2250	Liability reserve – current	6(12)	19,978	-	22,573	-
2280	Lease liabilities – current		47,153	1	43,829	1
2365	Refund liabilities – current		1,861	-	9,500	-
2399	Other current liabilities -others		96,956	1	143,780	2
21XX	Total current liabilities		<u>2,014,135</u>	<u>25</u>	<u>1,814,934</u>	<u>23</u>
Non-current liabilities						
2550	Liability reserve – non-current	6(12)	17,153	-	20,275	-
2570	Deferred income tax liabilities	6(24)	49,938	1	82,485	1
2580	Lease liabilities – non-current		544,923	7	590,810	8
2600	Other non-current liabilities		4,432	-	6,853	-
25XX	Total non-current liabilities		<u>616,446</u>	<u>8</u>	<u>700,423</u>	<u>9</u>
2XXX	Total liabilities		<u>2,630,581</u>	<u>33</u>	<u>2,515,357</u>	<u>32</u>
Equity attributable to parent company shareholders						
Capital stock						
3110	Common stock	6(13)	3,286,054	41	3,286,054	41
Capital reserves						
3200	Capital reserves	6(14)	578,131	7	578,131	6
Retained earnings						
3310	Legal reserve	6(15)	816,159	10	809,235	10
3320	Special reserve		126,502	2	68,007	1
3350	Undistributed earnings		774,807	10	840,686	11
Other equity						
3400	Other equity	6(16)	(187,891)	(3)	(126,502)	(1)
31XX	Total equity attributable to parent company shareholders		<u>5,393,762</u>	<u>67</u>	<u>5,455,611</u>	<u>68</u>
3XXX	Total equity		<u>5,393,762</u>	<u>67</u>	<u>5,455,611</u>	<u>68</u>
Major Contingent Liabilities and Commitments Made Under Unrecognized Contracts Significant Subsequent Events						
3X2X	Total liabilities and equity	9	<u>\$ 8,024,343</u>	<u>100</u>	<u>\$ 7,970,968</u>	<u>100</u>

Please refer to the notes of the consolidated financial statements, which constitute a part of the consolidated financial report.

CyberTAN Technology Inc. and the subsidiaries
Consolidated statement of comprehensive income
January 1 to December 31, 2019 and 2020

Unit: NTD thousand
(Except the unit of earnings per share is NTD)

	Item	Notes	2020		2019	
			Amount	%	Amount	%
4000	Operating revenue	6(17) and 7	\$ 4,834,151	100	\$ 5,707,963	100
5000	Operating cost	6(5)(22) (23) and 7	(4,462,416)	(92)	(5,242,760)	(92)
5950	Net operating gross profit		<u>371,735</u>	<u>8</u>	<u>465,203</u>	<u>8</u>
	Operating expense	6(22) (23) and 7				
6100	Selling expenses		(56,000)	(1)	(80,212)	(1)
6200	Administrative expenses		(68,349)	(1)	(69,576)	(1)
6300	R&D expenses		(272,019)	(6)	(278,380)	(5)
6450	Expected credit impairment losses	12(2)	(849)	-	(2,879)	-
6000	Total operating expenses		<u>(397,217)</u>	<u>(8)</u>	<u>(431,047)</u>	<u>(7)</u>
6900	Operating profits (losses)		<u>(25,482)</u>	<u>-</u>	<u>34,156</u>	<u>1</u>
	Non-operating revenue and expenses					
7100	Interest revenue	6(18)	30,161	1	43,234	1
7010	Other revenue	6(19)	109,340	2	76,828	1
7020	Other gains and losses	6(20)	(46,118)	(1)	(74,870)	(2)
7050	Financial Costs	6(21)	(24,701)	(1)	(15,261)	-
7060	The share of the profit or loss of affiliated companies, joint ventures recognized under the equity method	6(6)	(24,376)	-	1,232	-
7000	Total non-operating income and expense		<u>44,306</u>	<u>1</u>	<u>31,163</u>	<u>-</u>
7900	Net profit before tax		<u>18,824</u>	<u>1</u>	<u>65,319</u>	<u>1</u>
7950	Income tax benefits (expenses)	6(24)	<u>4,751</u>	<u>-</u>	<u>(13,967)</u>	<u>-</u>
8200	Current net profit		<u>\$ 23,575</u>	<u>1</u>	<u>\$ 51,352</u>	<u>1</u>

(To be continued)

CyberTAN Technology Inc. and the subsidiaries
Consolidated statement of comprehensive income
January 1 to December 31, 2019 and 2020

Unit: NTD thousand
(Except the unit of earnings per share is NTD)

	Item	Notes	2020		2019	
			Amount	%	Amount	%
	Other comprehensive income					
	Items not reclassified to profit or loss					
8311	Remeasurement of defined benefit plan	6(11)	\$ 4,367	-	\$ 3,526	-
8316	Unrealized valuation gains and loss from equity instrument investments measured at fair value through other comprehensive income	6(2)(16)	(3,207)	-	21,643	-
8320	The share of other comprehensive income of affiliated companies, joint ventures recognized under the equity method – items not reclassified to profit or loss	6(6)(16)	(31,434)	(1)	(6,759)	-
8349	Income tax related to items not reclassified	6(16)(24)	3,212	-	1,576	-
8310	Total of items not reclassified to profit or loss		(27,062)	(1)	19,986	-
	Items may be reclassified to profit or loss subsequently					
8361	Exchange difference in the financial statement translation of the foreign operation	6(16)	(9,318)	-	(60,667)	(1)
8370	The share of other comprehensive income of affiliated companies, joint ventures recognized under the equity method – items may be reclassified to profit or loss	6(6)(16)	(1,617)	-	(12,060)	-
8399	Income tax related to items may be reclassified	6(16)(24)	1,864	-	12,133	-
8360	Total of items may be reclassified to profit or loss subsequently		(9,071)	-	(60,594)	(1)
8300	Other comprehensive income (net amount)		<u>(\$ 36,133)</u>	<u>(1)</u>	<u>(\$ 40,608)</u>	<u>(1)</u>
8500	Total comprehensive income for the year		<u>(\$ 12,558)</u>	<u>-</u>	<u>\$ 10,744</u>	<u>-</u>
	Net profit attributable to:					
8610	Parent company shareholders		<u>\$ 23,575</u>	<u>1</u>	<u>\$ 51,352</u>	<u>1</u>
	The total comprehensive income attributable to:					
8710	Parent company shareholders		<u>(\$ 12,558)</u>	<u>-</u>	<u>\$ 10,744</u>	<u>-</u>
	Basic earnings per share					
9750	Total basic earnings per share	6(25)	<u>\$ 0.07</u>		<u>\$ 0.16</u>	
	Diluted earnings per share					
9850	Total diluted earnings per share	6(25)	<u>\$ 0.07</u>		<u>\$ 0.16</u>	

Please refer to the notes of the consolidated financial statements, which constitute a part of the consolidated financial report.

CyberTAN Technology Inc. and the subsidiaries
Consolidated Statement of Changes in Shareholders' Equity
January 1 to December 31, 2019 and 2020

Unit: NTD thousand

		Equity attributable to parent company shareholders							
		Retained earnings				Other equity			
Notes	Common stock	Capital reserves – stock premium	Legal reserve	Special reserve	Undistributed earnings	Exchange difference in the financial statement translation of the foreign operation	Unrealized profit or loss of financial assets measured at fair value through other comprehensive income	Total	
<u>2019</u>									
		\$ 3,286,054	\$ 578,131	\$ 792,575	\$ 3,619	\$ 983,937	(\$ 55,614)	(\$ 12,393)	\$ 5,576,309
		-	-	-	-	51,352	-	-	51,352
	6(16)	-	-	-	-	704	(60,594)	19,282	(40,608)
		-	-	-	-	52,056	(60,594)	19,282	10,744
	6(15)								
		-	-	16,660	-	(16,660)	-	-	-
		-	-	-	64,388	(64,388)	-	-	-
		-	-	-	-	(131,442)	-	-	(131,442)
	6(2)(16)	-	-	-	-	16,410	-	(16,410)	-
		-	-	-	-	773	-	(773)	-
		\$ 3,286,054	\$ 578,131	\$ 809,235	\$ 68,007	\$ 840,686	(\$ 116,208)	(\$ 10,294)	\$ 5,455,611
<u>2020</u>									
		\$ 3,286,054	\$ 578,131	\$ 809,235	\$ 68,007	\$ 840,686	(\$ 116,208)	(\$ 10,294)	\$ 5,455,611
		-	-	-	-	23,575	-	-	23,575
	6(16)	-	-	-	-	(3,008)	(9,071)	(24,054)	(36,133)
		-	-	-	-	20,567	(9,071)	(24,054)	(12,558)
	6(15)								
		-	-	6,924	-	(6,924)	-	-	-
		-	-	-	58,495	(58,495)	-	-	-
		-	-	-	-	(49,291)	-	-	(49,291)
	6(2)(16)	-	-	-	-	27,948	-	(27,948)	-
	6(16)	-	-	-	-	316	-	(316)	-
		\$ 3,286,054	\$ 578,131	\$ 816,159	\$ 126,502	\$ 774,807	(\$ 125,279)	(\$ 62,612)	\$ 5,393,762

Please refer to the notes of the consolidated financial statements, which constitute a part of the consolidated financial report.

Cash flow from operating activities

Net profit before tax in the current period		\$	18,824	\$	65,319
Adjustment items					
Income/expenses items					
Depreciation expenses	6(7)(8)(22)		94,199		105,831
Miscellaneous expenses – depreciation expenses	6(7)(8)(20)		17,977		19,267
Amortization expenses	6(22)		1,226		1,785
Expected credit impairment losses (gains)	12(2)		849		2,879
Net profit of financial assets measured at fair value through profit or loss	6(20)		-	(	417)
Interest expenses	6(21)		24,701		15,261
Miscellaneous expenses – interest expenses	6(20)		2,555		2,496
Interest revenue	6(18)	(	30,161)	(	43,234)
Dividend revenue	6(2)(19)	(	9,814)	(	2,919)
Share of profit or loss from affiliated companies under the equity method	6(6)		24,376	(	1,232)
Property, plant, and equipment recognized as expenses			398		-
Gains on disposal of property, plant and equipment	6(20)	(	1,699)	(	655)
Lease modification profit	6(20)		-	(	2,541)
Changes of assets/liabilities related to operating activities					
Net changes of assets/liabilities related to operating activities					
Accounts receivable (including the related party)			145,173		1,093,972
Inventory			123,417		366,821
Other accounts receivable		(	16,250)	(	350)
Other current assets			208		2,352
Other non-current assets		(	78)	(	2,316)
Net changes of liabilities related to operating activities					
Contract liabilities – current			15,002		3,013
Accounts payable (including the related party)		(	31,145)	(	369,325)
Other payables (including the related party)		(	40,027)	(	65,315)
Refund liabilities – current		(	7,639)	(	2,500)
Liability reserve		(	5,717)	(	5,420)
Advance on rent		(	1,290)	(	490)
Cash inflow from operations			325,085		1,182,282
Returned (paid) income tax			26,079	(	20,918)
Net cash inflow from operating activities			<u>351,164</u>		<u>1,161,364</u>
<u>Cash flow from investing activities</u>					
Disposal of financial assets proceeds measured at fair value through profit or loss	6(2)		28,845		16,964
Refunds from decapitalization of financial assets measured at fair value through profit or loss			-		19,740
Acquisition of financial assets measured at amortized cost		(	1,402,785)	(	1,213,058)
Disposal of financial assets measured at amortized cost			1,269,500		1,500
Decrease of financial assets measured at fair value through profit or loss			-		786
Acquisition of investment under equity method	6(6)		-	(	25,000)
Refunds from decapitalization of affiliated companies under the equity method	6(6)		6,000		-
Acquisition of property, plant, and equipment	6(7)	(	49,861)	(	82,540)
Disposal of property, plant, and equipment proceeds			3,153		2,475
Decrease (increase) in refundable deposit		(	483)	(	1,596)
Acquisition of intangible asset			-	(	1,732)
Interest received			29,366		44,484
Dividends received			9,814		2,919
Cash dividend distributed by affiliated companies recognized under the equity method	6(6)		-		12,185
Net cash outflow from investing activities		(	<u>106,451</u>)	(	<u>1,222,873</u>)
<u>Cash flow from financing activities</u>					
Increase in short-term loans			4,010,143		1,032,708
Decrease in short-term loans		(	3,714,308)	(	810,130)
Decrease in guarantee deposits		(	2,421)		368
Repayment of lease principal		(	43,561)	(	48,606)
Allocation of cash dividends	6(15)	(	49,291)	(	131,442)

Interest paid	(	26,721	)	(	17,757)
Increase (decrease) in other current liabilities	(	45,534	)	(	57,339)
Net cash inflow (outflow) from financing activities		<u>128,307</u>		(	<u>32,198</u>)
Foreign exchange rate effect		<u>1,788</u>		(	<u>58,649</u>)
Increase (decrease) in cash and cash equivalents in the current period		374,808		(	152,356)
Balance of cash and cash equivalents, beginning		<u>1,509,214</u>			<u>1,661,570</u>	
Balance of cash and cash equivalents, ending	\$	<u><u>1,884,022</u></u>		\$	<u><u>1,509,214</u></u>	

Attachment 5

CyberTAN Technology Inc.

2020 Earnings Distribution List

Unit: NTD

Undistributed earnings from the previous year		\$725,976,388
Add: 2020 current net profit	\$23,574,666	
Other comprehensive income for the year	(3,008,122)	
Disposal of equity instrument measured at fair value through other comprehensive income	27,947,400	
Changes of affiliated companies and joint ventures under equity method	<u>315,807</u>	
Total of the current net profit plus items other than the current net profit		48,829,751
Less: Allocated legal reserve (10%)		(4,882,975)
Allocated special reserve		<u>(61,389,585)</u>
Accumulated distributable earnings up to the end of 2019		708,533,579
Distribution items:		
Cash dividends (NTD 0.15 per share) (note)		<u>(49,290,813)</u>
Undistributed earnings – end of period		<u>\$659,242,766</u>

Note: 1. In accordance with Article 20-1 of the Articles of Incorporation, the Board of Directors is authorized to distribute all or part of the distributable dividends and bonuses in the form of cash and report this at the shareholders' meeting.

Chairman: Teddy Chen

President: Roger Wu

Accounting Manager: Sammie Huang

Attachment 6

CyberTAN Technology Inc.

Comparison Table of the Rules Governing the Election of Directors before and after Amendment

Provisions After Amendment	Current Provision	Description of the Amendment
<p>Article 3 <u>For the elections of directors, the person with the convening right shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The attendance card numbers and 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. The registered names of voters may be replaced by the attendance certificate number printed on the ballots.</u></p>	<p>Article 3 <u>The board of directors of the Company shall prepare separate ballots, and the attendance card number and the number of voting rights shall be specified on the ballots.</u></p>	<p>The content wording is adjusted in accordance with Tai-Zheng-Zhi-Tzi No. 1090009468 of TWSE.</p>
<p>Article 4 For the election of directors of the Company, the candidates receiving ballots representing the highest numbers of voting rights will be elected as the independent directors or non-independent directors 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. For any absence of such person, the chair shall draw lots on behalf of the person not in attendance.</p>	<p>Article 6 For the election of directors of the Company, the candidates receiving ballots representing the highest numbers of voting rights will be elected as the independent directors or non-independent directors 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. For any absence of such person, the chair shall draw lots on behalf of the person not in attendance.</p>	<p>The order and number of the article were adjusted and the wording was also amended and adjusted.</p>
<p>Article 5 Before the election begins, the chair shall appoint several vote monitoring personnel and vote counting personnel respectively to perform all of the relevant tasks, and the vote monitoring personnel shall be equipped with the shareholder status. <u>The ballot boxes (cases) shall be prepared by the person</u></p>	<p>Article 4 Before the election begins, the chair shall appoint several vote monitoring personnel and vote counting personnel respectively to perform all of the relevant tasks. The vote monitoring personnel shall be equipped with the shareholder status.</p>	<p>The order and number of the article were adjusted.</p>

Provisions After Amendment	Current Provision	Description of the Amendment
<p><u>with the convening rights and shall be publicly checked by the vote monitoring personnel before voting commences.</u></p>		
<p>(Deleted)</p>	<p><u>Article 5</u> <u>Voters shall indicate the name or shareholder account number or ID number and the number of voting rights of the candidate in the field of “Candidate” of the ballots.</u> <u>However, when the candidate is a governmental organization or juristic-person shareholder, the full name of the governmental organization or juristic-person shareholder shall be entered in the column of the candidate on the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered.</u></p>	<p>The content is deleted in accordance with the Tai-Zheng-Zhi-Tzi No. 1090009468 of TWSE,</p>
<p><u>Article 6</u> A ballot is invalid under any of the following circumstances:</p> <p>(I) The ballot is not prepared by <u>a person with the convening right.</u></p> <p>(II) Ballots not dropped into the ballot box (case).</p> <p>(III) A blank ballot is placed in the ballot box (case).</p> <p>(IV) Two or more candidates are <u>listed on one single ballot.</u></p> <p>(V) The candidate whose name is entered on the ballot does not conform to <u>the director candidate roster.</u></p> <p>(VI) <u>Other words or marks are entered in addition to the number of voting rights allotted.</u></p> <p>(VII) The writing is unclear and indecipherable.</p>	<p><u>Article 7</u> A ballot is invalid under any of the following circumstances:</p> <p>(I) A ballot is not prepared in accordance with <u>Article 3 of these Rules.</u></p> <p>(II) Ballots not dropped into the ballot box (case).</p> <p>(III) A blank ballot is placed in the ballot box (case).</p> <p>(IV) Two or more candidates are <u>listed on one single ballot.</u></p> <p>(V) Any one of the <u>name, shareholder account number, or ID number and number of voting rights of the candidate entered is altered.</u></p> <p>(VI) <u>The name of the candidate entered on the ballot is identical to that of another shareholder, but no shareholder account number or identification card number is provided on the ballot for identification.</u></p> <p>(VII) The writing is unclear and indecipherable.</p>	<p>According to the deletion of Article 5 and Article 8, the article number is adjusted and content wording is amended in accordance with the Tai-Zheng-Zhi-Tzi No. 1090009468 of TWSE</p>

Provisions After Amendment	Current Provision	Description of the Amendment
(Deleted)	<u>Article 8</u> <u>For the election of directors, the ballot boxes (cases) shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.</u>	This article is deleted and amended to Article 5
Article <u>7</u> (Omitted).	Article <u>9</u> (Omitted).	According to the deletion of Article 5 and Article 8, article number is adjusted
Article <u>8</u> (Omitted).	Article <u>10</u> (Omitted).	According to the deletion of Article 5 and Article 8, article number is adjusted
Article <u>9</u> (Omitted).	Article <u>11</u> (Omitted).	According to the deletion of Article 5 and Article 8, article number is adjusted
Article <u>10</u> (Omitted).	Article <u>12</u> (Omitted).	According to the deletion of Article 5 and Article 8, article number is adjusted

Attachment 7

CyberTAN Technology Inc.

List of Nominated Candidates for Directors (Including Independent Directors)

Candidate type	Candidate name	Educational background	Experience	Shareholding (Shares)
Director	Foxconn Technology Co., Ltd : Teddy Chen	M.B.A., Tulane University, U.S.A.	1. Chairman of Fortune Information Systems Corporation 2. Director of China Airlines	10,035,348 shares
Director	Foxconn Technology Co., Ltd : Kuoliang. Ho	1. Department of Communications Engineering, National Chiao Tung University 2. Institute of Communications Engineering, National Chiao Tung University	Manager of Strategic Investment Division, Hon Hai Precision Industry Co., Ltd.	10,035,348 shares
Director	Roger Wu	Master of Information Management, Lawrence Technological University, U.S.A.	1. Vice President of Network Communication Business Unit, Hon Hai Precision Industry Co., Ltd. 2. Assistant Vice President of R&D Division, Ambit Microsystems Corp.	400,000 shares
Independent Director	Lin Shih-Mei	Master of Law, University College London, U.K.	Managing Partner and Attorney, Dawning Law Office	0 shares
Independent Director	Judy Y.C. Chang	1. Doctor of Law, China University of Political Science and Law 2. Master of Information Management, Lawrence Institute of Technology 3. 3. Master of Law, American University	Partner, Lee & Lee Attorneys-At-Law	0 shares
Independent Director	Lin Ying-Shan	1. EMBA, National Sun Yat-sen University 2. Master of Management Science, Kaohsiung Technology University	CFO & Director of Emerging Display Technologies Co., Ltd.	0 shares
Independent Director	Ting Hung-Hsun	Department of Accounting, Chinese Culture University	1. Partner and Accountant, Baker Tilly Clock & Co 2. Director of Pacific SOGO Department Stores Co., Ltd.	0 shares

Attachment 8

CyberTAN Technology Inc.

List of Nominated Candidates for Directors (Including Independent Directors) and Concurrent Positions in Other Companies

Candidate type	Candidate name	Concurrent Positions in Other Companies
Director	Teddy Chen	Consultant of Cloud Network Technology Singapore PTE. LTD. Director of Nanning Fugui Precision Industrial Co., Ltd. Chairman of Cyber Touch Investment Inc. Director of Foxfortune Technology Ventures Limited
Director	Kuoliang. Ho	Senior Director of Hon Hai Precision Industry Co., Ltd. Director of Microelectronics Technology Inc. Director of Taiwan Intelligent Fiber Optic Network Co.,Ltd. Chairman of Fu Hua Ke Precision Industry (Shenzhen) Co., Ltd. Director of Nuwa Robotics Corp. Director of NUWA Robotics Corp. Director of FG Innovation IP Company Limited Director of PCCW International OTT (Cayman Islands) Holdings Limited
Director	Roger Wu	Director of Microelectronics Technology Inc. Chairman of Fu Hong Kang Technology Precision Industry(Shenzhen) Co., Ltd. Chairman of Chongqing Hongdaofu Technology Co.,Ltd. Director of Cyber Touch Investment Inc. Director of Chun Neng Management Consulting Co., Ltd. Chairman of HON YAO FU Technology Company Limited
Independent Director	Lin Shih-Mei	Independent Director of Fortune Information Systems Corporation Independent Director of Taimide Tech. Inc.
Independent Director	Lin Ying-Shan	Director and President of Mildex Optical Inc. Independent Director / Member of the Compensation Committee, Tayih Kenmos Auto Parts Co., Ltd. Independent Director / Member of the Compensation Committee , ShunSin Technology Holdings Limited
Independent Director	Ting Hung-Hsun	Independent Director / Member of Chairman of the Audit Committee, ShunSin Technology Holdings Limited Supervisor of Emerging Display Technologies Corp. Director of CEN LINK CO.,LTD.

Appendix 1

CyberTAN Technology Inc.

June 24, 2020

Rules of Procedure for Shareholders' Meetings

- Article 1 Except as otherwise specified by laws and regulations, the shareholders' meeting of CyberTAN Technology Inc. (hereinafter referred to as CyberTan) shall be held in accordance with the Rules of Procedure for Shareholders' Meetings.
- Article 2 Except as otherwise specified by laws and regulations, the Company's shareholders' meetings shall be convened by the Board of Directors.
- Article 3 The venue for a shareholders' meeting shall be the premises of the Company or a place easily accessible to shareholders and suitable for convention of shareholders' meetings. The meeting may begin no earlier than 9 am and no later than 3 pm.
- Article 4 The Chairman shall preside over the shareholders' meeting.
In case the Chairman is on leave or cannot be present for whatever reasons, he/she shall designate one of the directors to act on his/her behalf; in the absence of such designation, the directors shall elect from among themselves an acting chairman.
Where a shareholders' meeting is convened by another authorized convener other than the Board of Directors, such meeting shall be chaired by that convener. In the event that there are two or more conveners, one shall be elected from among themselves to chair the meeting.
- Article 5 All the shareholders of the Company shall attend the shareholders' meeting personally. Any shareholder who cannot attend the shareholders' meeting in person shall use the letter of attorney issued by the Company and specify the scope of authorization for appointing a proxy to attend the meeting.
Except for trust enterprises or stock agencies approved by the competent authority, when a person acts as the proxy for two or more shareholders, the number of voting powers represented by him/her shall not exceed 3% of the total number of the issued voting shares. Otherwise, the portion of excessive voting power shall not be counted. One shareholder shall only issue one letter of attorney and appoint one proxy. The letter of attorney shall be delivered to the Company no later than five days prior to the shareholders' meeting date. In case any letter of attorney is delivered repeatedly, the first one delivered to the Company shall prevail. However, this is not applicable if the previous authorization has been declared for revocation.
- Article 6 Shareholders or proxies shall carry out the sign-in procedure to attend a shareholders' meeting. This procedure can be replaced with the sign-in card. The quantity of shares represented by the shareholders attending

the meeting shall be based on the sign-in cards handed in plus the votes representing the shares cast by electronic means.

Article 7 The presence at a shareholders' meeting shall be duly calculated based on the number of shares.

Article 8 The Chairman shall call the meeting to order when the time schedule is due and the shareholders present at the meeting constitute a majority of the aggregate number of issued shares. The Chairman may announce a postponement of the meeting if the shareholders present at the meeting do not constitute a quorum. No more than two postponements shall be announced, and the time of such postponements shall not aggregately exceed one hour.

Where the shareholders present at the meeting do not constitute a quorum after two postponements but represent one third or more of the aggregate number of issued shares, the shareholders may reach a tentative resolution with the votes constituting a majority of the total votes of the shareholders present at the meeting. When, after the tentative resolution has been made according to the aforesaid procedure, the attending shareholders constitute a majority of the total number of issued shares prior to conclusion of the meeting, the Chairman may resubmit the tentative resolution to the shareholders' meeting for adoption pursuant to Article 174 of the Company Act.

Article 9 Shareholders are entitled to one voting right per share except for those without any voting rights granted according to Article 179 of the Company Act.

Where the shareholders may be the government or institutions, more than one representative may be assigned to attend the meeting, but the voting right of such representative shall be exercised and calculated based on the actual number of shares held by him/her.

In case there are two or more representatives as mentioned in the preceding paragraph, the voting right shall be exercised commonly by the representatives.

Article 10 The Company may appoint the retained attorney(s), certified public accountant(s) or relevant personnel to participate in a shareholders' meeting.

The personnel administering the shareholders' meeting shall wear ID badges or badges.

Article 11 Shareholders' meetings of the Company must be recorded in video or audio, and kept for at least one (1) year.

Article 12 The agenda of the shareholders' meeting shall be set by the Board of Directors and the meeting shall proceed in the order set in the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provision set forth under the preceding paragraph is applicable, mutatis mutandis, to a shareholders' meeting that is convened by a convener other than the Board of Directors.

The Chairman may not announce the adjournment until a resolution is reached with regard to the agenda (including impromptu motions) arranged in accordance with the preceding two paragraphs. Where the Chairman has announced the adjournment without justifiable reasons, the shareholders present at the meeting and representing a majority of the voting rights may elect a chairman to continue the meeting.

After the meeting is adjourned, shareholders cannot elect another chairman or seek another venue for continuation of the meeting.

Article 13 Before making a speech, the attending shareholders or proxies must fill out and submit the speech memo stating the purpose of the speech, the shareholder account number or attendance card number, and the account name for the Chairman to determine the order of speakers.

The attending shareholders or proxies who have submitted a speech memo but do not speak shall be deemed to have not spoken. In case the contents of the speech delivered are irrelevant with the contents in the speech memo, the former shall prevail.

When a shareholder has the floor, all other shareholders shall not interfere unless at the consent of the Chairman or the shareholder who holds the floor. Any unrestrained action shall be discouraged by the Chairman.

Article 14 (Deleted)

Article 15 Except where approved by the Chairman, a shareholder or proxy 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 discussion, the Chairman may terminate the speech.

Article 16 Where a judicial person is appointed as a proxy to attend a shareholders' meeting, it may appoint only one representative to the meeting.

Where a corporate shareholder appoints two (2) or more representatives to a shareholders' meeting, only one representative may express opinions on the same motion.

Article 17 After a shareholder present at the meeting completes the speech, the Chairman may respond either in person or through a relevant person designated.

Article 18 The Chairman may announce to stop of discussion on an issue and put it to voting when finding the issue is ready for balloting.

Article 19 The ballot monitoring and counting staff for a voting or election process shall be appointed by the Chairman. A monitor shall be appointed only out of shareholders.

The voting result shall be made known on-site immediately and recorded in writing.

- Article 20 When a meeting is in progress, the Chairman may announce a break based on time considerations.
- Article 21 Except as otherwise specified in the Company Act and the Company's Articles of Incorporation, the decision of an issue shall be resolved by a majority vote in the meeting that is attended by shareholders who represent a majority of the total issued shares.
- Article 22 Where a proposal is put forward together with its amendment or alternative, the Chairman shall decide the order of voting along with the initial issue. In the event that one of the proposals is satisfactorily adopted, other proposals are deemed to have been rejected and no voting is needed any more.
- Article 23 The Chairman may instruct the marshals or security guards to maintain the order of the meeting. The marshals or security guards at the meeting venue assisting with maintenance of order shall wear armbands marked "Marshal."
- Article 24 The matters that are not specified in the Rules shall be subject to the Company Act, the Articles of Incorporation of the Company.
- Article 25 These Rules shall come into enforcement upon adoption at the shareholders' meeting.

Appendix 2

CyberTAN Technology Inc. Articles of Incorporation

Chapter 1 General Provisions

Article 1: The Company is incorporated in accordance with the Company Act and titled 建漢科技股份有限公司 or CyberTAN Technology Inc. in English.

Article 2: The Company's business services are as follows:

1. CC01060 Wired Communication Equipment and Apparatus Manufacturing.
2. CC01080 Electronics Components Manufacturing.
3. CC01101 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing (radio transceiver only).
4. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import (radio transceiver only).
5. CC01110 Computer and Peripheral Equipment Manufacturing.
6. CC01120 Data Storage Media Manufacturing and Duplicating.
7. CC01070 Telecommunication Equipment and Apparatus Manufacturing.
8. F401010 International Trade.
9. I301010 Software Design Services.

Research, development, production, manufacturing and sale of the following products:

- (1) Broadband Internet router/gateway
- (2) Virtual private network
- (3) Firewall
- (4) Layer 3/Layer 4 switch
- (5) Wired high-end broadband network security router
- (6) Wireless high-end broadband network security router
- (7) Network service matching platform

Article 2-1: External investment of the Company is not subject to Article 13 of the Company Act.

Article 3: The Company has its headquarters located in the Hsinchu Science Park and, if necessary, branches can be established domestically or overseas subject to the approval of the competent authority and resolution at the Board of Directors meeting.

Article 4: The Company may make external endorsement and guarantees for business needs.

Chapter 2 Shares

Article 5: The Company has total capital of NT\$3.630 billion equally divided into 363 million shares at NT\$10 per share. The Board of Directors is

authorized to issue the shares that have not been issued in tranches. An amount equal to NT\$140 million of the total capital referred to in the preceding paragraph is reserved for issuance of ESOs in a total of 14 million shares. They may be issued in tranches subject to the resolution at the Board of Directors meeting. In the event the Company may repurchase its shares in accordance with laws, the Board of Directors shall be authorized for issuance in tranches.

- Article 5-1: The employees to whom repurchased shares of the Company are transferred, the employees to whom ESOs are issued, the employees for whom new shares are issued and reserved for subscription to increase the capital in cash, and the employees to whom new restricted employee shares are issued, including the required conditions to be met by the employees of any controlled or affiliate companies and the transfer or distribution methods, shall be established by the Board of Directors under authorization.
- Article 6: The Company's stock affairs are processed in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" and other relevant laws and regulations.
- Article 7: The stocks of the Company are registered. They shall be signed by or affixed with the stamps of the directors as the representatives of the Company. The stocks may be issued only after being authenticated in accordance with relevant laws. Shares of the Company may be issued without printing physical stock certificates. In this case, the Company shall register with a centralized securities depository enterprise.
- Article 8: Any share transfer shall be suspended within 60 days prior to a regular shareholders' meeting, or within 30 days prior to a special shareholders' meeting, or within 5 days prior to the dividend or bonus announcement day or the day on which other benefits are released.

Chapter 3 Shareholders' Meeting

- Article 9: Shareholders' meetings may convene in regular sessions or special sessions. Regular sessions are usually convened once a year within six months after the end of each fiscal year. Special sessions may be convened whenever necessary.
- Article 10: Where any shareholder cannot attend the shareholders' meeting in person, such shareholder may use the letter of attorney issued by the Company and indicate the scope of authorization for appointment of a proxy to attend the meeting. In addition to Article 177 of the Company Act, shareholders using proxies for attendance at a shareholders' meeting shall follow the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" promulgated by the competent authority.

Article 11: Shareholders are entitled to one voting right for per share except those who are under restriction or do not have voting rights as specified in the Company Act.

Article 11-1: Shareholders' meetings are convened by the Board of Directors, and the Chairman shall preside over the meeting. Where the Chairman is absent, Article 208 of the Company Act shall apply. Where a shareholders' meeting is convened by another authorized convener other than the Board of Directors, the meeting shall be chaired by that convener. In the event that there are two or more authorized conveners, one shall be elected from among themselves to chair the meeting.

Article 12: Resolutions at a shareholders' meeting shall, unless otherwise specified in the Company Act, be adopted by a majority vote of the shareholders present at the meeting and representing more than one-half of the total number of voting shares.

Article 12-1: All the resolutions of the shareholders' meeting shall be recorded in the minutes, signed by or affixed with the stamp of the Chairman. The minutes shall be released to all the shareholders within 20 days after the meeting. The preparation and distribution of the minutes may be carried out electronically. The minutes may be uploaded to the MOPS in lieu of the distribution referred to in the preceding paragraph. The matters to be recorded in the minutes and their retention period shall be subject to Article 183 of the Company Act.

Chapter 4 Board of Directors and Audit Committee

Article 13: The Company shall have 5 to 9 directors and at least 3 of them independent directors who shall constitute at least one-fifth of the total seats of directors. The nomination of candidates system shall be used for the election of directors, and the directors shall be appointed at the shareholders' meeting from the list of the candidates. The directors shall have a service term of three years and may renew their term of office through reelection.

The Company has established the Audit Committee comprised of all independent directors.

The total number of inscribed stocks held aggregately by all the directors is subject to the regulations of the authority in charge of securities exchange.

The Company shall take out liability insurance for the directors against their legal compensation responsibility within the scope of their duties.

Article 13-1: In case election of new directors cannot be effected in time after expiration of the term of office of existing directors, this term of office may be extended until the new directors elected have assumed their office as directors. However, the competent authority may order,

ex officio, the company to conduct the re-election of supervisors within a given time limit. If election of new supervisors is still not effected, the existing supervisors shall be discharged, ipso facto, upon expiry of the time limit specified by the competent authority.

- Article 13-2: Where the number of vacancies in the Board of Directors reaches one third of the director positions, the Board of Directors shall, within 60 days, hold a special shareholders' meeting to elect succeeding directors to fill the vacancies.
- Article 14: The Board of Directors is comprised of directors. It shall elect a chairman from among the directors by a majority vote at a meeting attended by over two-thirds of the directors, and may also elect in the same manner a vice chairman depending on the business needs. The Chairman shall represent the company externally. The Board of Directors may set up audit, nomination, remuneration or other functional committees.
- Article 15: In the absence of the Chairman or the Chairman is unable to perform its duties for whatever reasons, Article 208 of the Company shall apply to the appointment of the proxy for the Chairman.
- Article 15-1: Discussion of issues at the Board of Directors meeting must be documented in the minutes signed by or affixed with the stamp of the Chairman. They shall be distributed to the board directors within 20 days after the meeting. The essentials and results of the meeting should be recorded in the minutes. The minutes, attendance register and proxies should be retained in the Company.
- Article 15-2: The director who is not in the position to attend a Board of Directors meeting may issue a letter of attorney and appoint another director to attend the meeting. Each director may only accept the appointment of one director.
- Article 15-3: The Board of Directors meeting shall be convened with reasons, and a meeting notice shall be sent to each director seven days in advance. However, a Board of Directors meeting may be held at any time in case of emergency. The meeting notice may be sent by email or fax.
- Article 16: The Board of Directors is authorized to decide the level of remuneration to directors based on their individual involvement in and contribution to the operation of the Company and with reference to the peer level.

Chapter 5 Managerial Officer

- Article 17: The Company may set up one general manager. The appointment, discharge and remuneration of the general manager shall be subject to Article 29 of the Company Act.

Chapter 6 Accounting Policy

Article 18: The Company's Board of Directors shall compile the following accounting books at the end of the fiscal year and submit them to the annual shareholders' meeting for ratification.

1. Business Report.
2. Financial Statements.
3. Proposal for Earnings Distribution or Loss Off-setting.

Article 19: Deleted

Article 20: 7%–9% of the annual earnings of the Company, if any, shall be set aside as the remuneration to employees. The Board of Directors shall decide whether such remuneration to the employees is distributed in shares or in cash. The employees to whom remuneration may be distributed include those of the controlled or affiliate companies who meet specific conditions. The Board of Directors is authorized to define these conditions and the distribution methods. Distribution of remuneration to the employees shall be reported to the shareholders' meeting.

However, earnings must first be used to offset cumulative losses, if any, before being distributed to the employees and directors as their remuneration at the percentage mentioned above.

Article 20-1: If the Company has profit at the year's final accounting, it shall first be used to pay the income tax and make up any cumulative losses in accordance with laws, and 10% of the balance shall be appropriated as legal reserve, unless the existing legal reserve reaches the amount of the Company's paid-in capital. The rest of the balance shall be used for provision/reversal of special reserves pursuant to laws. The residual balance, if any, shall be added to cumulative undistributed earnings. The Board of Directors shall draft a motion for allocation of the residual balance plus the undistributed earnings, and submit the same to the shareholders' meeting to resolve whether shareholder bonus shall be distributed.

The Company authorizes the Board of Directors to make a resolution with respect to payment of all or part of the distributable dividends, bonuses, capital reserves or legal reserves in cash by a majority vote at a meeting attended by over two-thirds of the directors and report such payment to the shareholders' meeting without being subject to the resolution of the shareholders' meeting referred to in the preceding paragraph.

The Company is now in the growth stage. As such, the dividend distribution policy shall be conditioned by the investment environment, capital needs, domestic and international competition, and capital budgeting of the Company at present moment and in the future. Shareholders' interests and long-term financial planning of the Company shall also be considered. The cumulative distributable

earnings for shareholders' dividends shall be appropriated at no less than 15% of the distributable earnings in the current year. The dividends in cash shall not be less than 10% of the dividends for the shareholders.

Chapter 7 Supplementary Provisions

Article 21: Matters that are not specified in the Articles of Incorporation are subject to the Company Act.

Article 22: The Articles of Incorporation were stipulated on May 13, 1998.

The 1st amendment was on November 18, 1998.

The 2nd amendment was on September 15, 1999.

The 3rd amendment was on June 10, 2000.

The 4th amendment was on December 6, 2000.

The 5th amendment was on February 21, 2001.

The 6th amendment was on May 31, 2001.

The 7th amendment was on May 21, 2002.

The 8th amendment was on May 16, 2003.

The 9th amendment was on May 12, 2004.

The 10th amendment was on June 14, 2005.

The 11th amendment was on January 20, 2006.

The 12th amendment was on June 15, 2006.

The 13th amendment was on June 15, 2007.

The 14th amendment was on June 13, 2008.

The 15th amendment was on June 16, 2009.

The 16th amendment was on June 25, 2010.

The 17th amendment was on June 18, 2012.

The 18th amendment was on June 19, 2013.

The 19th amendment was on June 27, 2014.

The 20th amendment was on June 22, 2015.

The 21st amendment was on June 27, 2016.

The 22nd amendment was on June 21, 2019.

CyberTAN Technology Inc.
Chairman: Teddy Chen

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CyberTAN Technology Inc.

Rules Governing the Election of Directors (before amendment)

June 22, 2015

- Article 1 Unless the Company Act and the Articles of the Incorporation of the Company specify otherwise, the election of directors of CyberTAN Technology Inc., (hereinafter referred to as “the Company”) shall be handled in accordance with these Rules.
- Article 2 For the election of directors of the Company, unless the laws specify otherwise, each share shall 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. Independent directors and non-independent directors shall be elected at the same time in accordance with the provision of Article 198 of the Company act, but on separate ballots.
- Article 3 The board of directors of the Company shall prepare separate ballots, and the attendance card number and the number of voting rights shall be specified on the ballots.
- Article 4 Before the election begins, the chair shall appoint several vote monitoring personnel and vote counting personnel respectively to perform all of the relevant tasks. The vote monitoring personnel shall be equipped with the shareholder status.
- Article 5 Voters shall indicate the name or shareholder account number or ID number and the number of voting rights of the candidate in the field of “Candidate” of the ballots. However, when the candidate is a governmental organization or juristic-person shareholder, the full name of the governmental organization or juristic-person shareholder shall be entered in the column of the candidate on the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered.
- Article 6 For the election of directors of the Company, the candidates receiving ballots representing the highest numbers of voting rights will be elected as the independent directors or non-independent directors 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. For any absence of such person, the chair shall draw lots on behalf of the person not in attendance.
- Article 7 A ballot is invalid under any of the following circumstances:
(I) A ballot is not prepared in accordance with Article 3 of these Rules.
(II) Ballots not dropped into the ballot box (case).
(III) A blank ballot is placed in the ballot box (case).
(IV) Two or more candidates are listed in one single ballot.
(V) Any one of the name, shareholder account number, or ID number and number of voting rights of the candidate entered is altered.
(VI) The name of the candidate entered on the ballot is identical to that of another shareholder, but no shareholder account number or identification card number is provided on the ballot for identification.
(VII) The writing is unclear and indecipherable.
- Article 8 For the election of directors, the ballot boxes (cases) shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting

commences.

- Article 9 The voting rights shall be calculated on site immediately after the end of the poll, and the results shall be announced by the chair on site.
- Article 10 The Company shall issue notifications to the persons elected as directors.
- Article 11 Any matters not specified in these Rules shall be handled in accordance with the Company Act and other relevant laws and regulations.
- Article 12 These Rules shall take effect after the approval of the shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

Appendix 4

CyberTAN Technology Inc. **Shareholding Information of Directors**

1. The paid-in capital of the Company was NT\$3,286,054,180 and 328,605,418 shares were issued up to April 27, 2021.
2. The minimum shareholding of all the directors pursuant to Article 26 of Securities and Exchange Act shall be 13,144,216 shares; the Company complies with relevant regulations. Details are disclosed as follows:

Date: 04.27.2021

Title	Shareholder Account Title	Number of Shares Held
Chairman	Hyield Venture Capital Co., Ltd : Teddy Chen	10,035,348 shares
Director	Jia Lian Investment Co., Ltd : Roger Wu	227,224 shares
Director	Foxconn Technology Co., Ltd : Kuoliang. Ho	10,035,348 shares
Director	Lin Ching-Wei	0 shares
Independent Director	Ting Hung-Hsun	0 shares
Independent Director	Judy Y.C. Chang	0 shares
Independent Director	Lin Ying-Shan	0 shares
Total director shareholdings		20,297,920 shares